

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

March 9, 2006

Rita Parisi Chief Executive Officer Eastern Rehabilitation Network 181 Patricia M. Genova Drive Newington, CT 06111 John Biancamano Vice President for Finance Hartford Hospital 80 Seymour Street Hartford, CT 06102-5037

Re: Certificate of Need Determination Request; Report Number: 06-30673-DTR Eastern Rehabilitation Network and Hartford Hopsital Provision of Physical Therapy and Rehabilitation Services

Dear Ms. Parisi and Mr. Biancamano:

The Office of Health Care Access ("OHCA") is in receipt of your request for a CON Determination Report regarding the transfer of physical therapy and rehabilitation services from the Eastern Rehabilitation Network to Hartford Hospital for a select insured subscriber group.

Upon review of the information contained in the request, OHCA finds the following:

- 1. Eastern Rehabilitation Network ("ERN") and Hartford Hopsital ("Hospital"), collectively identified as the Applicants, are subsidiaries of Hartford Healthcare Corporation.
- 2. ERN provides physical therapy and rehabilitation services at numerous sites throught Connecticut. The Hospital is an acute care, general hospital located at 80 Seymour Street in Hartford.
- 3. Due to difficulties ERN has encountered with Anthem Blue Cross Blue Sheild of Connecticut ("BC/BS") with regard to negotiating a service contract, the Applicants are proposing the following arrangement for the provision of physical therapy and rehabilitation services to BC/BS subscribers:
 - The Hospital will purchase physical therapy and rehabilitation services from ERN;
 - The Hospital will then contract with BC/BS to provide these services to BC/BS subscribers at twelve ERN outpatient sites located in northern and central Connecticut.

- 4. The Hospital currently provides physical therapy and rehabilitation services to its inpatients and outpatients on-campus as well as its satellite locations through a management contract with ERN. Those patients receiving such services include, in part, BC/BS subscribers.
- 5. The Hospital will register the patients receiving physical therapy and rehabilitation services and will bill patients directly for services received. The therapists employed by ERN will be providing the service under the proposed contract with Hartford Hospital.
- 6. The proposal will not result in any change to the following elements:
 - The scope/type of services provided;
 - The population served;
 - The volume of services provided;
 - The location of the exisiting service sites;
 - The cost structure associated with the provision of rehabilitation services provided; or
 - Licensure requirements through the CT Department of Public Health for either Applicant.
- 7. There is no capital expenditure associated with the proposal.

Based on the above findings, OHCA has determined that the proposed service transfer of physical therapy and rehabilitation services from the Eastern Rehabilitation Network to Hartford Hospital for a selected insured subscriber group will not result in a change to the delivery of health care services provided. Additionally, there is no capital expenditure associated with the proposal. Therefore, a CON is not required pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes.

Thank you for providing information to OHCA regarding this proposal. If you have any questions concerning this letter, please contact Jack A. Huber, OHCA analyst. He may be reach at (860) 418-7034.

Sincerely,

Signed by Cristine A. Vogel Commissioner

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