



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: CareNet Pregnancy Center of Northeast
Connecticut d/b/a Caring Families Pregnancy
Services

Docket Number: 05-30425-CON

Project Title: Establish CareNet Pregnancy Program in Danielson

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

Filing Date: October 3, 2005

Decision Date: November 21, 2005

Default Date: January 1, 2006

Staff: Paolo Fiducia

Project Description: CareNet Pregnancy Center of Northeast Connecticut (“Applicant”) proposes to establish a pregnancy program to be located at 157 Main Street in Danielson, Connecticut, at a total capital expenditure of \$32,900.

Nature of Proceedings: On October 3 2005, the Office of Health Care Access (“OHCA”) received the Certificate of Need (“CON”) application of CareNet Pregnancy Center of Northeast Connecticut seeking authorization to establish a pregnancy program in Danielson, CT. The total proposed capital expenditure is \$32,900. The Applicant is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).

Pursuant to Section 19a-639, C.G.S., a notice to the public concerning OHCA’s receipt of the Applicant’s CON application was published in the *Norwich Bulletin*, Norwich on November 10, 2005. OHCA received no responses from the public concerning the Applicant’s proposal. Pursuant to Public Act 05-75, three individuals or an individual

representing an entity with five or more people had until October 24, 2005, the twenty-first calendar day following the filing of the Applicant's CON Application, to request that OHCA hold a public hearing on the Applicant's proposal. OHCA received no hearing requests from the public by October 24, 2005.

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

Clear Public Need

Impact on the Applicant's Current Utilization Statistics Contribution of the Proposal to the Accessibility and Quality of Health Care Delivery in the Region

1. CareNet Pregnancy Center of Northeast Connecticut ("Applicant or CareNet") is a non-profit corporation located at 157 Main Street in Danielson, CT. *(January 3, 2005, CON Determination Form, page 2)*
2. CareNet currently provides services such as self-administered pregnancy testing, counseling, parenting and childbirth classes, and material assistance to women who have pregnancy-related issues. *(January 3, 2005, CON Determination Form, page 4)*
3. CareNet is proposing to expand its services by providing medical services such as pregnancy testing, medical consultation and referral and limited obstetrical ultrasound free of charge. *(January 3, 2005, CON Determination Form, page 4)*
4. The Applicant's client town of residence includes the following municipalities: Danielson (Town of Killingly), Putnam, Brooklyn, Dayville, North Grosvenordale (Town of Thompson), Mechanichsville, Woodstock, Moosup, Sterling, Pomfret, Plainfield and Willimantic. *(October 3, 2005, CON Application, page 8)*
5. The Applicant will be licensed as a Primary Care Clinic by the Department of Public Health. *(January 3, 2005, CON Determination Form, page 4)*
6. The Applicant identified a need for the proposal to increase access to health services that could diagnose and confirm pregnancy. *(October 3, 2005, CON Application, page 8)*
7. The proposal will allow the Applicant to provide first-trimester limited obstetrical ultrasounds, confirmation of an intrauterine pregnancy, estimation of gestational age, and confirmation of cardiac activity. All services are provided at no charge to clients. *(October 3, 2005, CON Application, page 9)*

8. CareNet is proposing to serve women ages 16-40 who would be at various stages of pregnancy who reside in Windham County. *(January 3, 2005, CON Determination Form, page 4)*
9. The Applicant states that the proposal would help remedy access barriers by providing free services in a central location that is in walking distance for many low income people, and on a bus route for others from further away. Also it would allow CareNet to become more of a major resource for referral to medical services and social services, such as the Access Agency for State services for low-income individuals and families, adoption agencies, and local providers of obstetrical care. *(October 3, 2005, CON Application, page 9)*
10. The Applicant states that the project commencement for medical services including limited ultrasound is estimated to be March or April 2006. *(October 3, 2005, CON Application, page 10)*
11. The following table shows the actual and projected volume statistics for clients served, pregnancy tests performed, and ultrasounds performed with the project in FY 2004, FY 2005, FY 2006, and FY 2007.

Table 1: CareNet actual and projected volume statistics with the project FY 2004 – FY 2007*

	2004 Actual	2005	2006	2007
Clients	445	650	740	900
Pregnancy Tests	57	160	180	210
Ultrasounds	0	0	54	84

(October 3, 2005, CON Application, page 11)

*Volume statistics estimated based on current volume and 20% increase in clients the first year and 50% increase from baseline the second year of services. A 40% positive pregnancy rate for all pregnancy-tested clients is expected, and most will receive ultrasound (starting the second quarter of 2006)

12. The Applicant projects 50, 120, and 250 additional clients incremental to the project for FY 2005, FY 2006, and FY 2007, respectively. *(October 3, 2005, CON Application, page 11)*
13. The proposed services would be provided by a board certified Medical Director, certified ultrasound technicians, and a Nurse Manager. *(January 3, 2005, CON Determination Form, page 4)*
14. The Applicant's proposal will increase access to care for women without insurance or social support in Windham County. *(October 3, 2005, CON Application, page 8)*
15. Current hours of operation: 20 hours per week (Mon 10-4, Wed 10-2, Thurs 5-8, Fri 10-4). Proposed hours for medical services: 6-8 hours per week (days to be determined). *(October 3, 2005, CON Application, page 10)*

**Financial Feasibility of the Proposal and its Impact on the Applicant's
Rates and Financial Condition
Impact of the Proposal on the Interests of Consumers of Health Care
Services and Payers for Such Services
Consideration of Other Section 19a-637, C.G.S. Principles and Guidelines**

16. The total capital expenditure of \$32,900 for the proposal consists of the following components:

Table 2: Total Proposed Capital Expenditure

Component	Cost
Medical Equipment (Purchase)	\$1,000
Imaging Equipment	\$23,000
Other (Non-Construction) Specify:	
Training	\$8,900
Total Capital Expenditure	\$32,900

(October 3, 2005, CON Application, page 5)

17. The proposed project will be financed by general contributions and an Option Ultrasound Program grant. *(October 3, 2005, CON Application, pages 5 and 6)*
18. The Applicant does not project any losses or gains from operation of the project. *(October 3, 2005, CON Application, page 11)*
19. The Applicant's current and projected payer mix is 100% Free Care. *(October 3, 2005, CON Application, page 10)*
20. There is no State Health Plan in existence at this time. *(October 3, 2005, CON Application, page 2)*
21. The Applicant has adduced evidence that this proposal is consistent with its long-range plan. *(October 3, 2005, CON Application, page 2)*
22. The Applicant participates in energy conservation, reengineering, and the application of technology programs to improve productivity and contain costs. *(October 3, 2005, CON Application, page 4)*
23. This proposal will not result in changes to the Applicant's teaching and research responsibilities. *(October 3, 2005, CON Application, page 4)*
24. The distinguishing characteristic of the Applicant's patient/physician mix is the provision of ultrasound services at a pregnancy support center. *(October 3, 2005, CON Application, page 10)*
25. The Applicant has sufficient technical and managerial competence to provide efficient and adequate services to the public. *(October 3, 2005, CON Application, page 9)*

Rationale

The Office of Health Care Access (“OHCA”) approaches community and regional need for Certificate of Need (“CON”) proposals on a case by case basis. CON applications do not lend themselves to general applicability due to a variety of factors, which may affect any given proposal; e.g. the characteristics of the population to be served, the nature of the existing services, the specific types of services proposed to be offered, the current utilization of services and the financial feasibility of the proposal.

CareNet is proposing to expand its services by providing medical services such as pregnancy testing, medical consultation and referral and limited obstetrical ultrasound. CareNet currently provides services such as self-administered pregnancy testing, counseling, parenting and childbirth classes, and material assistance to women who have pregnancy-related issues. The Applicant will be licensed as a Primary Care Clinic by the Department of Public Health. The Applicant projects 650, 740, and 900 clients with the project for FY 2005, FY 2006 and FY 2007, respectively. The Applicant projects 50, 120, and 150 clients incremental to the project FY 2005, FY 2006 and FY 2007, respectively. The proposal will allow the Applicant to provide first-trimester limited obstetrical ultrasounds, confirmation of an intrauterine pregnancy, estimation of gestational age, and confirmation of cardiac activity. All services are provided at no charge to clients.

The Applicant’s proposal will increase access to care for women without insurance or social support, and health services that could diagnose and confirm pregnancy in Windham County. The proposed service would help remedy access barriers by providing free services in a central location that is in walking distance for many low income people, and on a bus route for others from further away. Also it would allow CareNet to become more of a major resource for referral to medical services and social services, such as the Access Agency for State services for low-income individuals and families, adoption agencies, and local providers of obstetrical care. The proposal will contribute in a favorable way to the quality and accessibility of health care delivery in the region.

The proposal is financially feasible. The total capital expenditure associated with the project is \$32,900. The source of the funding for the Applicant’s proposal is general contributions and an Option Ultrasound Program grant. The Applicant’s current and projected payer mix is 100% Free Care. Given the current and projected volume of patients and payer mix, the Applicant’s financial projections appear to be both reasonable and achievable.

Based on the foregoing Findings and Rationale, the Certificate of Need application of CareNet Pregnancy Center of Northeast Connecticut to establish a CareNet Pregnancy Program to be located at 157 Main Street in Danielson, Connecticut, at a total capital expenditure of \$32,900, is hereby GRANTED.

ORDER

CareNet Pregnancy Center of Northeast Connecticut is hereby authorized to establish a CareNet Pregnancy Program to be located at 157 Main Street in Danielson, Connecticut, at a total capital expenditure of \$32,900 subject to the following conditions:

1. This authorization shall expire on November 21, 2007. Should the Applicant's project not be completed by that date, the Applicant must seek further approval from OHCA to complete the project beyond date.
2. The Applicant shall not exceed the approved capital expenditure of \$32,900. In the event that the Applicant learns of potential cost increases or expects that the final project costs will exceed those approved, the Applicant shall file with OHCA a request for approval of the revised CON project budget.

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

November 21, 2005

Signed by Cristine Vogel
Commissioner

CAV:pf