

STATE OF CONNECTICUT OFFICE OF HEALTH CARE ACCESS

JOHN G. ROWLAND GOVERNOR CRISTINE A. VOGEL COMMISSIONER

May 12, 2004

Mr. Glenn Elia Chief Executive Officer Connecticut Orthopedic Specialists, P.C. 2408 Whitney Avenue Hamden, CT 06518

Re: Certificate of Need Determination, Report Number 04-30288-DTR Connecticut Orthopedic Specialists, P.C. Acquisition of an Extremity MRI Unit

Dear Mr. Elia:

On April 30, 2004, the Office of Health Care Access ("OHCA") received a Certificate of Need ("CON") Determination request regarding the proposal of Connecticut Orthopedic Specialists, P.C. ("Connecticut Orthopedic") to acquire an extremity MRI unit for its orthopedic surgical practice in Hamden. OHCA has reviewed the information contained in your request and makes the following findings:

- 1. Connecticut Orthopedic Specialists, P.C. is a private physician group providing orthopedic services that is located at 2416 Whitney Avenue in Hamden, Connecticut.
- 2. The physician group is comprised of thirteen board-certified orthopedic surgeons, two board-certified podiatrists and one physiatrist.
- 3. Connecticut Orthopedic plans to provide in-office MRI services to its patients in preexisting office space located at 2416 Whitney Avenue in Hamden.
- 4. The 1.0 tesla extremity MRI unit will provide MRI scans of the hand, wrist, elbow, foot, ankle and knee to the physician group's orthopedic patients.
- 5. Connecticut Orthopedic will not charge a facility fee for MRI services rendered using the extremity MRI unit.
- 6. The patient population to be served will be Connecticut Orthopedic's patients that reside in the greater New Haven area requiring extremity MRI scans.

- 7. Connecticut Orthopedic will not accept outside patient referrals for MRI services only.
- 8. Radiology technicians employed by Connecticut Orthopedic will provide MRI services, and an independent radiologist, who will be contracted to provide professional interpretation services, will read the MRI studies.
- 9. The capital cost for the 1.0 tesla extremity MRI unit to be leased by Connecticut Orthopedic is \$360,000.
- 10. The total capital cost associated with Connecticut Orthopedic's proposal is \$394,000.
- 11. The payers for the MRI services will be private pay patients, commercial insurance, Medicare and Medicaid.
- 12. The estimated starting date for the proposal is August 1, 2004.

Based on the above findings, OHCA has determined that Certificate of Need approval is not required for Connecticut Orthopedic Specialists, P.C. to acquire an extremity MRI unit for its orthopedic surgical practice office located in Hamden, at a total capital cost of \$394,000. Please be advised, however, that if Connecticut Orthopedic changes the scope of services to be provided at this location or incurs a total capital cost equal to or greater than \$400,000 for the extremity MRI unit 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 Jennifer L. Groves, Esq., Updike, Kelly & Spellacy, P.C.

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An Equal Opportunity Employer 410 Capitol Ave., MS#13HCA, P.O. Box 340308, Hartford, CT 06134-0308 Telephone: (860) 418-7001 Toll-Free: 1-800-797-9688 Fax: (860) 418-7053