

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

June 28, 2006

David A. Whitehead Vice President, Planning The William W. Backus Hospital 326 Washington Street Norwich, Connecticut 06360

Re: Certificate of Need Determination, Report No.: 06-30766-DTR
The William W. Backus Hospital and Norwich Radiology Group, P.C.
Acquisition of Radiology Practice and its Assets

Dear Mr. Whitehead:

On June 16, 2006, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request regarding the proposal of The William W. Backus Hospital ("Hospital") to acquire Norwich Radiology Group, P.C. ("Practice") (together referred herein as "Petitioners") and its assets, including a CT Scanner and MRI Scanner at a total capital cost of \$2,213,336.

Please be advised that OHCA has reviewed the information contained in your request and makes the following findings:

- 1. The Hospital is a non-profit acute care hospital located at 326 Washington Street, Norwich, Connecticut.
- 2. The Hospital through this petition is proposing to acquire the Practice and all its assets.
- 3. The Practice is a radiology practice located at 12 Case Street, Norwich, Connecticut.
- 4. The Petitioners will continue to serve the Hospital's existing population which includes the towns of Norwich, Franklin, Bozrah, Preston, Sprague, Lisbon, Griswold and Voluntown.

- 5. As a result of this proposal, according to the Petitioners:
 - a. The radiologists of the Practice will be joining the Hospital's contracted group (Norwich Diagnostic Imaging) and thus will continue to provide services to the current population;
 - b. The community will benefit as the Hospital's electronic medical record and Picture Archiving Computer System will become available as a fully integrated information system for the Practice patients as well; and
 - c. The Hospital will acquire all of the assets of the Practice, including a CT Scanner and an MRI Scanner.
- 6. Public Act 05-93 of the Connecticut General Statutes requires CON authorization for acquisition of a CT scanner or an MRI scanner regardless of cost.

Based on the above findings, OHCA determines that the proposal of The William W. Backus Hospital to acquire Norwich Radiology Group, P.C. and its assets, including a CT scanner and MRI scanner at a total capital cost of \$2,213,336, requires CON approval from OHCA pursuant to Public Act 05-93 C.G.S. and Section 19a-639 C.G.S.

OHCA considers the submission of information received on June 16, 2006, as the Letter of Intent for this matter; therefore, William W. Backus Hospital may file a completed CON application with OHCA between August 15, 2006, and October 14, 2006. The CON Application is being mailed to your attention separately.

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

Sincerely,

Signed by Cristine A. Vogel Commissioner