STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

November 16, 2004

Paula McManus Associate Vice President University of Connecticut Health Center 263 Farmington Avenue Farmington, CT 06030-3802

RE: Certificate of Need Determination, Report Number 04-30397-DTR
John Dempsey Hospital
Change in Capital Expenditure of the Relocation of Ambulatory Radiology Service as
Considered Under Report Number 04-30306-DTR

Dear Ms. McManus:

On October 15, 2004, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request concerning the change in capital expenditure of the proposal of John Dempsey Hospital to relocate ambulatory radiology services and related replacement equipment to a total capital expenditure of \$1,412,277. OHCA has reviewed the information contained in your CON Determination request letter and makes the following findings:

- 1. John Dempsey Hospital ("Hospital") is the acute care hospital component of the University of Connecticut Health Center ("UCHC") located in Farmington, Connecticut.
- 2. On July 8, 2004, under Report Number 04-30306-DTR, OHCA determined that the Hospital's plan to relocate its ambulatory radiology services to a new building on the UCHC campus and acquire additional imaging equipment at a total cost of \$945,000 did not require a CON. This was because no single piece of imaging equipment had a capital cost in excess of \$400,000.
- 3. On October 14, 2004, the Hospital submitted new information to OHCA which shows that cost of the proposal had increased from \$945,000 to \$1,412,277. However, no single piece of radiology equipment exceeds \$400,000.
- 4. The new costs associated with the project are as follows:

Proposal Related Equipment

Item	Description	Price
Ultrasound	Phillips iu22	\$162,100
Ultrasound	Phillips iu22	\$158,200
General Rad. Room	Phillips DiagDiag VM-020904-NewProj	\$378,153
General Rad. Room	Phillips DigDiag VM-Rm2	\$378,153
Rad/Fluoro Room	Phillips R&F EZ Elava-New	\$335,671
Total Cost	-	\$1,412,277

5. According to OHCA's Declaratory Ruling dated October 17, 2002, under Docket Number DR02-001:

"Imaging Equipment acquired by all persons other than health care facilities or institutions under Section 19a-639 (c) of the Connecticut General Statutes are and will be reviewed by OHCA as units of pieces of equipment. Separate and distinct pieces of medical equipment will not be combined."

"The same will be applied to all health care facilities or institutions, such as acute care general hospitals, for the acquisition of major medical equipment acquired under Section 19a-639 (a) of the Connecticut General Statutes. The above declaration is in regard only to Section 19a-639 of the Connecticut General Statues."

Based on the above findings, OHCA has determined that Certificate of Need approval is not required for John Dempsey Hospital to relocate ambulatory radiology services and related replacement equipment at a total capital expenditure of \$1,412,277, pursuant to Section 19a-639 of the Connecticut General Statutes and OHCA's Declaratory Ruling Docket Number DR02-001.

This proposal does not require a Certificate of Need because the cost of each of the pieces separately does not exceed \$400,000, even though the total capital expenditure for all the pieces combined is over \$1,000,000. Please be advised, however, that if the Hospital changes the scope of services or incurs a total capital expenditure greater that \$400,000 for any single piece of radiology equipment, Certificate of Need approval from OHCA would then be required.

If you have any questions concerning this letter, please contact Steven Lazarus at OHCA at (860) 418-7012.

Sincerely,

Signed by Cristine A. Vogel Commissioner