

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

June 18, 2007

AnnaMarie Rose Director Saint Raphael Magnetic Resonance Center 330 Orchard Street New Haven, CT 06511

Re: Certificate of Need Determination Request; Report Number: 07-30981-DTR Saint Raphael Magnetic Resonance Center Proposal to Upgrade a 3.0 Tesla-Strength MRI Scanner

Dear Ms. Rose:

On June 6, 2007, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request concerning the proposal of Saint Raphael Magnetic Resonance Center to upgrade an existing magnetic resonance imaging ("MRI") scanner, at a total capital cost of \$345,980. OHCA has reviewed the information contained in your CON Determination request letter and makes the following findings.

- 1. Saint Raphael Magnetic Resonance Center ("Petitioner") is a free-standing, for-profit magnetic resonance imaging ("MRI") center. The imaging center is located on the Hospital of Saint Raphael campus at 330 Orchard Street, in New Haven, Connecticut.
- 2. The Petitioner is a general partnership between DePaul Health Services Corporation, a subsidiary of the Saint Raphael Healthcare System, Inc. and Medical Imaging Associates, P.C.
- 3. The imaging center provides entire body MRI imaging including but not limited to neurological, abdominal, pelvic, cardiac and vascular imaging.
- 4. The imaging center currently operates a 1.5 Tesla-strength MRI scanner and a 3.0 Tesla-strength MRI scanner.
- 5. The Petitioner is proposing to purchase a software upgrade and other enhancement for its 3.0 Tesla-strength MRI scanner.

- 6. Software upgrades will allow the scanning unit to be motion insensitive and will improve imaging capability. Minor hardware upgrades to the examination table are also included in the project.
- 7. The proposed system changes will allow the MRI center accomplish the following:
 - a) The ability to scan patients who have difficulty remaining motionless, thereby alleviating the need to administer anesthesia to the patient or the need to forego the patient's examination entirely;
 - b) The ability through new sequencing to scan for iron with higher accuracy, which has importance in venous vascular imaging and dementia workup;
 - c) The ability to incorporate functional imaging and fiber tracking into one data set, which has advantages for neurosurgical planning and management; and
 - d) The ability to more readily scan larger areas of the body as in spinal imaging and angiography.
- 8. The Petitioner provides MRI imaging services to patients residing in a twenty-five town service area of the Hospital of Saint Raphael:
 - a) <u>Primary Service Area Towns</u>: New Haven, East Haven, North Haven, West Haven and Hamden; and
 - b) <u>Secondary Service Area Towns</u>: North Branford, Guilford, Branford, Madison, Clinton, Cheshire, Meriden, Wallingford, Oxford, Bethany. Seymour, Ansonia, Derby, Woodbridge, Shelton, Orange and Milford.
- 9. The scanner scheduled for upgrading is a Siemens, Magnetom, fixed-based MRI scanner.
- 10. The acquisition and operation of the Siemens MRI scanner was approved by the Office of Health Care Access on March 31, 2003, under Docket Number: 02-562.
- 11. The total capital cost for the proposal is \$345,980.
- 12. The Petitioner proposes to fund the upgrade through equity financing.
- 13. The Petitioner indicated that the software and hardware cost estimate was verified through receipt of a vendor price quotation.
- 14. The proposal will not result in any change to the following elements:
 - a) The strength of the MRI magnet;
 - b) The population served; or
 - c) The payers for MRI services.

The operational start date for the enhanced MRI scanner is anticipated to be November 1, 2007.

Based on the above findings, OHCA determines that the Saint Raphael Magnetic Resonance Center's upgrade to its existing 3.0 Tesla-strength MRI scanner at a total capital cost of \$345,980 does not require Certificate of Need approval from OHCA pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes. Therefore, the Saint Raphael Magnetic Resonance Center's proposal will not require CON approval. Please be advised, however, that if the Petitioner changes the scope of services to be provided or intends to introduce any new imaging equipment that meet the CON statutory requirements pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes, Certificate of Need approval from OHCA would then be required.

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

Sincerely,

Signed by Cristine A. Vogel Commissioner

CAV: jah