



Office of Health Care Access Certificate of Need Application

Final Decision

Hospital: Bridgeport Hospital

Docket Number: 07-30974-CON

Project Title: Termination of Outpatient Cardiac Rehabilitation (“OCR”) Services at Bridgeport Hospital and Establishment of OCR services at a Primary Location in Fairfield and a Secondary Location in Bridgeport

Statutory Reference: Section 19a-638, C.G.S.

Filing Date: October 18, 2007

Public Hearing Date: Not Applicable

Decision Date: January 7, 2008

Default Date: January 16, 2008

Staff: Steven W. Lazarus

Project Description: Bridgeport Hospital (“Hospital”) proposes to terminate Outpatient Cardiac Rehabilitation (“OCR”) services at the Hospital’s main campus and establish OCR services at a primary location at 1305 Post Road, Fairfield, CT and a secondary satellite location at the Ahlbin Center for Rehabilitation Medicine located on 226 Mill Hill Avenue, Bridgeport, Connecticut at total capital expenditure of \$90,000.

Nature of Proceedings: On October 18, 2007, the Office of Health Care Access (“OHCA”) received the completed Certificate of Need (“CON”) application of the Hospital to terminate OCR services at the Hospital’s main campus and establish OCR services at a primary location in Fairfield, CT and a secondary location will be established at the Ahlbin Center in Bridgeport, CT at total capital

expenditure of \$90,000. The Hospital 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-638, C.G.S., a notice to the public concerning OHCA’s receipt of the Hospital’s Letter of Intent was published in *The Connecticut Post*, on July 28, 2007. OHCA received no responses from the public concerning the Hospital’s proposal.

Pursuant to Section 19a-638, C.G.S., three individuals or an individual representing an entity with five or more people had until November 8, 2007, the twenty-first calendar day following the filing of the Hospital’s CON application, to request that OHCA hold a public hearing on the Hospital’s proposal. OHCA received no hearing requests from the public.

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 Hospital’s Current Utilization Statistics Contribution of the Proposal to the Accessibility and Quality of Health Care Delivery in the Region

1. Bridgeport Hospital (“Hospital”) is an acute care hospital located at 267 Grant Street in Bridgeport, Connecticut. (*May 25, 2007, Letter of Intent*)
2. The Hospital is proposing to terminate Outpatient Cardiac Rehabilitation (“OCR”) services at the Hospital’s main campus and establish the OCR services at a primary location at 1305 Post Road, Fairfield, CT and a secondary satellite location at the Ahlbin Center for Rehabilitation Medicine (“Center”) located on 226 Mill Hill Avenue, Bridgeport, CT. (*October 18, 2007, CON Application, page 3*)
3. OCR is a professionally supervised program which helps patients recover from heart attacks, heart surgery and percutaneous coronary intervention procedures such as stenting and angioplasty. (*October 18, 2007, CON Application, page 2*)
4. OCR is individually tailored to each patient and includes up to thirty-six, ninety minute sessions. These sessions generally take place over a twelve week period. Each ninety minute session includes four components: monitored exercise, education and dietary counseling, stress management and social support. (*October 18, 2007, CON Application, page 3*)

5. The Hospital's current OCR services are located on the tenth floor of the Hospital's main building and the patients who utilize the service must park in the hospital parking garage, walk across the street or use the sky walk, and come through the main lobby to the elevator. *(October 18, 2007, CON Application, page 3)*
6. The proposed Fairfield and Bridgeport locations of the OCR service will provide the following benefits:
 - a. Increased inpatient space at the Hospital's main building;
 - b. Maintain consistency with the Hospital's Master Facility Plan;
 - c. Enhanced patient access to their referring physicians; and
 - d. Improved parking.*(October 18, 2007, CON Application, page 3)*
7. During the past year, the Hospital has undertaken evaluation of the appropriate utilization of inpatient space in the main building as part of its Master Facility Plan and as a result of that, the Hospital's primary focus is to move outpatient services off-campus, that are currently located on the campus. *(October 18, 2007, CON Application, page 3)*
8. The space being vacated on the ninth floor of the Hospital was originally used as patient rooms. As a result of this proposal the Hospital intends to return the vacated space to its original purpose and utilize for patient care, specifically medical-surgical inpatient beds/rooms. *(December 20, 2007, Responses to OHCA's Supplemental Questions)*
9. The Hospital selected the primary OCR service location in Fairfield due to the proximity to the cardiac specialists office in Fairfield. This cardiac specialists' office currently accounts for 80 percent of the total referral to the Hospital's OCR service. *(October 18, 2007, CON Application, page 3)*
10. Services offered at the proposed primary location in Fairfield will:
 - a. Include Phase 2 monitored cardiac rehabilitation, group and individual exercise three times a week for up to one hour with vital signs taken regularly and heart rhythm monitored by registered nurses and exercise physiologists, ensuring the patient's heart is functioning correctly while exercising.
 - b. Offer the lower level Phase 3 non-monitored cardiac rehabilitation, stress management and nutritional counseling.
 - c. Include dedicated staff associated with the outpatient cardiac rehabilitation that will be relocated to the Fairfield site.
 - d. Have physician oversight, in that a physician will be immediately available during operating hours for all cardiac emergencies.*(December 20, 2007, Responses to OHCA's Supplemental Questions)*
11. The proposed primary location in Fairfield will be located on the first floor of a three story office building with accessible parking in the front entrance of the building. *(October 18, 2007, CON Application, page 3)*

12. A second OCR service location is proposed at the Center across the street from the Hospital at 226 Mill Hill Avenue in Bridgeport. This location has a separate parking garage close to the main entrance of the facility. *(October 18, 2007, CON Application, page 3)*
13. The Hospital currently offers outpatient rehabilitation services, including pulmonary rehabilitation, at the Center and operates a primary care clinic, which is located on the second floor of this building. *(October 18, 2007, Completeness Letter Responses, page 1)*
14. The Hospital will also maintain a location for OCR service in Bridgeport to offer patients and referring physicians the convenience of choosing between two sites for Phase 3 OCR. *(December 20, 2007, Responses to OHCA's Supplemental Questions)*
15. The proposed Phase 3 OCR services proposed for the Bridgeport site:
 - a. consists of non-monitored aerobic exercise and strength training utilizing equipment such as treadmills, elliptical machines, weight machines, and free/hand weights;
 - b. Phase 3 OCR services at the Bridgeport location can also be provided by the existing therapy staff located in the building, therefore, there is no additional staff needed; and
 - c. This level of service does not does not require physician supervision.
(December 20, 2007, Responses to OHCA's Supplemental Questions)
16. St. Vincent's Medical Center located at 2800 Main Street in Bridgeport also provides OCR services. The Hospital does not expect any impact on St. Vincent's Medical Center as the proposed OCR is an established service of the Hospital. *(October 18, 2007, CON Application, page 7)*
17. The hours of operation for the proposed OCR service at both OCR service locations will be Mondays, Wednesdays and Thursdays from 6:45 am to 5:15 pm. *(October 18, 2007, CON Application, page 3)*
18. The Hospital's historical OCR service volume at the main campus is as follows:

Table One: Historical OCR Utilization

FY 2004	FY 2005	FY 2006
500	467	478

(October 18, 2007, CON Application, pages 4-5)

19. The Hospital is projecting the following OCR service utilization by location:

Table Two: Projected OCR Utilization by Location

Location	FY 2008	FY 2009	FY 2010
Fairfield	471	471	471
Bridgeport	7	7	7
Combined Total	478	478	478

Note: The Hospital based its projections on its historical experience. (October 18, 2007, CON Application, page 5, October 18, 2007, Completeness Letter Responses, Page 3 and December 20, 2008, Responses to OHCA's Supplemental Questions)

**Financial Feasibility of the Proposal and its Impact on the Hospital'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**

20. The associated capital expenditure for this proposal is as follows:

Table Three: Associated Capital Expenditure

Construction/Renovation	\$39,000
Office Related Equipment	\$51,000
Total Capital Expenditure	\$90,000

(October 18, 2007, CON Application, page 13)

21. The Hospital proposes to fund this proposal through its equity, specifically through operating funds. (October 18, 2007, CON Application, page 13)
22. The Hospital expects incremental losses to the proposal of \$88,000, \$85,000 and \$85,000, for FYs 2008, 2009 and 2010. (October 18, 2007, CON Application, page 135)
23. The Hospital attributes the projected incremental losses to increased expenses associated with the OCR service locations. This proposal will result in necessary inpatient space at the Hospital's main building. (October 18, 2007, CON Application, page 16)

24. The Hospital's payer mix is not expected to change as a result of this project. The projected payer mix for the first three years of operation of the proposal is as follows:

Table Four: Current and Three-Year Projected Payer Mix with the CON Proposal

Payer Description	Current	Year 1	Year 2	Year 3
Medicare (including managed care)	39.40%	39.40%	39.40%	39.40%
Medicaid (including managed care)	22.90%	22.90%	22.90%	22.90%
CHAMPUS or TriCare	0.10%	0.10%	0.10%	0.10%
Total Government	62.40%	62.40%	62.40%	62.40%
Commercial Insurers	32.70%	32.70%	32.70%	32.70%
Uninsured	3.90%	3.90%	3.90%	3.90%
Workers Compensation	1.0%	1.0%	1.0%	1.0%
Total Non-Government	37.60%	37.60%	37.60%	37.60%
Total Payer Mix	100%	100%	100%	100%

(October 18, 2007, CON Application, page 15)

25. There is no State Health Plan in existence at this time. *(October 18, 2007, CON Application, page 3)*
26. The Hospital stated that this proposal is consistent with its long-range plan. *(October 18, 2007, CON Application, page 3)*
27. The Hospital has improved productivity and contained costs in the past year by the application of energy conservation, group purchasing, re-engineering, and the application of technology. *(October 18, 2007, CON Application, page 10)*
28. The proposal will not result in any change to the Hospital's research responsibilities. *(October 18, 2007, CON Application, page 11)*
29. There are no distinguishing characteristics of the Hospital's patient/physician mix that makes the proposal unique. *(October 18, 2007, CON Application, page 11)*
30. The Hospital has sufficient technical and managerial competence and expertise to provide efficient and adequate service to the public. It is certified by the American Association of Cardiovascular and Pulmonary Rehabilitation and complies with its standards of care. *(October 18, 2007, CON Application, pages 9 and Attachment IV)*

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.

Bridgeport Hospital (“Hospital”) is an acute care hospital located at 267 Grant Street in Bridgeport, Connecticut. The Hospital is proposing to terminate Outpatient Cardiac Rehabilitation (“OCR”) services at the Hospital’s main campus and establish OCR services at a primary location at 1305 Post Road, in Fairfield and establish a secondary location at the Ahlbin Center for Rehabilitation Medicine (“Center”) located across the Hospital campus on 226 Mill Hill Avenue in Bridgeport.

The Hospital performed an evaluation of its utilization of inpatient space in the main building as part of its Master Facility Plan and decided to focus on moving off-campus outpatient services that are currently performed at the Hospital. The current location of the Hospital’s OCR service is not ideal as it is located on the tenth floor of the Hospital’s main building, and for OCR patients it is difficult to navigate from and to the parking. This proposal will terminate the OCR service at the Hospital and establish OCR services at a primary location in Fairfield, which was selected due to its proximity to the cardiac specialists’ office in Fairfield. This cardiac practice accounts for 80 percent of the total referrals to the OCR service at the Hospital. The Fairfield location will be a full service OCR site and will be under physician supervision. Additionally, the Hospital will establish a secondary location for its OCR service across the street from the Hospital at the Center, which currently offers other outpatient rehabilitation services, including pulmonary. This secondary site in Bridgeport will only offer OCR services, which do not require any physician supervision and the Hospital’s existing therapist will offer the proposed OCR services. Also, the space vacated on the ninth floor of the main building, due to this proposal will be utilized for medical -surgical inpatient beds/rooms.

The proposed OCR locations will offer enhanced patient access for the Hospital’s OCR patients as well as the referring physicians. It will also allow for increased inpatient space at the Hospital’s main building, which is consistent with the Hospital’s Master Facility Plan. In FYs 2004, 2005, and 2006 the Hospital provided OCR services to 500, 467 and 478 patients, respectively. According to the Hospital, patients’ access will not be restricted as a result of this proposal; rather, based on the evidence, the Hospital’s proposal will improve both the accessibility and quality of cardiac rehabilitation services for the resident of the service area.

The capital expenditure associated with this proposal is \$90,000. The Hospital will fund this proposal through an equity contribution, specifically through operating funds. The Hospital projects minimal incremental losses with the OCR service locations of \$88,000, \$85,000, and \$85,000 in FYs 2008, 2009 and 2010, respectively. Despite the incremental losses, the Hospital maintains that this proposal remains consistent with the its Master Facility Plan of moving off-campus outpatient services currently offered at the Hospital’s main building thereby, creating valuable inpatient space in the Hospital main building. Although OHCA can not draw any conclusions, the Hospital’s volume and financial projections upon which they are based appear to be reasonable and achievable.

ORDER

Based on the foregoing Findings and Rationale, the Certificate of Need application of Bridgeport Hospital ("Hospital") is hereby authorized to terminate its Outpatient Cardiac Rehabilitation ("OCR") service at the Hospital's main campus and establish OCR services at 1305 Post Road in Fairfield and 226 Mill Hill Avenue in Bridgeport, at an associated capital expenditure of 90,000, subject to the following conditions:

1. This authorization expires on December 31, 2008. Should the Hospital's OCR services proposal not be completed by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date.
2. The Hospital shall not exceed the approved capital cost of \$90,000. In the event that the Hospital learns of potential cost increases or expects that the final project costs will exceed those approved, the Hospital shall notify OHCA immediately
3. The Hospital is authorized to terminate its OCR services at 267 Grant Street, Bridgeport, Connecticut and establish OCR services at a primary location at 1305 Post Road, Fairfield, and a satellite location at 226 Mill Hill Avenue, Bridgeport.
4. The Hospital shall notify OHCA in writing of the following:
 - a. The date of the termination of OCR services at the Hospital, no later than 5 business days after the termination of OCR services at the Hospital;
 - b. The date of the start of operation of OCR services in Fairfield, no later than 5 business days after start of the operation; and
 - c. The date of the start of operation of OCR services in Bridgeport, no later than 5 business days after the start of the operation.
5. Upon termination of OCR services at the Hospital, the Hospital must begin operations of the two new locations for OCR services within a reasonable and timely manner, so that there is no extended absence of OCR services for Hospital's patients.

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

Signed by Commissioner Vogel on January 7, 2008

Date

Cristine Vogel
Commissioner