## STATE OF CONNECTICUT

## OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

June 19, 2008

Harry Evert Vice President Middlesex Hospital 28 Crescent Street Middletown, CT 06457

Re: Certificate of Need Determination Report Number 08-31183-DTR

Middlesex Hospital

Proposal of Renovations of the North Building Fifth Floor

Dear Mr. Evert:

On June 13, 2008, the Office of Health Care Access ("OHCA") received your completed Certificate of Need ("CON") Determination request regarding the renovations of the north building fifth floor at Middlesex Hospital, with an associated capital expenditure of \$5,400,000. OHCA has reviewed the information contained in your proposal in light of Section 19a-639a of the Connecticut General Statutes, as amended by Public Act 08-14, and OHCA makes the following findings:

- 1. Middlesex Hospital ("Hospital") is an acute care hospital located at 28 Crescent Street in Middletown. The Hospital is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes ("C.G.S.").
- 2. According to the Hospital, the north building had previously been functioning as an adult inpatient medical/surgical unit and is currently utilized for various support offices.
- 3. The Hospital is proposing to renovate the north building fifth floor, located at 28 Crescent Street in Middletown, Connecticut.

- 4. The Hospital states that the proposed project will require significant renovation on the fifth floor in order to properly outfit and equip the floor to continue to operate as an adult medical/surgical unit into the future.
- 5. The Hospital stated that as a result of this proposal, there will be:
  - no additional medical equipment purchased;
  - no additional services provided; and
  - The added expenses that are associated with the additional staffing are to handle the annual increases in medical/surgical demand included in the "Without the CON" projections. As a result, it does not show an incremental operating cost expense associated with the proposed renovation project.
- 6. The cost of the proposal is as follows: \$500,000 for the non-medical equipment, \$150,000 for the telephone and computer equipment, and \$4,750,000 for the associated construction and renovation, at a combined total capital expenditure of \$5,400,000.
- 7. The Hospital will continue to be the entity providing inpatient medical/surgical services and will be responsible for billing of the services.
- 8. The Hospital states that the proposed renovation project will not result in an increase to the Hospital's licensed bed capacity and does not reflect any change in the clinical services, its charges, and/or the population.

Based on the above findings, OHCA has determined that Middlesex Hospital's proposal for the renovations of north building fifth floor at Middlesex Hospital, with a total capital expenditure of \$5,400,000, meets the exemption requirements of Section 19a-639a of the Connecticut General Statutes, as amended by Public Act 08-14, and therefore, is exempt from OHCA's CON process. Therefore, the proposal does not require Certificate of Need approval.

This project is non-clinical in nature as it will not be providing a new or additional function or service, and is a capital expenditure to renovate existing services. If the Hospital's proposal changes in cost, service or scope, the Hospital shall file with OHCA a Certificate of Need Determination Request regarding the proposed change.

Thank you for keeping OHCA informed of your plans regarding this proposal. If you have any questions regarding the above, please contact Diane Duran, PPT Health Care Analyst, at (860) 418-7007.

Sincerely,

Signed by Commissioner Vogel on June 19, 2008

Cristine A. Vogel Commissioner

CAV:dd