

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

June 20, 2008

John D. Newman Chief Legal Officer & General Counsel St. Vincent's Medical Center 2800 Main Street Bridgeport, CT 06606

Re: Certificate of Need Determination Report Number 08-31157-DTR St. Vincent's Medical Center

Establish additional hospital outpatient satellite location in Stratford

Dear Attorney Newman:

On May 6, 2008, the Office of Health Care Access ("OHCA") commenced a Certificate of Need Determination process related to St. Vincent's Medical Center ("SVMC") addition of a satellite location on its general hospital license, called St. Vincent's Family Practice. On May 12, 2008 and June 12, 2008, SVMC filed information with OHCA, as requested, specifically related to this matter. OHCA has reviewed the information related to this matter and makes the following findings:

- 1. Saint Vincent's Medical Center is a health care facility or institution and holds a General Hospital license with the Department of Public Health under License #0057.
- 2. Effective March 27, 2008, the following satellite location was added to the SVMC license #0057: St. Vincent's Family Practice at 2595 Main Street in Stratford.
- 3. SVMC indicates that the satellite has added to the license "at the recommendation of JCAH surveyors during the most recent Joint Commission survey of the Medical Center."
- 4. SVMC indicates that it "leases space at this site, and employed physicians provide professional services in the field of family medicine. St. Vincent's physicians have provided family medicine services in Stratford for some time."
- 5. In its June 12, 2008 submission to OHCA, SVMC provides the following information:
 - a) SVMC pays the salaries and benefits for physicians and any support staff related to family practice services at this location.

- b) SVMC bills for services of its employees. The physicians have their own provider identification numbers, but all billings are by SVMC and revenues are received by SVMC.
- c) No entity bills any facility fee for services provided at this site.
- d) Volume statistics for patient services at this location are recorded on SVMC books as SVMC outpatient volume.
- e) Operating expenses for this site are recorded as SVMC operating expenses.
- f) Revenue for services provided by SVMC employees at this site is reflected on SVMC books as SVMC revenue.
- g) This location is a cost center of SVMC and is considered a department of SVMC.
- h) Free care or bed debts related to the operation in Stratford are recorded on SMVC's books and SVMC's standard charity care policies govern services provided at this site
- SVMC provides all medical and non-medical equipment and supplies utilized at this site.
- j) The Stratford office is not separately identified on SVMC's organizational chart. It is a component of SVMC's overall outpatient service.
- 6. Pursuant to Section 19a-638 (2) of the Connecticut General Statutes each health care facility or institution or state health care facility or institution, including any inpatient rehabilitation facility, which intends to introduce any additional function or service into its program of health care shall submit to the office, prior to the proposed date of the institution of such function or service, a request for permission to undertake such function or service.

Based on the above findings, OHCA has determined that the addition of the satellite hospital outpatient services at 2595 Main Street in Stratford represents the establishment of a new service in a new location for a health care facility or institution. Therefore, the addition of these satellite hospital outpatient services at 2595 Main Street in Stratford requires Certificate of Need authorization by OHCA pursuant to Section 19a-638 (2) of the Connecticut General Statutes. Please note that St. Vincent Medical Center is required to file a completed Letter of Intent with OHCA at its earliest convenience related to this matter.

If you have any questions concerning this letter, please contact Karen Roberts at OHCA at (860) 418-7001. If you have any questions regarding the Letter of Intent or Certificate of Need process, please contact Kimberly Martone, Supervisor of the CON process at (860) 418-7001.

Sincerely,

Signed by Commissioner Vogel on June 20, 2008

Cristine A. Vogel Commissioner

CAV:kr