

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

JOHN G. ROWLAND GOVERNOR CRISTINE A. VOGEL COMMISSIONER

March 2, 2004

Guy E. Torstenson, M.D. President Fairfield County Radiology Associates, LLC P.O. Box 6357 Bridgeport, CT 06606

Re: Certificate of Need Determination, Report Number 04-30258-DTR Fairfield County Radiology Associates, LLC Acquire a 0.3 Tesla Open MRI Scanner for Bridgeport Office

Dear Dr. Torstenson:

On February 25, 2004, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request concerning the proposal of Fairfield County Radiology Associates, LLC ("FCRA, LLC") to acquire a 0.3 tesla open MRI scanner for its office to be located at 3715 Main Street, Suite 100 in Bridgeport, at a total capital expenditure of \$385,300. OHCA has reviewed the information contained in your CON Determination request letter and makes the following findings:

- 1. Fairfield County Radiology Associates, LLC is a private physician practice formed approximately one year ago that presently comprises six radiologists, each of whom is an equal member.
- 2. FCRA, LLC is the sole provider of radiology services for St. Vincent's Medical Center ("Hospital") located at 2800 Main Street in Bridgeport.
- 3. FCRA, LLC has never purchased or leased any radiology equipment in the past and has not maintained any office outside of the Hospital.
- 4. FCRA, LLC plans to open an outpatient imaging center to serve patients residing in Bridgeport and its surrounding municipalities to be known as the Fairfield County Radiology Associates, LLC Imaging Center ("FCRA Imaging Center").
- 5. The FCRA Imaging Center will be located at 3715 Main Street, Suite 100 in Bridgeport and is projected to become operational by the summer of 2004.

- 6. Presently, many patients being scanned at the Hospital are unable to undergo an MRI test due to either claustrophobia or obesity, and there are no outpatient open MRI services being offered in Bridgeport.
- 7. The proposed population to be served by FCRA, LLC is over three hundred thousand people residing in the towns of Fairfield County, which include Bridgeport, Stratford, Fairfield and Trumbull.
- 8. FCRA, LLC intends to acquire and install a Hitachi MPR 7000 open MRI scanner to be operated at the FCRA Imaging Center in Bridgeport.
- 9. The total capital expenditure associated with the proposal is \$385,300, which includes \$323,300 for the open MRI scanner and \$62,000 for building renovations.
- 10. The proposal's total capital expenditure of \$385,300 will be financed through a commercial bank loan.

Based on the above findings, OHCA has determined that Certificate of Need approval is not required for Fairfield County Radiology Associates, LLC to acquire a 0.3 tesla open MRI scanner for its office to be located at 3715 Main Street, Suite 100 in Bridgeport, at a total capital expenditure of \$385,300. Please be advised, however, that if FCRA, LLC changes the scope of services to be provided at this location or incurs a total capital expenditure equal to or greater than \$400,000 for the open MRI scanner, or incurs a total capital expenditure equal to or greater than \$1,000,000 for the project, Certificate of Need approval from OHCA would then be required.

Thank you for letting OHCA know of your plans. If you have any questions concerning this letter, please contact Harold M. Oberg, Principal Health Care Analyst, at OHCA at (860) 418-7001.

Sincerely,

Cristine A. Vogel Commissioner

cc: Rose McLellan, Licensing Examination Assistant, DHSR, DPH John T. Del Negro, Esq., Del Negro and Feldman, LLC

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