



## Findings of Fact

1. On April 18, 2005, under Docket Number 04-30409-CON, the Office of Health Care Access (“OHCA”) authorized a Certificate of Need to Hospital of Saint Raphael (“Hospital”) for the replacement of its existing laboratory and blood bank systems with a new state-of-the-art fully-integrated laboratory system, at a total capital expenditure of \$1,887,500. OHCA has extended the CON expiration date two times for this project under Docket Numbers 05-30409-MDF and 07-30409-MDF. Condition #1 of the most recent modification under Docket Number 07-30409-MDF is as follows:

*“1. This authorization shall expire on September 30, 2008. Should the Hospital’s replacement laboratory system project not be fully implemented by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date.”*

3. On September 22, 2008, OHCA received a request from the Hospital to further modify the CON authorization in order to extend the CON expiration date from September 30, 2008 to December 31, 2008. The Hospital’s explanation for the project delays are as follows:
  - a) Implementation plans following the previous modification authorization were to “go live” with the basic laboratory system in March of 2007 and then to “go live” with advanced functionality, such as advanced reporting, clinical alerts, and advanced outreach functionality one year later.
  - b) The basic laboratory system (Blood Bank, Chemistry, Hematology, Microbiology and reference lab functionality) initially went live on March 17, 2007. However, the system interfaces between the Hospital’s clinical system (QuadraMed) and the new laboratory system were unstable and the “change management/learning curve was significant.”
  - c) The Hospital and the vendor worked for several days to resolve the system interface and workflow issues, however, on March 19, 2007 the system was still experiencing problems, and a decision was made that to continue resolving these issues would start to negatively affect patient care. It was decided at that time, that the entire system, excluding the blood bank component<sup>1</sup>, would need to be “rolled back”.
  - d) An extensive root cause analysis was performed and found that there were five main areas in which improvements could be made to ensure a successful “go live”: additional testing of the interface, separate label printers, improved vendor support, additional training for laboratory and hospital personnel, increased involvement of senior staff and a project manager change.

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<sup>1</sup> The blood bank component has a much smaller order volume and could continue to be used without the interface. Further, the existing blood bank system had been discontinued by the vendor and was no longer supported.

- e) The Hospital notes that interfacing the Misys Laboratory System with the Hospital's QuadraMed system was the first such interface between these two systems
  - f) The Hospital indicates that all the issues have been worked through and the Hospital is restarting system testing. Testing and additional training will require at least two months and the Hospital is scheduled to "go live" on December 4, 2008.
4. Effective July 1, 2006, pursuant to Public Act 06-28, the statutory threshold related to capital expenditure projects under Section 19a-639 of the Connecticut General Statutes was raised from \$1,000,000 to \$3,000,000.
  5. Effective July 1, 2008, pursuant to Public Act 08-14, Section 2(e): "Each health care facility or institution that proposes a capital expenditure for ... information and communications systems ... shall be exempt for such capital expenditure from certificate of need review under subsection (a) of section 19a-639 of the 2008 supplement to the general statutes, provided (1) the health care facility or institution submits information to the office regarding the type of capital expenditure, the reason for the capital expenditure, the total cost of the project and any other information which the office deems necessary; and (2) the total capital expenditure does not exceed twenty-million dollars. ..."
  6. This proposal will not result in an increase the authorized total capital expenditure nor a change in project scope as previously reviewed and authorized.

## 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 04-30409-CON, as subsequently modified by Docket Numbers 05-30409-MDF and 07-30409-MDF, to Section 19a-637, C.G.S., is not altered by this request for a modification under Docket Number 08-30409-MDF. It is the Hospital's intent to complete the project as reviewed and authorized by OHCA and the Hospital indicates that the remaining project implementation should be completed by December 31, 2008. The additional time needed to complete the project will not result in a change to project scope or the authorized capital expenditure.

As noted in Finding of Facts #4 and #5 above, OHCA no longer requires Certificate of Need authorization for any capital expenditure which does not exceed \$3,000,000 and also, as of this year, OHCA no longer requires Certificate of Need authorization for information and communications systems. Because of this, OHCA finds it appropriate to vacate Condition #1 of the CON authorization rather than further extending the CON expiration date in this matter. The matter remains under CON jurisdiction as the CON was filed and reviewed prior to the changes in the law; however, OHCA does not find it necessary to continue to review the CON expiration date in this matter.

## Order

Based on the above discussion OHCA hereby modifies the CON authorized under Docket Number 04-30409-CON, as modified by Docket Numbers 05-30409-MDF and 07-30409-MDF. OHCA VACATES Condition #1 of the CON Order and does not set forth a specific CON expiration date in this matter.

All other conditions set forth in the CON authorization issued under Docket Number 04-30409-CON, as modified by Docket Numbers 05-30409-MDF and 07-30409-MDF, not modified herein, will remain in full effect.

By Order of the  
Office of Health Care Access

*Signed by Commissioner Vogel on September 29, 2008*

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Date

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Cristine A. Vogel  
Commissioner

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