

## STATE OF CONNECTICUT

## OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

July 9, 2008

Peter J. Betts, LFACHE Interim President and CEO Johnson Memorial Hospital 201 Chestnut Hill Road Stafford Springs, CT 06076

RE: Certificate of Need Determination; Report Number: 08-31197-DTR
Johnson Memorial Corporation, Johnson Memorial Hospital, Inc. and Johnson
Professional Associates, P.C.
Request for Emergency Certificate of Need Regarding the Termination
of Behavioral Health Services in Stafford Springs and Enfield

Dear Mr. Betts:

On July 2, 2008, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request on behalf of Johnson Memorial Corporation, Johnson Memorial Hospital, Inc. and Johnson Professional Associates, P.C., (collectively the "Petitioners"), requesting an emergency CON for the termination of behavioral health services in Stafford Springs and Enfield, at no associated capital cost.

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

- 1. Johnson Memorial Corporation is the parent corporation of the following subsidiaries:
  - Johnson Memorial Hospital, Inc. ("Hospital"), an acute care hospital located at 201 Chestnut Hill Road in Stafford Springs, CT; and
  - Johnson Professional Associates, PC, a provider of behavioral health services offering treatment and counseling for adults with psychiatric disorders at the following locations:
    - Johnson Memorial Hospital, Ground Floor Annex, 201 Chestnut Hill Road, Stafford Springs, CT; and
    - o Hazard Trade Mart, Office Suite 4, 151 Hazard Avenue, Enfield, CT.

- 2. The Hospital states that it "as well as its parent corporation, Johnson Memorial Corporation (the "Network") may be forced to cease operations if it cannot get costs under control and dedicate those savings to the immediate payment of vendors, secured creditors, and otherwise meet critical financial obligations."
- 3. The Hospital indicates that it is taking steps to mitigate or stop operating/cash losses. To this end, the Hospital proposes the termination of behavioral health services provided through Johnson Professional Associates, PC.
- 4. The Petitioners' request for an emergency CON specifically includes the following elements:
  - a. Termination of behavioral health services provided though Johnson Professional Associates, PC, in Stafford Springs and Enfield, at no associated capital cost: and
  - b. Permission to waive the CON Letter of Intent requirement under Section 19a-638(b).
- 5. A relevant excerpt from Section 19a-638(a)(3) of the Connecticut General Statues ("C.G.S.") states the following:

"Each health care facility ...which intends to terminate a health service offered by such facility...shall submit to the office, prior to the date of such termination..., a request to undertake such termination...."

6. A relevant excerpt from Section 19a-638(b) C.G.S. states the following:

"Upon a showing by such facility or institution that the need for such...termination... is of an emergency situation, in that the ...termination...is necessary to maintain continued access to the health care services provided by the facility or institution..., the commissioner may waive the letter of intent requirement, provided that such request shall be submitted at least ten business day before the proposed date of institution of the ...termination..."

OHCA makes the following determinations in this matter:

- a. Pursuant to 19a-638(a)(3) C.G.S., CON authorization is required for the proposed termination of behavioral health services in Stafford Springs and Enfield.
- b. Pursuant to 19a-638(b) C.G.S., OHCA deems it appropriate to waive the Letter of Intent for the CON required of the Petitioners regarding the termination of behavioral health services in Stafford Springs and Enfield.

c. Pursuant to 19a-638(b) C.G.S., the 60-day period to file the Petitioners' CON application will be between July 2, 2008, and August 30, 2008.

The CON application will be mailed to the Petitioners under a separate cover letter. If the Petitioners are unable to file the CON application by this date, please contact Jack A. Huber, Health Care Analyst at (860) 418-7034 to provide a status update. Please also feel free to contact him if you have any questions regarding this letter.

Sincerely,

Signed by Commissioner Vogel on July 9, 2008

Cristine A. Vogel Commissioner

CAV:jah

Copy: Rose McLellan License and Applications Supervisor, DPH, DHSR