

## STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

March 28, 2006

John D. Newman, Esquire Reid and Riege, P.C. One Financial Plaza Hartford, CT 06103

Re: Certificate of Need Determination, Report Number 06-30693-DTR Windham Radiology Associates, P.C. and WRA Realty, LLC Operation of an MRI unit and a CT scanner by Windham Radiology Associates, P.C.

Dear Attorney Newman:

On February 14, 2006, the Office of Health Care Access ("OHCA") received a Certificate of Need ("CON") Determination request from Windham Radiology Associates, P.C. for the operation of an MRI unit and a CT scanner by Windham Radiology Associates, P.C. Please be advised that OHCA has reviewed your request and makes the following findings specific to the material filed under CON Determination Report Number 06-30693-DTR:

- 1. Windham Radiology Associates, P.C. ("WRA Practice") is a private practice radiology group located at 112 Mansfield Avenue, Willimantic, Connecticut. WRA Practice is comprised of three radiologists who own one-third each of WRA Practice. The three radiologists are as follows:
  - i. Hadeer Shaikhly, M.D. (33.3% ownership)
  - ii. Gregory T. Turner, M.D. (33.3% ownership)
  - iii. Robert B. Daly, M.D. (33.3% ownership)
- 2. WRA Realty, LLC ("WRA Realty") is :
  - a. A wholly-owned subsidiary of WRA Practice, of which the three radiologist members of WRA Practice (Drs. Shaikhly, Turner and Daly) each also own one-third of the ownership of WRA Realty, for a total of 100%.
  - b. An organizational vehicle for WRA Practice to gain access to equipment and to hold title to the equipment for corporate and tax purposes,
  - c. An entity with no relationship with any other health care provider or institution beyond WRA Practice,
  - d. An entity not involved in the delivery of MRI and CT services.

- 3. WRA Practice is proposing under CON Determination Report Number 06-30693 to operate the MRI unit and the CT scanner (both to be referred herein as "imaging equipment").
- 4. The following information was received February 14, 2006 and on March 24, 2006:
  - a. The imaging equipment will be utilized exclusively by the three physician members of WRA Practice for its professional radiology practice.
  - b. No third party will have an ownership interest, operational control or management oversight of the services.
  - c. WRA Practice will provide and bill for all professional and technical fees for the services provided by the imaging equipment under their own provider number,
  - d. WRA Realty will not be billing for any MRI or CT services,
  - e. WRA Realty will have no operational management control of these imaging services.
  - f. WRA Realty has assigned the title of the CT scanner and the MRI unit to its parent corporation WRA Practice.
  - g. WRA Practice will own and operate the CT scanner and the MRI unit.
  - h. WRA Realty will have no ownership of the CT scanner and the MRI unit and WRA Realty will not have any part in operation of the CT scanner or MRI unit.

Based on the above findings received and reviewed under CON Determination Report Number 06-30693-DTR, OHCA has determined that neither Windham Radiology Associates, P.C. nor Windham Realty, LLC is structured and operating as a health care facility or institution, as defined in Section 19a-630 C.G.S. Therefore, a Certificate of Need authorization is not required pursuant to 19a-638, C.G.S.

The relationship of the acquisition of the MRI unit and the CT scanner to Section 19a-639, C.G.S. had already been determined by OHCA under CON Determination Report Numbers 05-30483-DTR and 05-30484-DTR and is not rereviewed herein.

This CON Determination is based solely on the findings as reported under CON Determination Report Number 06-30693-DTR. If in the future, Windham Radiology Associates, P.C. does not solely own or operate the CT scanner and the MRI unit, a Certificate of Need Determination must be filed with this agency.

If you have any questions concerning this letter, please contact Steven W. Lazarus, Associate Health Care Analyst, at (860) 418-7012.

Sincerely,

Signed by Cristine A. Vogel Commissioner

CAV:swl

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