



## Office of Health Care Access Certificate of Need Application

### Final Decision

**Applicant:** Hartford Hospital

**Docket Number:** 02-575

**Project Title:** Discontinuance of Mobile Positron Emission Tomography Service in Avon and Wethersfield

**Statutory Reference:** Section 19a-638, Connecticut General Statutes

**Filing Date:** March 3, 2003

**Decision Date:** March 5, 2003

**Default Date:** June 1, 2003

**Staff:** Laurie K. Greci

**Project Description:** Hartford Hospital proposes to discontinue the mobile Positron Emission Tomography ("PET") scanning service at satellite locations in Avon and Wethersfield, Connecticut at no capital expenditure.

**Nature of Proceedings:** On March 3, 2003, the Office of Health Care Access ("OHCA") received the Applicant's Certificate of Need ("CON") application seeking authorization to discontinue the mobile PET scanning services at satellite locations in Avon and Wethersfield, Connecticut. The proposal has no associated capital expenditure. The Applicant is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes ("C.G.S.").

OHCA's authority to review and approve, modify or deny this proposal is established by Section 19a-638, C.G.S. The provisions of this section, as well as the principles and guidelines set forth in Section 19a-637, C.G.S., were fully considered by OHCA in its review.

## Findings of Fact

*Each finding of fact included in this Final Decision has been taken from the CON application and related CON filings. A source reference is included with each finding of fact. All CON applicants must attest to the accuracy and correctness of the information submitted to OHCA as part of the CON application process.*

### Clear Public Need

#### Impact on the Applicant's Current Utilization Statistics

#### Contribution of the Proposal to the Quality and Accessibility of Health Care Delivery in the Region

#### Impact of the Proposal on the Interests of Consumers of Health Care Services and Payers for Such Services

1. Hartford Hospital ("Applicant") is a nonprofit acute care hospital located at 80 Seymour Street, Hartford, Connecticut. *(November 19, 2002, Letter of Intent)*
2. The Applicant offers mobile PET scanning service at 100 Simsbury Road, Avon and at 1260 Silas Deane Highway, Wethersfield. The service was authorized by the Office of Health Care Access ("OHCA") under Docket 01-515 on August 1, 2001. *(August 1, 2001, Docket 01-515 Final Decision)*
3. On May 16, 2002, the Applicant was authorized by OHCA under Docket 01-556 to acquire Positron Emission Tomography-Computerized Tomography ("PET-CT") scanning equipment and perform associated renovations on its main campus at 80 Seymour Street. *(March 3, 2003, CON Application, page 2)*
4. The PET-CT service began operating at Hartford Hospital's main campus on November 21, 2002. *(February 28, 2003, Completeness Response, page 1)*
5. The Applicant proposes to discontinue the mobile PET scanning service in Avon and Wethersfield because PET-CT is being offered at the hospital's main campus in Hartford. *(November 19, 2002, Letter of Intent, Project Description)*
6. PET-CT is an improved service compared with the provision of PET services alone. The superior image quality associated with PET-CT allows detection of small cancer sites and is better able to establish the location of these sites in relation to the body's structures and organs. *(February 6, 2003, CON Application, page 4)*
7. The PET-CT imaging examination requires two-thirds of the time required for a PET examination alone and is no more costly to the patient. *(February 6, 2003, CON Application, page 4)*

8. The Applicant anticipates that patients and physicians in the Avon and Wethersfield communities will prefer a PET-CT examination instead of a PET examination causing a decrease in demand for the mobile PET scanning service. *(February 6, 2003, CON Application, page 5)*
9. The Applicant states that the capacity of the PET-CT unit is more than sufficient to accommodate the patients that would have gone to Avon or Wethersfield for a PET scan. In addition, the service's capacity can be expanded. *(February 6, 2003, CON Application, page 5)*
10. The PET-CT's current hours of operation are 8:00 AM to 6:00 PM Monday through Friday. These hours of operation can easily be expanded to include evenings and weekends as the demand for services increases. *(February 28, 2003, Completeness Response, page 2)*
11. The current capacity for PET-CT scans is 8 scans per day. *(March 3, 2003, Completeness Response, page 1)*
12. The mobile PET service generally operated one day per week at each satellite location. The following table lists the number of scans that were performed at each location by month:

Month	Total Number of Scans		Number of Days Operated		Average Number of Scans/Day	
	Avon	Wethersfield	Avon	Wethersfield	Avon	Wethersfield
Sep 2001	2	8	2	2	1.0	4.0
Oct 2001	10	12	3	3	3.3	4.0
Nov 2001	9	16	4	4	2.3	4.0
Dec 2001	10	17	3	4	3.3	4.3
Jan 2002	11	33	3	5	3.7	6.6
Feb 2002	16	33	2	4	8.0	8.3
Mar 2002	23	31	3	4	7.7	7.8
Apr 2002	20	32	4	4	5.0	8.0
May 2002	26	34	5	5	5.2	6.8
Jun 2002	23	29	4	4	5.8	7.3
Jul 2002	13	36	3	5	4.3	7.2
Aug 2002	23	28	5	4	4.6	7.0
Sep 2002	16	32	4	4	4.0	8.0
Oct 2002	24	60	5	5	4.8	6.0
Nov 2002	17	20	3	4	5.7	5.0
Dec 2002	0	0	0	3	0.0	0.0
Jan 2003	0	0	0	0	0.0	0.0

*(March 3, 2003, Completeness Response, page 4)*

13. The current payer mix for Hartford Hospital is provided in the following table:

**TABLE 1: Hartford Hospital Payer Mix, Current and Projected**

Payer Type	Current	Projected Year 1	Projected Year 2	Projected Year 3
Medicare*	45.62	45.62	45.62	45.62
Medicaid*	9.88	9.88	9.88	9.88
TriCare(CHAMPUS)	0.07	0.07	0.07	0.07
<b>Total Government Payers</b>	<b>55.57</b>	<b>55.57</b>	<b>55.57</b>	<b>55.57</b>
Commercial*	34.43	34.43	34.43	34.43
Self-Pay	6.73	6.73	6.73	6.73
Workers Compensation**	-	-	-	-
Total Non-Govt Payers	41.16	41.16	41.16	41.16
Uncompensated Care	3.27	3.27	3.27	3.27
<b>Total Payer Mix</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

\* Includes managed care activity

(February 6, 2003, CON Application, pages 3 and 4)

\*\* Included in Commercial Insurers

**Financial Feasibility of the Proposal and its Impact on the Applicant's Rates and Financial Condition**

14. There are no capital expenditures associated with this project. (April 9, 2002, Letter of Intent, page 3)

15. Under the terms of the agreement with InSight Health Corporation, the vendor that supplies the mobile PET scanning service, the Applicant may terminate the agreement without penalty charges by providing, one month in advance, written notice of the intention to terminate. (February 6, 2003, CON Application, page 4)

16. The following table details the financial savings that will occur with the termination of the mobile PET scanning service:

**TABLE 2: Detail of Financial Savings**

	FY 2003	FY 2004	FY 2005
Number of Scans Transferred to Hartford	317	567	567
Expenses:			
Salary*	21,715	28,954	28,954
Fringe Benefits	4,777	6,370	6,370
Vendor Fee	(278,250)	(425,250)	(425,250)
<b>Anticipated Savings</b>	<b>(251,757)</b>	<b>(390,927)</b>	<b>(389,927)</b>
*FTE Secretary's Salary	.75	1.00	1.00

(February 6, 2003, CON Application, page 6)

17. The scans that will be performed at the Hospital will have the same supply costs that would have been incurred had they been done at one of the mobile sites. (March 3, 2003, Completeness Response, page 3)

18. There is an increase in staff related to the direct care of patients. The salary increases for technologist that were approved in Docket 01-556 will be sufficient to handle the increased volume. *(March 3, 2003, Completeness Response, page 3)*

## **Consideration of Other Section 19a-637, C.G.S. Principles and Guidelines**

The following findings are made pursuant to principles and guidelines set forth in Section 19a-637, C.G.S.:

19. There is no State Health Plan in existence at this time.
20. The Applicant has adduced evidence that this proposal is consistent with the Applicant's long-range plan. *(March 3, 2003, CON Application, page 2)*
21. The Applicant uses energy conservation and group purchasing as activities that will improve productivity and contain costs. *(March 3, 2003, CON Application, page 2)*
22. This proposal will not result in changes to the Applicant's teaching and research responsibilities. *(March 3, 2003, CON Application, page 2)*
23. There are no distinguishing characteristics of the Applicant's patient/physician mix. *(March 3, 2003, CON Application, page 2)*

## Rationale

Hartford Hospital (“Applicant”) proposes to discontinue the mobile Positron Emission Tomography (“PET”) scanning service at two satellite locations, Avon and Wethersfield with no associated total capital expenditure.

On May 16, 2002, the Applicant was authorized by OHCA under Docket 01-556 to acquire Positron Emission Tomography-Computerized Tomography (“PET-CT”) scanning equipment and perform associated renovations on its main campus at 80 Seymour Street. PET-CT is a superior imaging service to PET alone. PET-CT images provide clinicians with the ability to find cancers that would not have been detected through other non-invasive imaging exams. In addition, the PET-CT imaging examination requires only two-thirds of the time required for a PET examination alone and is no more costly to the patient.

Patients and physicians prefer a PET-CT examination instead of a PET only examination due to its superior imaging and decreased exam time. The preference for the PET-CT has caused a decrease in demand for the mobile PET scanning service. In November 2002, at the two satellite locations, a total of 37 scans were performed. In one month the PET-CT, at eight scans per day and twenty days per month, can perform 160 scans. As the patient base for the PET-CT service is the same as that for the mobile PET service, it is evident that the Hospital can easily accommodate the increase in demand for PET-CT imaging examinations either by increasing the number of days the service is available, or increasing the number of hours per day that it is operated.

Based on the foregoing Findings and Rationale, the Certificate of Need application of Hartford Hospital to discontinue its mobile PET scanning service in Avon and Wethersfield is hereby **GRANTED**.

## Order

Hartford Hospital is hereby authorized to discontinue its mobile PET scanning service in Avon and Wethersfield effective March 5, 2003.

All of the foregoing constitutes the final order of the Office of Health Care Access in this matter.

By Order of the  
Office of Health Care Access

Date signed:  
March 5, 2003

Signed by:  
Mary M. Heffernan  
Commissioner