

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

March 31, 2005

Joan W. Feldman, Esq. Shipman & Goodwin, LLP One Constitution Plaza Hartford, CT 06103-19191

Re: Community Health Resources, Inc.

CON Determination Report Number 05-30458-DTR

Reconfiguration of Community Health Resources, Inc., Genesis Center, Inc., and North

Central Counseling Services, Inc.

Dear Attorney Feldman:

On March 17, 2005, the Office of Health Care Access ("OHCA") received Community Health Resources, Inc.'s request for Certificate of Need ("CON") Determination regarding the reconfiguration of Community Health Resources, Inc., North Central Counseling Services, Inc. and Genesis Center, Inc.

OHCA has carefully reviewed the information submitted by the Petitioner and makes the following findings:

- 1. Genesis Center, Inc. and North Central Counseling Services, Inc. are subsidiaries of the parent organization, Community Health Resources, Inc. Genesis Center, Inc. is located at 587 East Middle Turnpike, Manchester, and North Central Counseling Services, Inc. is located at 47 Palomba Drive, Enfield.
- 2. On December 2, 2004, Community Health Resources, Inc. changed its corporate name to CHR Capital, Inc.
- 3. On December 2, 2004, North Central Counseling Services, Inc. changed its name to Community Health Resources, Inc.
- 4. There has been no change to the services provided by North Central Counseling Services, Inc., now operating under the name of Community Health Resources, Inc.

- 5. CHR Capital, Inc. is proposing to undertake a corporate reorganization on April 1, 2005. Under the corporate reorganization Genesis Center, Inc. will be renamed Community Health Resources, Inc.
- 6. The services provided by Genesis Center, Inc. will not change as a result of the corporate reorganization.
- 7. Services by the former Genesis Center, Inc. will be provided under the corporate name of Community Health Resources, Inc., d/b/a Genesis Center.
- 8. There will be no change in ownership or control of Genesis Center as a result of the proposed reconfiguration.
- 9. There is no associated capital cost with the proposed reconfiguration.
- 10. Section 19a-638 (1) of the Connecticut General Statutes ("C.G.S."), states, in part, that each health care facility or institution, that intends to (A) transfers all or part of its ownership or control, (B) change the governing powers of the board of a parent company or any affiliate, or (C) change or transfer the power or control of a governing or controlling body of an affiliate shall request permission to undertake such transfer or change control.

Based on the above findings, OHCA has determined that the reconfiguration of Genesis Center, Inc. by CHR Capital, Inc. does not constitute a change of ownership or control as given in Section 19a-638, C.G.S. As the proposal has no associated capital cost, it does not exceed the \$1,000,000 threshold of Section 19a-639 C.G.S. Therefore, Certificate of Need approval from the Office of Health Care Access to proceed with the proposed corporate reconfiguration is not required.

If you have any questions concerning this letter or the Certificate of Need process, please contact Laurie Greci, Associate Research Analyst, at (860) 418-7032.

Sincerely,

Signed by Cristine A. Vogel Commissioner CAV:lkg