

M. JODI RELL
GOVERNOR

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

CRISTINE A. VOGEL
COMMISSIONER

February 7, 2007

IN THE MATTER OF:

A Request for Waiver of Certificate of Need
Requirements for Replacement Equipment
filed pursuant to Section 19a-639c, C.G.S.
by

Notice of Final Decision
Office of Health Care Access
Docket Number: 07-30912-WVR

The Stamford Hospital.

**Request to Waive Certificate of
Need Requirements for
Replacement Cardiac
Catheterization Laboratory
Equipment**

To: Kathleen A. Silard
Senior Vice President, Operations
The Stamford Hospital
30 Shelburne Road
P.O. Box 9317
Stamford, CT 06904

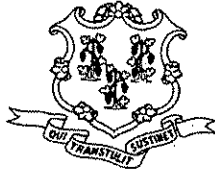
Dear Ms. Silard:

This letter will serve as notice of the Final Decision of the Office of Health Care Access in the above matter as provided by Section 19a-639c, C.G.S. On February 7, 2007, the Final Decision was rendered as the finding and order of the Office of Health Care Access. A copy of the Final Decision is attached hereto for your information.

By Order of the
Office of Health Care Access

Cristine A. Vogel
Commissioner

CAV:swl



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: The Stamford Hospital

Docket Number: 07-30912-WVR

Project Title: Request to Waive CON Requirements for Replacement Cardiac Catheterization Laboratory Equipment

Statutory Reference: Section 19a-639c of the Connecticut General Statutes

Filing Date: January 30, 2007

Hearing: Not Applicable

Decision Date: February 7, 2007

Staff: Steven W. Lazarus

Project Description: The Stamford Hospital ("TSH") requests a waiver of the Certificate of Need ("CON") requirements for replacement equipment. TSH proposes to replace its existing cardiac catheterization laboratory equipment. The total capital expenditure associated with this proposal is \$910,000.

Nature of Proceedings: On January 30, 2007, the Office of Health Care Access ("OHCA") received the waiver of CON requirements request for replacement equipment from TSH. TSH proposes to replace its existing GE Advantx LCV cardiac catheterization laboratory equipment, with Toshiba Infinix cardiac catheterization laboratory equipment. The total capital expenditure associated with this proposal is \$910,000. TSH is a health care facility or institution as defined in Section 19a-630 of the Connecticut General Statutes ("C.G.S.").

OHCA's authority to review and approve, modify or deny the requested waiver of CON requirements for replacement equipment is established by Section 19a-639c, 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

1. The Stamford Hospital ("TSH"), is an acute care hospital, located at 30 Shelburne Road, Stamford Connecticut. *(Waiver of CON From 2040, January 30, 2007, page 2)*
2. On January 11, 1996, under Agreed Settlement Docket Number: 95-567, TSH was authorized to acquire cardiac catheterization laboratory equipment at a total capital expenditure of \$1,030,850. *(January 11, 1996, Docket Number 95-567 Agreed Settlement)*
3. TSH is requesting a waiver of Certificate of Need ("CON") requirements for replacement equipment to replace its existing GE Advantx LCV cardiac catheterization laboratory equipment with Toshiba Infinix cardiac catheterization laboratory equipment. The total capital expenditure associated with the project is \$910,000. *(Waiver of CON From 2040, January 30, 2007, page 4)*
4. TSH based the need for the proposed replacement of the existing cardiac catheterization laboratory equipment on the following:
 - a. Age of the equipment (over 10 years old);
 - b. Requires costly maintenance due to frequent breakdowns;
 - c. It has exceeded its expected manufacturer life cycle; and
 - d. Inadequate image quality.*(Waiver of CON From 2040, January 30, 2007, page 53)*
5. The proposed Toshiba Infinix cardiac catheterization laboratory equipment will provide the following benefits:
 - a. State-of-the-art technology;
 - b. High-quality images;
 - c. Less down time;
 - d. Improved efficiency; and
 - e. Cost-effectiveness.*(Waiver of CON From 2040, January 30, 2007, page 53)*
6. The total capital expenditure for the proposal is \$ 910,000, which includes \$690,000 for the purchase of the cardiac catheterization equipment and \$220,000 for building renovations necessary to accommodate the replacement equipment. *(Waiver of CON From 2040, January 30, 2007, page 4)*
7. The capital expenditure for the proposed replacement cardiac catheterization laboratory equipment is \$690,000, below the \$3,000,000 threshold for determining eligibility for waiver of the CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. *(Waiver of CON From 2040, January 30, 2007, pages 3-4)*
8. TSH will use its equity to acquire the proposed cardiac catheterization laboratory equipment. *(Waiver of CON From 2040, January 30, 2007, page 4)*

Rationale

The Stamford Hospital ("TSH") is requesting a waiver of Certificate of Need ("CON") requirements for replacement equipment, pursuant to Section 19a-639c, of the C.G.S., as amended by Public Act 06-28, Section 5. The Hospital is seeking to replace its cardiac catheterization laboratory equipment with Toshiba Infinix cardiac catheterization laboratory equipment.

TSH indicated that the existing GE Advantx LCV cardiac catheterization laboratory equipment has exceeded its useful life, has excessive down-time and the image quality is poor. TSH stated that the proposed equipment will offer improved efficiencies and will allow TSH to offer higher quality images.

The total capital cost for the proposal is \$910,000 and consists of \$690,000 representing the cost of the proposed equipment and \$220,000 for associated renovations. TSH will fund the replacement project through an equity contribution. The capital cost of \$690,000 for the replacement cardiac catheterization laboratory equipment is below the \$3 million threshold for determining eligibility for a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S., as amended by Public Act 06-28, Section 5.

Based on the foregoing Findings and Rationale, OHCA has determined that The Stamford Hospital's request for a waiver of CON requirements for replacement equipment in order to replace its existing GE Advantx LCV cardiac catheterization laboratory equipment, at a total capital expenditure of \$910,000, meets the requirements for waiver of the CON process pursuant to Section 19a-639c, C.G.S. as amended by Public Act 06-28, Section 5, and is hereby granted subject to conditions.

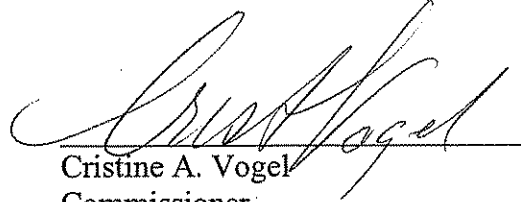
Order

The Stamford Hospital ("TSH") is hereby authorized to replace its existing cardiac catheterization laboratory equipment, at a total capital expenditure of \$910,000, subject to the following conditions:

1. This authorization shall expire on February 29, 2008. Should TSH cardiac catheterization laboratory equipment replacement project not be completed by that date, TSH must seek further approval from OHCA to complete the project beyond that date.
2. TSH shall not exceed the approved capital expenditure of \$910,000. In the event that TSH learns of potential cost increases or expects that final project costs will exceed those approved, TSH shall file with OHCA a request for approval of the revised CON project budget.
3. With respect to the acquisition of the new cardiac catheterization laboratory equipment, TSH shall notify OHCA regarding the following information in writing by no later than one month after the equipment becomes operational:
 - a) The name of the manufacturer;
 - b) The model name and description of the cardiac catheterization laboratory equipment; and
 - c) The initial date of the operation of the cardiac catheterization laboratory equipment.
4. This authorization requires the removal of the Hospital's existing cardiac catheterization laboratory equipment for certain disposition, such as sale or salvage, outside of and unrelated to TSH's Connecticut service locations. Furthermore, TSH shall provide evidence to OHCA of the disposition of the existing cardiac catheterization laboratory equipment be replaced by no later than six months after the replacement cardiac catheterization laboratory equipment has become operational.

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



Cristine A. Vogel
Commissioner

2-7-07
Date

CAV:swl