



## Office of Health Care Access

### Modification of Previously Authorized Certificate of Need

**Applicant:** Lawrence & Memorial Hospital

**Modification Docket Number:** 08-30934-MDF

**Modification Project Title:** A request to modify a previous Certificate of Need authorization in order to increase the authorized capital expenditure by \$252,133 to \$3,749,903 and to extend the CON expiration date from February 1, 2009 to March 1, 2009

**Original Project Docket Number and Title:** Docket Number 07-30934-CON; The acquisition and operation of a second on-campus CT scanner

**Statutory Reference:** Sections 4-181a(b), Connecticut General Statutes

**Filing Date:** November 20, 2008

**Decision Date:** December 19, 2008

**Staff:** Karen Roberts

**Project Description:** Lawrence & Memorial Hospital (“Hospital”) proposes a modification of the Certificate of Need (“CON”) authorization issued under Docket Number 07-30934-CON, in order to increase the authorized capital expenditure by \$252,133 from \$3,497,770 to \$3,749,903 and to extend the CON expiration date from February 1, 2009 to March 1, 2009. The CON authorization was for the acquisition of a new 64-slice CT scanner for use as the Hospital’s second on-campus CT scanner at a total capital expenditure of \$3,497,770.

## Findings of Fact

1. On October 31, 2007, under Docket Number 07-30934-CON, the Office of Health Care Access (“OHCA”) granted a Certificate of Need (“CON”) to Lawrence & Memorial Hospital (“Hospital”) to acquire a new 64-slice CT scanner for use as the Hospital’s second on-campus CT scanner at a total capital expenditure of \$3,497,770. The CON was reviewed and authorized pursuant to Section 19a-639 of the Connecticut General Statutes. Conditions # 1 and #2 of the CON authorization is as follows:
  - “1. *This authorization shall expire February 1, 2009. Should the Hospital’s project 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 expenditure of \$3,497,770. 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.*”
2. On November 20, 2008, OHCA received the Hospital’s request for an increase in the authorized total capital expenditure, by \$252,133, from \$3,497,770 to \$3,749,903. The Hospital is also requesting an extension of the CON expiration date set forth in Condition #1 of the CON Order, from February 1, 2009 to March 1, 2009. This modification request is being reviewed by OHCA under Docket Number 08-30934-MDF.
3. The Hospital states that “*Unanticipated at the time of the CON filing, the existing HVAC system was unable to handle the additional heat load of the new scanner and a dedicated HVAC system was designed and ordered, which was not included in the original budget.*” The Hospital further states that the “*dedicated HVAC unit is back-ordered five weeks.*”
4. The Hospital has issued a purchase order to General Electric for the new CT scanner, including a 10% deposit and the new scanner was delivered to the Hospital on November 12, 2008. The planned relocations and renovations are currently in process.

## 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 07-30934-CON, to Section 19a-637, C.G.S., is not significantly altered by this request for a modification under Docket Number 08-30934-MDF. The modification proposal does not alter the intended scope and the HVAC issues appear to have been unanticipated at the time of the original CON filing. The request for an increase in the authorized capital expenditure by \$252,133 and the extension of the CON expiration date until March 1, 2009 appears to be reasonable.

## Order

Based on the above discussion and the reasons provided in the Hospital's modification request, OHCA hereby grants the request and modifies the CON authorized under Docket Number 07-30934-CON. Conditions #1 and #2 of the CON authorization under Docket Number 07-30934-CON are modified as follows:

1. This authorization shall expire March 1, 2009. Should the Hospital's project 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 expenditure of \$3,749,903. 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.

All other conditions set forth in the CON authorization issued under Docket Number 07-30934-CON not modified herein, will remain in full effect.

By Order of the  
Office of Health Care Access

*Signed by Commissioner Vogel on December 19, 2008*

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Date

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Cristine A. Vogel  
Commissioner

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