



Office of Health Care Access

Modification of a Previously Authorized Certificate of Need

Applicant: Hospital of Saint Raphael

Modification Docket Number: 08-30952-MDF

Modification Project Description: A request to modify a previous Certificate of Need authorization in order to increase the authorized capital expenditure by \$350,000, from \$5,500,000 to \$5,850,000

Original Project Docket Numbers and Title: Docket Number 07-30952-CON: The acquisition of a CyberKnife stereotactic radiosurgery system

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

Filing Date: March 7, 2008

Decision Date: March 12, 2008

Staff: Karen Roberts

Project Description: The Hospital of Saint Raphael (“Hospital”) requests a modification of the Certificate of Need (“CON”) authorization issued under Docket Number 07-30952-CON in order to increase the authorized capital expenditure by \$350,000, from \$5,500,000 to \$5,850,000. The CON under Docket Number 03-30183-CON authorized the Hospital’s acquisition of a CyberKnife stereotactic radiosurgery system.

Findings of Fact

1. On November 13, 2007, under Docket Number 07-30952-CON, the Office of Health Care Access (“OHCA”) granted a Certificate of Need (“CON”) to the Hospital of Saint Raphael (“Hospital”) to acquire and operate a CyberKnife® stereotactic radiosurgery system for the Hospital’s Father McGivney Cancer Center, at a total capital cost of \$5,500,000.
2. Condition #2 of the CON authorization states the following:

“2. The authorized capital cost of \$5,500,000 shall not exceed¹. In the event that the Hospital learns of potential cost increases or expects that final project costs will exceed those approved, the Hospital shall notify OHCA immediately.”
(Source: November 13, 2007 CON authorization under Docket Number 07-30952-CON)
3. On March 7, 2008, OHCA received the Hospital’s request to increase the authorized total capital expenditure, by \$350,000, from \$5,500,000 to \$5,850,000. The Hospital indicates that the requested increase is due to additional renovation expenses incurred related to relocating concealed piping, electrical feeds, and structural elements which were uncovered during the initial construction phase. *(Source: Page 2 of the March 7, 2008 modification request)*
4. The source of funding for the increased capital expenditure is identified as Hospital operating funds. *(Source: Page 3 of the March 7, 2008 modification request).*
5. The Hospital indicates that space for the CyberKnife Suite has been acquired and all area demolition has been completed. All concrete pours are completed and walls have been framed. Sheetrock, electrical power and air needs are in progress. The Hospital further indicates that the vault will be fully complete by March 18, 2008, the date when the CyberKnife unit is scheduled to be delivered. The current plan is to treat the first patients in May, 2008. *(Page 4 of the March 7, 2008 modification request).*
6. This request does not result in a change in the scope of the project originally reviewed and authorized by OHCA, or in any extension in the CON expiration date for this project.

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 07-30952-CON to Section 19a-637 of the Connecticut General Statutes, is not significantly altered by this request for a modification under Docket Number 08-30952-MDF. The modification proposal does not alter the intended scope or timeframe for the project originally reviewed and acted upon by OHCA and the increased costs appear to be for circumstances that were unanticipated by the Hospital at the time of the original CON filing. The request for an additional \$350,000 appears to be reasonable.

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Order

Based on the above discussion and the reasons provided in the Hospital's modification request, OHCA hereby **Grants** the request and allows a modification of the CON Order under Docket Number 07-30952-CON. Condition #2 of the CON Order under Docket Number 07-30952-CON is modified as follows:

2. The Hospital shall not exceed the authorized capital cost of \$5,850,000. In the event that the Hospital learns of potential cost increases or expects that final project costs will exceed those approved, the Hospital shall notify OHCA immediately.

All other conditions set forth in the CON authorization under Docket Number 07-30952-CON, not further modified herein by Docket Number 08-30952-MDF, will remain in full effect.

By Order of the
Office of Health Care Access

Signed by Commissioner Vogel on March 12, 2008

Date

Cristine A. Vogel
Commissioner

CAV/kr