



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Hartford Hospital

Docket Number: 08-31116-CON

Project Title: Termination of Intensive Outpatient Program and Partial Hospitalization Program in Cheshire

Statutory Reference: Section 19a-638 of the Connecticut General Statutes

Filing Date: September 8, 2008

Decision Date: November 3, 2008

Default Date: December 9, 2008

Staff Assigned: Diane Duran

Project Description: Hartford Hospital (“HH or Hospital”) is proposing to terminate its Intensive Outpatient Program and Partial Hospitalization Program in Cheshire, with no associated capital expenditure.

Nature of Proceedings: On September 8, 2008, the Office of Health Care Access (“OHCA”) received the Certificate of Need (“CON”) application of Hartford Hospital seeking authorization to terminate its Intensive Outpatient Program (“IOP”) and Partial Hospitalization Program (“PHP”) in Cheshire, with no capital expenditure. 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 *Record Journal and Hartford Courant, Meriden and Hartford*, on March 22, 2008. OHCA received no responses from the public concerning the Hospital’s proposal. Pursuant to 19a-638 C.G.S., three individuals or an individual representing an entity with five or more people had until September 29, 2008 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 the CON application 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 of the Proposal on the Applicant's Current Utilization Statistics Proposal's Contribution to the Quality of Health Care Delivery in the Region Proposal's Contribution to the Accessibility of Health Care Delivery in the Region

1. Hartford Hospital ("HH or Hospital") is an acute care general hospital located at 80 Seymour Street in Hartford, Connecticut. *(March 7, 2008, Letter of Intent, page 1)*
2. The Hospital currently operates intensive outpatient programs and partial hospitalization programs at the following locations:

Table 1: Hospital's Programs

Name of Program	Location	Service
Institute of Living	Hartford	Intensive outpatient program and partial hospitalization program and special education clinical day school
HH/Institute of Living	Cheshire	Intensive outpatient program and partial hospitalization program and special education clinical day school

(May 13, 2008, Initial CON Application, page 3 and March 25, 2004, CON Final Decision, Docket Number 03-30166-CON, page 6)

3. The Hospital is proposing to terminate its intensive outpatient program and partial hospitalization program located at 725 Jarvis Street in Cheshire, Connecticut. *(March 7, 2008, Letter of Intent, page 3)*
4. The Hospital states that the Cheshire site offered intensive outpatient and partial hospitalization levels of services to children and adolescents through group, individual and family group sessions. *(May 13, 2008, Initial CON Application, page 3)*
5. The Hospital additionally states that the group sessions included psychotherapy, social skills, expressive arts, and therapeutic recreation group sessions. *(May 13, 2008, Initial CON Application, page 3)*

6. The Hospital's intensive outpatient programs ("IOP") provided three group sessions per week to its patients at the Cheshire site that were scheduled from 2:00 - 5:00 p.m. weekdays, including school vacations. *(May 13, 2008, Initial CON Application, page 3)*
7. The Hospital's partial hospitalization programs ("PHP") provided five group sessions per week to its patients at the Cheshire site that were scheduled from 2:00 - 5:00 p.m. weekdays, including school vacations. *(May 13, 2008, Initial CON Application, page 3)*
8. The Hospital also operates the following partial hospital programs at the Institute of Living ("IOL"): general adult; schizophrenia rehabilitation; geriatric; eating disorders; impaired professionals; chemical dependency and substance abuse; child; and adolescent. Each program also provides intensive and traditional outpatient services. *(March 25, 2004, CON Final Decision, Docket Number 03-30166-CON page 6)*
9. On March 25, 2004, in a Final Agreement under Docket Number 03-30166-CON, OHCA approved the transfer of the Apple Valley Program in Southington to HH and its subsequent relocation to a clinical day school site located at 725 Jarvis Street in Cheshire, Connecticut. *(March 25, 2004, CON Final Decision, Docket Number 03-30166-CON page 24 and April 1, 2004, Letter Notifying Error in the Order Final Decision Rendered)*
10. The Hospital states that at the time the Apple Valley Program (formerly owned and operated by Saint Francis Care) was transferred to HH, the program based in Southington was struggling financially. It was the least financially stable of the programs that were transferred from Saint Francis Care to HH and its affiliates. *(September 8, 2008, Additional Completeness Responses, page 1)*
11. The Hospital's decision at that time to relocate the programs from Southington to a site eight miles away was based on the fact that HH had already leased a building and was operating a clinical day school at the Cheshire site. The co-location of these programs lowered the fixed costs for the Apple Valley Program in an effort to financially stabilize the program and allow it to continue as a viable service. *(September 8, 2008, Additional Completeness Responses, page 1)*
12. The IOP and PHP program moved from Southington to Cheshire on May 15, 2004. *(September 8, 2008, Additional Completeness Responses, page 1)*
13. HH states that the children living in Southington are being served by the following providers:
 - Wheeler Clinic operates a IOP and PHP program for 6 to 11 year old children located in Bristol, Connecticut; and
 - Community Mental Health Affiliates operates a program for youngsters aged 12+ located in New Britain, Connecticut.*(September 8, 2008, Additional Completeness Responses, page 2)*
14. The Hospital indicates that the Cheshire site served clients from the Bristol, Meriden, Plainville, Southington and Waterbury area when they acquired the program. *(May 13, 2008, Initial CON Application, page 3)*

15. The Hospital informed the DPH and notified them of the termination of the program during visits to HH Institute of Living in the Cheshire site on several different occasions. DPH was informed that HH would be seeking CON approval. *(July 15, 2008, Completeness Responses, page 1)*
16. The Hospital based need for the termination of its IOP and PHP program site located at 725 Jarvis Street in Cheshire on the low inadequate patient volume due to the following: *(May 13, 2008, Initial CON Application, page 2 and Attachment 1)*
- Vacant positions;
 - Occasional referrals;
 - Transportation;
 - Other IOP/PHP providers; and
 - Over time the programs diminished and currently have no patients.
17. The Hospital also states that it was not completely clear why the program did not maintain the volumes that were projected on the final agreement under Docket Number 03-30166-CON. *(September 8, 2008, Completeness Responses, page 2)*
18. The projected service volumes, in number of visits per year for HH's IOP and PHP programs in Southington were as follows:

Table 2: Number of visits in FYs 2004 through 2006

Southington	FY 2004	FY 2005	FY 2006
IOP	2,135	2,847	2,847
PHP	1,191	1,588	1,588

(March 25, 2004, CON Final Decision, Docket Number 03-30166-CON page 15)

19. The Hospital stated that the patient census in all of the Saint Francis programs declined between FY 2003 and FY 2004 as the CON, Docket 03-30166-CON was being reviewed. This was, at least in part, due to vacant positions that could not realistically be filled by Saint Francis. The census never achieved previous levels in several of these programs. *(September 8, 2008, Completeness Responses, page 2)*
20. Few referrals came from the Hartford based Saint Francis unit or from the main IOL/HH campus because the inpatient units primarily serve Hartford and North Central Connecticut. Though PHP/IOP programs accept many referrals from the community, referrals come from inpatient and emergency room settings. *(September 8, 2008, Completeness Responses, page 2)*
21. The Hospital indicated that the program volume no longer supported the need for two van routes which caused a change to operate one route. The change in the routes impacted a small but steady number of referrals from Waterbury. *(May 13, 2008, Initial CON Application, page 2 and Attachment 1)*
22. The Hospital states that the development of other IOP and PHP programs in the service area contributed to increase of referrals going to Community Mental Health Affiliates program in Waterbury. *(May 13, 2008, Initial CON Application, page 7, Attachment 1)*

23. The following table shows the other existing providers of IOP and PHP services in the Cheshire service area: *(May 13, 2008, Initial CON Application, pages 7& 8, and September 8, 2008, Completeness Responses, page 3)*

Table 3: Providers in the Hospital's service area

Name of Program	Location
Parent Child Resource Center	Naugatuck, CT
Community Mental Health Affiliates, Family Connections II	Waterbury, CT
Rushford Middletown	Middletown, CT
Rushford Meriden	Meriden, CT
Waterbury Hospital	Waterbury, CT
Yale New Haven Hospital	New Haven, CT

24. The Hospital states that the service providers listed above were contacted and/or accepted referrals during the first few months after the Cheshire program ceased to operate. Ultimately referral sources contacted the existing programs directly. *(May 13, 2008, Initial CON Application, page 8)*
25. The Hospital also informed its patients that were enrolled in the IOP and PHP about the termination situation of its Cheshire site. They provided options to their patients and families who were enrolled in the program at the time it ceased operation. *(July 15, 2008, Completeness Responses, page 2)*

26. The following table shows the average daily census in Cheshire during FY 2005, FY 2006 and FY 2007 for IOP and PHP services: *(July 15, 2008, Completeness Responses, page 2, Attachment 1)*

Table 4: Hospital's average daily census in Cheshire

Month	FY 2005	FY 2006	FY 2007	Month	FY 2005	FY 2006	FY 2007
	IOP	IOP	IOP		PHP	PHP	PHP
	Avg Day	Avg Day	Avg Day		Avg Day	Avg Day	Avg Day
	<u>Census</u>	<u>Census</u>	<u>Census</u>		<u>Census</u>	<u>Census</u>	<u>Census</u>
Oct	9.48	1.67	0	Oct	0.52	0	0
Nov	6.90	3.86	0	Nov	0.85	0	0
Dec	6.14	3.40	0	Dec	1.90	0	0
Jan	9.60	3.75	0	Jan	0.90	0	0
Feb	9.55	5.00	0	Feb	0.35	0	0
March	6.65	5.04	0	March	0.83	0	0
April	7.48	1.05	0	April	1.62	0	0
May	6.29	0	0	May	0.19	0	0
June	2.74	0	0	June	0	0	0
July	1.35	0	0	July	0	0	0
Aug	1.00	0	0	Aug	0	0	0
Sept	0.57	0	0	Sept	0	0	0

Note: Variances due to rounding. In the last months of the program the average daily census shows as less than 2 children per day based on a five day week. In actuality the program scheduled the children to attend on the same three days a week so that there were enough children most days for a group based program.

27. The following table shows the number of patient discharges in the Cheshire service location during FY 2005, FY 2006, FY 2007 and FY 2008 for IOP and OP:

Table 5: Number of patient discharges in FY 2005 through FY 2008

	FY 2005	FY 2006	FY 2007	FY 2008
IOP	69	8	0	0
PHP	17	0	0	0

(July 15, 2008, Completeness Responses, page 3, Attachment 1)

28. The Hospital states that in the three year period (April 1, 2005 through March 31, 2008), the Cheshire location served 51 children and adolescents through the PHP and IOP. There was a decline in patients served and, finally, the absence of referrals to the Cheshire PHP and IOP. The last admission to the PHP was on May 3, 2005; the last patient was discharged on May 9, 2005. The last admission to the IOP was on February 22, 2006; the last patient was discharged on April 6, 2006. *(May 13, 2008, Initial CON Application, page 3)*

29. The Hospital's payer mix for the Cheshire location is as follows: *(May 13, 2008, Initial CON Application, page 12)*

Table 6: Payer mix for Cheshire location

Payer Mix	Percentage
Medicare*	43.8%
Medicaid*	10.5%
TriCare (CHAMPUS)**	0.5%
Total Government	54.8%
Commercial Insurers*	39%
Self-Pay	5.9%
Workers Compensation***	0%
Total Non-Government	45.2%
Total Payer Mix	100.0%

*Includes managed care activities

**This includes Veterans Administration Federal patient activity

***Included in commercial insurers.

Financial Feasibility and Cost Effectiveness of the Proposal and its Impact on the Applicant's Rates and Financial Condition
Impact of the Proposal on the Interests of Consumers of Health Care Services and the Payers for Such Services
Consideration of Other Section 19a-637, C.G.S. Principles and Guidelines

30. The project has no associated capital expenditure. *(May 13, 2008, Initial CON Application, page 1)*
31. The Hospital indicated that in FY 2007 the Cheshire site had an operating gain of \$466. *(July 15, 2008, Completeness Responses, page 3, Attachment 2)*
32. The Hospital had a projected incremental gain from operations of the Cheshire site of \$465,677 for FY 2005, and \$195,844 for FY 2006. *(July 15, 2008, Completeness Responses, page 3, Attachment 2)*
33. The Hospital does not project incremental gain from operations of the Cheshire site for FYs 2008 -2010 because the facility has not had any activity since FY 2006. *(May 13, 2008, Initial CON Application, page 13)*
34. There is no State Health Plan in existence at this time. *(May 13, 2008, Initial CON Application, page 2)*
35. The Hospital has adduced evidence that the proposal is consistent with its long-range plan. *(May 13, 2008, Initial CON Application, page 2)*
36. The Hospital had improved productivity and contained costs by the application of new technologies. *(May 13, 2008, Initial CON Application, page 11)*

37. The proposal will not result in any change to the Hospital's teaching and research responsibilities. *(May 13, 2008, Initial CON Application, page 11)*
38. The proposal will not result in changes to the Hospital's patient/physician mix. *(May 13, 2008, Initial CON Application, page 10)*
39. The Hospital possesses sufficient technical, financial and managerial competence and expertise to provide efficient and adequate service to the public. *(May 13, 2008, Initial CON Application, page 9)*

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.

Hartford Hospital (“HH or Hospital”) provides intensive outpatient program and partial hospitalization program and special education clinical day school at 725 Jarvis Street in Cheshire, Connecticut. The Hospital is proposing to terminate its intensive outpatient program (“IOP”) and partial hospitalization program (“PHP”) in Cheshire due to the low patient volume, vacant positions, and other IOP and PHP providers in the service area.

The IOP and PHP programs in Cheshire is the result of CON Authorization by OHCA to transfer the Apple Valley Program (formerly owned and operated by Saint Francis Care) in Southington to HH and its subsequent relocation to a clinical day school in Cheshire on March 2004. The Hospital received authorization to move and provide IOP and PHP services in Cheshire. The children living in Southington are being served by providers that offer IOP and PHP services in the Wheeler Clinic in Bristol, and Community Mental Health Affiliates in New Britain.

The Hospital has not provided IOP and PHP services in Cheshire since April 2006 (IOP) and May 2005 (PHP). The Hospital’s IOP and PHP services over time diminished and currently have no patients. The Hospital indicates that in the past three year the Cheshire location served 51 children and adolescents through the PHP and IOP. The development of other IOP and PHP programs in the service area contributed to decreasing referrals at the Cheshire IOP and PHP site as well as the geographical distance from the Hartford area. Hospitals typically refer patients to outpatient services in proximity to where they reside.

OHCA remains concerned with the decision by HH to relocate the programs from Southington to Cheshire and feels that they should have been more aware of the actual impact to referrals. Although the Applicant has not permitted OHCA to determine in advance if patient access would be impacted since the programs essentially terminated some time ago, evidence has been provided that supports adequate access remains in the region.

Order

The proposal of Hartford Hospital to terminate its Intensive Outpatient Program and Partial Hospitalization Program in Cheshire, with no associated capital expenditure is hereby GRANTED.

Hartford Hospital shall hereafter notify OHCA of any and all proposed termination of services prior to finalizing any decision to terminate any services or programs. Failure to notify OHCA in advance of any proposed termination of services may be considered as not filing required information and subject Hartford Hospital to civil penalties pursuant to Section 19a-653, C.G.S.

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 November 3, 2008

Date

Cristine A. Vogel
Commissioner

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