



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

September 28, 2005

Ms. Jean L. Conover, CPA
Chief Financial Officer
Jefferson X-Ray Group, P.C.
111 Founders Plaza, Suite 400
East Hartford, CT 06108

Re: Certificate of Need Determination, Report Number 05-30535-DTR
Jefferson X-Ray Group, P.C.
Acquire a CT scanner for existing Enfield practice location

Dear Ms. Conover:

On June 28, 2005, the Office of Health Care Access ("OHCA") received a Certificate of Need ("CON") Determination request from Jefferson X-Ray Group, P.C. ("Applicant") for the acquisition of a CT Scanner for 137 Hazard Avenue in Enfield, Connecticut. Additional information was submitted on August 31, 2005. Please be advised that OHCA has reviewed your request and makes the following findings:

1. Jefferson X-Ray Group, P.C. ("Applicant") currently provides radiology services in the following locations:
 - 100 Simsbury Road in Avon
 - 137 Hazard Avenue in Enfield
 - 704 Hebron Avenue in Glastonbury
 - 85 Seymour Street in Hartford
 - 941 Farmington Avenue in West Hartford
 - 1260 Silas Deane Highway in Wethersfield
2. The Applicant currently provides Open MRI services along with digital mammography and bone densitometry services at the Enfield location. The Applicant proposes to add CT scanning services to the Enfield location.
3. The Applicant proposes to lease a General Electric Goldseal LightSpeed QX/I CT system at a cost per unit of \$275,000. The unit is a whole body multi-slice helical scanner.
4. All services will be provided by radiologists employed by Jefferson X-Ray Group, P.C.
5. No facility fees will be charged for the CT scanning services, only professional and technical fees.

6. The project related capital costs are:

Lease of CT scanner:	\$275,000 (Cost per unit)
Sales Tax:	\$ 16,500
Renovation of space:	<u>\$ 74,200</u>
Total	\$365,700

7. In support of the cost per unit for the CT scanner, the Applicant has provided a signed Purchase Order dated June 28, 2005 and an equipment quote from GE HealthCare. The equipment quote was agreed to by the Applicant on June 28, 2005.

8. The Applicant entered into a capitalized lease arrangement with GE Healthcare Financial Services for the lease of the CT scanner, effective June 28, 2005. The Applicant made an advance payment on the unit of \$6,464.12 which is non-refundable. The Applicant provided a copy of the cancelled check related to this payment.

9. On June 23, 2005, the Applicant contracted with Kingsbrook Development Corporation for project related renovations. The Applicant provided a copy of a check related to the \$14,200 project commencement payment to Kingsbrook Development Corporation, but was unable to provide a copy of the cancelled check as Kingsbrook Development Corporation did not deposit the June 28, 2005 check until August of 2005.

Based on the above findings, OHCA has determined that Jefferson X-Ray Group, P.C. is not required to file a Certificate of Need request for the lease of the General Electric Goldseal LightSpeed QX/I CT system as the Applicant made certain binding commitments related to this CT scanner acquisition prior to the implementation of Public Act 05-93. The Applicant has provided to OHCA satisfactory evidence that it leased the MRI equipment for under \$400,000 prior to July 1, 2005 and further OHCA authorization is not required.

The Applicant is required to provide to OHCA, by December 31, 2005, evidence that the Applicant has, by that date, taken full possession of the replacement CT scanner. Any request to provide such evidence beyond that date, must be accompanied by a full and satisfactory explanation as to the specific and previously unforeseen barriers which have or do exist, which prevent the Applicant taking full possession by December 31, 2005.

If you have any questions concerning this letter, please contact Tillman Foster, Associate Health Care Analyst or Karen Roberts, Compliance Officer, at (860) 418-7001.

Sincerely,

Signed by Commissioner Cristine A. Vogel on September 28, 2005

Cristine A. Vogel
Commissioner

CAV:kr

Copy: Rose McLellan License and Applications Supervisor, DPH, DHSR