



**STATE OF CONNECTICUT**  
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL  
GOVERNOR

CRISTINE A. VOGEL  
COMMISSIONER

August 10, 2007

Jere Pittner  
Consultant  
Galena Advisors  
2727 Paces West, Suite 1-1640  
Atlanta, Georgia 30339

Re: Certificate of Need Determination Report Number: 07-31008-DTR  
Western Connecticut Center for Endoscopy, LLC  
Proposal to Establish and Operate a Single Specialty Outpatient Surgical Center for the  
Performance of Gastrointestinal Procedures in Danbury

Dear Mr. Pittner:

The Office of Health Care Access (“OHCA”) is in receipt of your request for a CON Determination Report on behalf of Western Connecticut Center for Endoscopy, LLC, regarding a proposal to establish and operate a single specialty outpatient surgical center for the performance of gastrointestinal procedures in Danbury, with an associated capital expenditure of \$738,030. OHCA has reviewed the information contained in your request and makes the following findings:

1. Western Connecticut Center for Endoscopy, LLC, (“Applicant”) is a limited liability company, established in the state of Connecticut for the purpose of operating a single specialty outpatient surgical center for the performance of gastrointestinal procedures.
2. The name of the proposed surgical center will be Western Connecticut Center for Endoscopy, LLC.
3. The proposed surgical center is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).
4. The surgical center will be located at 7 Germantown Road, Danbury Connecticut.
5. The Applicant does not currently offer health services and will apply for licensure to operate the ambulatory surgery center with the Connecticut Department of Public Health.

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6. Western Connecticut Center for Endoscopy, LLC, is owned by two physicians, Drs. Gary Gordon and Clifford Appel, each affiliated with Danbury Internal Medicine Associates, PC, and Galen Advisors, LLC, an Atlanta based consulting firm.
7. The two physicians will collectively own a 90% share in the business, while the consulting firm will own a 10% share.
8. The proposed surgical center will serve the Connecticut municipalities of Danbury, Ridgefield, Brookfield, New Fairfield, Redding, Newtown, Southington and Bethel. In addition, the center will serve the New York municipalities of Brewster, North Salem and South Salem.
9. The two physician owners will be the only physicians performing procedures at the center.
10. The Applicant will sublease the physical space for the center from Danbury Internal Medicine Associates, PC.
11. Danbury Internal Medicine Associates, PC, is comprised of four physician owners. The practice is run by an administrator who reports to a board of directors. The board of directors is comprised of the practice owners.
12. The Applicant proposes to begin building work on the surgical center's physical space 45 days after the necessary state and municipal approvals are attained. The center is scheduled to become operational in 120 days after attainment of the approvals.
13. The Applicant proposes to lease all major medical equipment for the gastrointestinal services to be rendered.
14. The anticipated capital cost for the proposal is \$738,030.
15. The surgical center will outsource all billing to Vantage Management Solutions, LLC. Vantage Management is owned by the four physician owners of Danbury Internal Medicine Associates, PC and two other individuals.
16. The Applicant will contract with the same payers as Danbury Internal Medical Associates, PC. Danbury Medicine Associates currently accepts Medicare and Medicaid patients. Their other payers are as follows: Aetna, Blue Cross Blue Shield, Beech Street, Cigna, CTCare, CCNetwork, First Health, Great West, HealthNet, Health-CT, Humana, Northeast Health Direct, NEHCA, Oxford, Pomco, PHCS, United Healthcare and US Healthcare

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17. Pursuant to Section 19a-638 (2) of the Connecticut General Statutes each health care facility or institution or state health care facility or institution, which intends to introduce any additional function or service into its program of health care shall submit to the office, prior to the proposed date of the institution of such function or service, a request for permission to undertake such function or service.

Based on the above findings, OHCA has determined that the proposal to establish and operate a single specialty outpatient surgical center for the performance of gastrointestinal procedures in Danbury, with an associated capital expenditure of \$738,030, represents the establishment of a new service in a new location. Therefore, the proposal of Western Connecticut Center for Endoscopy, LLC, to establish and operate a single specialty outpatient center for the performance of gastrointestinal procedures in Danbury, with an associated capital expenditure of \$738,030, requires Certificate of Need authorization by OHCA pursuant to Section 19a-638 (2) of the Connecticut General Statutes.

If Western Connecticut Center for Endoscopy, LLC is agreeable, OHCA will consider the submission of information received on July 16, 2007, as the Letter of Intent for this matter. Therefore, Western Connecticut Center for Endoscopy, LLC, may file a completed CON application with OHCA between September 14, 2007, and November 3, 2007. The CON application is being mailed to your attention separately.

**If Western Connecticut Center for Endoscopy, LLC, is not agreeable with this process and wishes to secure CON authorization for the proposed transaction, Western Connecticut Center for Endoscopy, LLC, must immediately notify OHCA in writing of its position and submit a Letter of Intent to OHCA regarding its proposal.**

Thank you for providing information to OHCA regarding this proposal. If you have any questions concerning this letter, please contact Jack A. Huber at (860) 418-7034.

Sincerely,

Signed by Cristine A. Vogel  
Commissioner

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