



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

June 12, 2006

Andrea J. Rynn
Community and Government Relations Manager
Danbury Health Care Affiliates
24 Hospital Avenue
Danbury, CT 06810

Re: Certificate of Need Determination, Report Number 06-30741-DTR
Danbury Health Care Affiliates d/b/a Corporate Health Care/WorkNET
Transfer of ownership of Corporate Health Care/WorkNET to Occupational Health
Centers of the Southwest, P.A., P.C., d/b/a Concentra Medical Centers

Dear Ms. Rynn:

On May 3, 2006, with additional information received on May 31, 2006, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request for the transfer of ownership of Corporate Health Care/WorkNET to Concentra Health Services, Inc. OHCA has reviewed your request and makes the following findings:

1. Corporate Health Care/Work NET, located at 41 Germantown Road, Danbury, Connecticut, is a small industrial health service. Corporate Health Care/WorkNET is a trade name used by Danbury Health Care Affiliates ("DHCA"), a subsidiary of Danbury Health Systems, Inc ("DHSA").
2. DHCA is proposing to transfer ownership of Corporate Health Care/WorkNET to Occupational Health Centers of the Southwest, P.A., P.C., d/b/a Concentra Medical Centers ("Concentra").
3. Concentra does not have a current relationship with DHCA of DHS.
4. Corporate Health Care/Work NET provides services to an employer, or the employer's insurance paid medical services, related to employees and employment related matters.
5. Corporate Health Care/WorkNET provides services to clients located in Bethel, Brookfield, Danbury, New Fairfield, Newtown, Redding, and Ridgefield.

6. Services provided include, but are not limited to: preplacement physical exams; laboratory testing; x-rays; electrocardiography; independent medical evaluations; audiometry; spirometry; drug screens; work-related illness and injury; physical therapy and rehabilitation associated with work-related injuries; and employer policy and case management consulting.
7. The physicians providing the services are currently DHS employees. These physicians will be offered other career opportunities with DHS or may change their employment to Concentra.
8. There is no total capital expenditure associated with the sale.
9. Section 19a-630a of Connecticut General Statutes (C.G.S.) states that *“As used in sections 19a-638 to 19a-639a, inclusive, “affiliate” means any health-care-related person who directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with, another health-care-related person. In addition to other means of being controlled, a person is deemed controlled by another person if the other person, or one of that other person’s affiliates, officers or management employees, acting in such capacity, acts as a general partner of a general or limited partnership or manager of a limited liability company in question. For purposes of this section, “health-care-related person” means an entity that is licensed by a state agency to provide direct patient care services for the prevention, diagnosis or treatment of human health conditions.*
10. Section 19a-638 (a)(1), C.G.S., states that *“each health care facility or institution, that intends to (A) transfer all or part of its ownership or control, (B) change the governing powers of the board of a parent company or an affiliate, whatever its designation, or (C) change or transfer the powers or control of a governing or controlling body of an affiliate, shall submit to the office, prior to the proposed date of such transfer or change, a request for permission to undertake such transfer or change.”*
11. Section 19a-638 (a) (3), C.G.S, states that *“each health care facility or institution which intends to terminate a health service offered by such facility or institution ... shall submit to the office, prior to the proposed date of such termination .. a request to undertake such termination ...”*

Based on the above findings, OHCA has determined that Danbury Health Care Affiliates, an affiliate of Danbury Health Systems, Inc. is a health care facility or institution as defined under Section 19a-639a, C.G.S. Therefore, Danbury Health Care Affiliates is required to seek and obtain Certificate of Need approval for the transfer of ownership of Corporate Health Care/WorkNET to Occupational Health Centers of the Southwest, P.A., P.C., d/b/a Concentra Medical Centers and terminate the industrial health service, pursuant to Sections 19a-638(a) (1) and 19a-638(a) (3) of the Connecticut General Statutes.

OHCA considers the submission of information received on May 31, 2006, as the Letter of Intent for this matter. Danbury Health Care Affiliates may file a completed CON application with OHCA between July 30, 2006, and September 28, 2006. The CON application is being mailed to your attention separately.

If you have any questions regarding the above, please contact Laurie K. Greci, Associate Research Analyst at (860) 418-7001.

Sincerely,

Signed by Cristine A. Vogel
Commissioner

C: Rose McLellan, Licensing Examination Assistant, DHSR, DPH

CAV: lkg