

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

January 13, 2006

Jean Ahn
Director, Planning and Business Development
Yale-New Haven Hospital
20 York Street
New Haven, CT 06504

RE: Certificate of Need Determination; Report Number: 06-30667-DTR
Yale-New Haven Hospital
Patient Bed Replacement Project

Dear Ms. Ahn:

On January 4, 2006, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request concerning the proposal of Yale-New Haven Hospital to replace its patient care beds, at an estimated total capital expenditure of \$5,000,488.

OHCA has reviewed the information contained in the request and makes the following findings:

- 1. Yale-New Haven Hospital ("Hospital") is an acute care hospital located at 20 York Street in New Haven, Connecticut.
- 2. The Hospital is a health care facility or institution as defined in Section 19a-630 of the Connecticut General Statutes ("C.G.S.").
- 3. The Hospital proposes to acquire replacement beds for all patient care areas throughout the facility. The acquisition will include adult and pediatric beds, cribs, bassinets and warmers.
- 4. The existing patient beds are either nearing the end of their useful life or will no longer be supported by the equipment vendor.
- 5. The Hospital has been negotiating with several vendors to acquire in bulk a large number of beds, whose aggregate purchase is estimated to be \$5,000,488 in total capital expenditure.
- 6. Each prospective vendor has offered the Hospital the following, if the Hospital agrees to purchase the bulk of its beds through them:

- Significant discounts as the preferred bed provider and associated accessories supplier for the Hospital; and
- Excellent pricing for parts, accessories and consumables.
- 7. Section 19a-639 of the Connecticut General Statutes ("C.G.S.") states, in part, that any health care facility or institution proposing a capital expenditure exceeding one million dollars requires CON authorization from OHCA.

Based on the above findings, OHCA has determined that Yale-New Haven Hospital's request to replace its patient care beds represents a proposal whose estimated total capital expenditure exceeds the statutory threshold, pursuant to Section 19a-639 of the Connecticut General Statutes. Therefore, CON approval is required for the Hospital to replace all of its patient care beds.

OHCA considers the submission of information received on January 4, 2006, as the Letter of Intent for this matter; therefore, the Hospital may file a completed CON application with OHCA between March 5, 2006, and May 4, 2006. The CON application is being mailed to your attention separately.

If you have any questions regarding the above, please contact Jack A. Huber, OHCA Health Care Analyst at (860) 418-7034.

Sincerely,

Signed by Cristine A. Vogel Commissioner

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