



Office of Health Care Access

Modification of Previously Authorized Certificate of Need

Applicants: The William W. Backus Hospital

Modification Docket Number: 07-30757-MDF

Modification Project Title: A request to modify a previous Certificate of Need authorization to extend the CON expiration date from June 7, 2007 to June 7, 2008

Original Project Docket Number and Title: Docket Number 06-30757-WVR
The acquisition of a Replacement CT scanner

Statutory Reference: Sections 4-181a(b), Connecticut General Statutes

Filing Date: June 1, 2007

Decision Date: June 7, 2007

Staff: Karen Roberts

Project Description: The William W. Backus Hospital (“Hospital”), requests a modification of the Certificate of Need (“CON”) authorization issued under Docket Number 06-30757-WVR in order to extend the CON expiration date from June 7, 2007 to June 7, 2008. The CON under Docket Number 06-30757-WVR authorized the acquisition of a replacement CT scanner.

Findings of Fact

1. On June 7, 2006, under Docket Number 06-30757-MDF, the Office of Health Care Access (“OHCA”) granted a Certificate of Need (“CON”) pursuant to Section 19a-639c of the Connecticut General Statutes to The William W. Backus Hospital (“Hospital”) to replace its existing CT scanner at 326 Washington Street, Norwich, Connecticut, at a total capital expenditure of \$2,371,800. Conditions #1 and #3 of the authorization state the following:
(Final Decision for DN 06-30757-WVR)

- “1. *This authorization shall expire on June 7, 2007. Should the Hospital’s CT scanner replacement project not be completed by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date.*”
- “3. *This authorization requires the removal of the Hospital’s existing GE Lightspeed CT scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Hospital’s various service provider locations. Furthermore, the Hospital will provide evidence to OHCA of the disposition of the existing GE Lightspeed CT scanner to be replaced by no later than six months after the replacement GE Lightspeed VCT scanner has become operational.*
2. The Hospital proposed in its CON application to replace its existing General Electric (“GE”) Hispeed CT/i Scanner, with a GE Lightspeed VCT Scanner System. The total capital expenditure associated with the project is \$2,371,800. (*Application filed under DN06-30757-WVR*)
3. The Hospital originally estimated that the replacement projected would be implemented in January 2007. (*Application filed under DN 06-30757-WVR, page 2*)
4. On June 1, 2007, OHCA received a request from the Hospital to modify the CON Final Decision under Docket Number 06-30757-WVR in order to extend the CON expiration date from June 7, 2007 to June 7, 2008. The Hospital provides the following reasons for the request to extend the CON expiration date: (*June 1, 2007 submission, cover page and pages 3 and 4 and waiver application under DN 06-30757-WVR*)

 - a. Upon the CON authorization in June of 2006, the Hospital proceeded to methodically review its various CT options. This review was performed in consideration of the rapidly changing technology in the CT market and in an effort to insure a competitive process.
 - b. The finalization of the selected CT scanner was not completed until March of 2007. The Hospital has chosen a Phillips 64 Channel Brilliance CT System instead of the previously considered GE Lightspeed CT model for which a preliminary quotation was provided in the original waiver application.
 - c. The request is based on negotiations with the equipment vendor and necessary design work to accommodate the scanner replacement.
5. This request for a modification does not alter the authorized capital expenditure for the project or the intended location or scope of the project.

Discussion

OHCA has reviewed this request for a modification to a previously authorized CON and finds that the relationship of the CON authorized under Docket Number 06-30757-WVR to Section 19a-637, C.G.S. is not altered by this request for a modification under Docket Number 07-30757-MDF. It appears to be the Hospital's intent to proceed with the project in the manner and scope originally reviewed by OHCA in 2006 despite this project implementation delay and that this request for a modification of Condition #1 of the CON to allow additional time for implementation appears reasonable.

However, in consideration of the fact that the Hospital originally planned to have the new unit acquired and operational by January 2007 and that the Hospital allowed a year to pass since the CON authorization before making a decision on the unit to acquire and requesting a modification of the CON Order, OHCA finds it reasonable and appropriate to allow only until January 7, 2008, a six-month time extension, in order for the unit to be acquired and become operational.

Order

Based on the above discussion and the reasons provided in the Hospital's modification request, OHCA hereby modifies and grants the request. Conditions # 1 and #3 of the CON Order under Docket Number 06-30757-WVR are modified as follows:

1. This authorization shall expire on January 7, 2008. Should the Hospital's replacement CT scanner not be operational by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date.
3. This authorization requires the removal of the Hospital's existing GE Lightspeed CT scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Hospital's various service provider locations. Furthermore, the Hospital will provide evidence to OHCA of the disposition of the existing GE Lightspeed CT scanner to be replaced by no later than six months after the chosen replacement CT scanner has become operational.

All other conditions set forth in the CON authorization issued under Docket Number 06-30757-WVR not modified herein, will remain in full effect.

By Order of the
Office of Health Care Access

Signed by Commissioner Vogel on June 7, 2007

Date

Cristine A. Vogel
Commissioner

CAV/kr