

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

NOVEMBER 15, 2010

Michael J. Daglio
Senior Vice President, Operations
Ridgefield Surgical Center, LLC
901 Ethan Allen Highway
Suite 105
Ridgefield, CT 06877

Re: Certificate of Need Determination Request; Report Number: 10-31668-DTR
Acquisition of Interests in Ridgefield Surgical Center by Danbury Hospital

Dear Mr. Daglio:

On October 13, 2010, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request regarding the planned acquisition of interests in Ridgefield Surgical Center, LLC by Danbury Hospital. The following information was provided to OHCA regarding this proposal:

1. Ridgefield Surgical Center, LLC (the "Petitioner") is a for-profit limited liability company, located at 901 Ethan Allen Highway, Suite 105, Ridgefield, CT.
2. At this location, the Petitioner operates a freestanding ambulatory surgery center.
3. The Petitioner is a limited liability company with two classes of members (collectively, the "Members").
4. The Class A Members are physicians, most of whom are members of the Danbury Hospital Medical Staff practicing in the greater Danbury area. The Class B Member is Western Connecticut Healthcare, Inc. formerly known as Danbury Health Systems, Inc. ("DHS"), the parent corporation of The Danbury Hospital.
5. The Class A Members currently own 33.2% of the membership interests in the Petitioner and DHS, as the Class B Member, currently owns 66.8% of the membership interests in the Petitioner.

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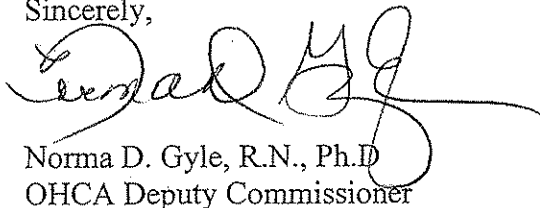
410 Capitol Ave., MS#13HCA, P.O. Box 340308, Hartford, CT 06134-0308
Telephone: (860) 418-7001 Toll-Free: 1-800-797-9688
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6. DHS proposes to acquire all of the membership interests of the Petitioner currently held by the Class A Members, at an aggregate cost of \$1,375,000 or \$25,000 per membership unit.
7. Once DHS owns 100% of the membership interests of the Petitioner, DHS proposes to transfer its ownership interest in the Petitioner to its subsidiary, Danbury Hospital. The Center will then be wholly owned by Danbury Hospital and the Petitioner will be dissolved. The Center's outpatient surgical facility license will be relinquished and the Center's operating rooms will become part of Danbury Hospital's license.
8. Since DHS currently owns 66.8% (a controlling interest) of the membership units of the Petitioner, the purchase of the remaining 33.2% of the membership units of the Petitioner will not impact or change the governance or controlling body of the Petitioner.

Based on the above findings, OHCA has determined that the proposal of Danbury Hospital to acquire the remaining interests in Ridgefield Surgical Center, LLC will not result in the transfer of ownership as defined in Public Act 10-179 § 83(14). Therefore, the proposal of Danbury Hospital to acquire the remaining interests in Ridgefield Surgical Center, LLC does not require Certificate of Need approval from OHCA.

Thank you for advising OHCA of your plans. If you have any questions concerning this letter, please contact Melanie Dillon at (860) 418-7060.

Sincerely,



Norma D. Gyle, R.N., Ph.D.
OHCA Deputy Commissioner

NDG:MD:pf

C: Rose McLellan, License & Applications Supervisor, FLIS, DPH

*** TX REPORT ***

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DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: Michael Daglio
FAX: 203-739-8687
AGENCY: WESTERN CT HEALTHCARE, INC.
FROM: Melanie Dillon
DATE: 11/15/2010 TIME: 1:30
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Comments:
10-31668-DTR

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