



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Community Mental Health Affiliates, Inc. d/b/a
Family Services of Central CT

Docket Number: 08-31121-CON

Project Title: Closure of its Community Mental Health Affiliates
Site in Guilford

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

Filing Date: September 10, 2008

Decision Date: November 3, 2008

Default Date: December 9, 2008

Staff Assigned: Diane Duran

Project Description: Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT (“Applicant”) is proposing the closure of its Community Mental Health Affiliates site in Guilford, with no associated capital expenditure.

Nature of Proceedings: On September 10, 2008, the Office of Health Care Access (“OHCA”) received the Certificate of Need (“CON”) application of Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT seeking authorization to close its site in Guilford, with no capital expenditure. The Applicant 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 Applicant’s Letter of Intent was published in *The New Haven Register, New Haven*, on April 9, 2008. OHCA received no responses from the public concerning the Applicant’s proposal. Pursuant to 19a-638 C.G.S., three individuals or an individual representing an entity with five or more people had until October 1, 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. Community Mental Health Affiliates, Inc. ("CMHA") d/b/a Family Services of Central CT ("Applicant") is a non-profit health care provider that provides outpatient psychiatric treatment and intensive outpatient substance abuse treatment for adults at 47 Clapboard Hill Road in Guilford, Connecticut. *(March 19, 2008, Letter of Intent, page 9)*
2. The Applicant currently holds the following Department of Public Health ("DPH") and Department of Children and Families ("DCF") licenses at the following locations:

Table 1: Applicant's service locations

Name of Program	Location	DPH and DCF License Category
Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT	47 Clapboard Hill Road, Guilford, CT 06437	Psychiatric Outpatient Clinic for Adults, Facility for the Care or Treatment of Substance Abusive or Dependent Persons
Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT	92 Vine Street New Britain, CT 06052	Psychiatric Outpatient Clinic for Adults, Child Placing Agency*
Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT	1890 Dixwell Avenue Hamden, CT 06514	Psychiatric Outpatient Clinic for Adults, Facility for the Care or Treatment of Substance Abusive or Dependent Persons
Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT	5 Colony street Meriden, CT 06451	Psychiatric Outpatient Clinic for Adults
Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT	58 Main Street Terryville, CT 06786	Psychiatric Outpatient Clinic for Adults

Note *DCF License Category

(September 10, 2008, Completeness Responses, Page 19 and Department of Public Health Service and Bed data report, and Department of Children and Family License Facility Type data report)

3. The Applicant is proposing the closure of its CMHA site located at 47 Clapboard Hill Road in Guilford, Connecticut. *(May 23, 2008, Initial CON Application, page 2)*
4. The Applicant states that the Guilford site provides outpatient mental health, individual and family sessions for adults, and offers intensive outpatient substance abuse counseling services, as well as aftercare group sessions. *(May 23, 2008, Initial CON Application, pages 3 & 4)*
5. On April 5, 2007, under CON Exemption Report Number 06-30899-EXM, OHCA determined that the merger between Family Services of Central Connecticut (“FSCC”) with and into CMHA located at 47 Clapboard Hill Road, Guilford, 92 Vine Street, New Britain, 1890 Dixwell Avenue, Hamden, 5 Colony Street, Meriden, and 58 Main Street, Terryville meets the exemption requirements of Section 19a-639b of the Connecticut General Statutes. *(April 5, 2007, CON Determination Letter, Report Number 06-30899-EXM, page 2)*
6. The Applicant states that prior to the mergers, CMHA had provided management services to FSCC. During this management period, all of FSCC outpatient programs experienced deficits, and it was CMHA’s intent to provide support to these operations to allow for financial stability of the programs. *(March 19, 2008, Letter of Intent, page 9)*
7. The Applicant based need for the closure of its CMHA site located at 47 Clapboard Hill Road in Guilford as follows: *(May 23, 2008, Initial CON Application, pages 3 and 6)*
 - The increased operating cost;
 - The inadequate reimbursement;
 - The inadequate number of clients;
 - The inadequate levels of reimbursement for Medicaid and SAGA clients by payers for these services; and
 - In spite of the marketing and outreach efforts, demand for the services had continued to be minimal. The lack of activity makes it impossible to recruit and retain competent staff.
8. The Applicant states that on May 1, 2008, they notified DPH and on April 18, 2008 the Department of Mental Health and Addiction Services was also notified of the closure of the Guilford site. *(September 10, 2008, Completeness Responses, Page 33)*
9. Additionally the Applicant states that the licenses have not been returned to DPH pending notification by OHCA of approval of the proposed closure of its CMHA site located in Guilford. *(September 10, 2008, Completeness Responses, Page 33)*
10. The Applicant’s last client was treated for outpatient mental health services on April 3, 2008, and intensive outpatient substance abuse services on April 24, 2008, at the Guilford site. *(September 10, 2008, Completeness Responses, Page 33)*
11. The Applicant indicates that the Guilford site serves clients primarily from the Guilford and Madison area. *(May 23, 2008, Initial CON Application, page 4)*

12. The Applicant will inform persons of the availability of services and other CMHA locations, including Hamden for substance abuse counseling. Clients will be assisted in seeking other providers. *(May 23, 2008, Initial CON Application, page 5)*
13. The Applicant will continue to make services available to its patients that had previously utilized the Guilford site for substance abuse intensive outpatient services at its CMHA Hamden site. Also, providers such as Rushford Center and Stonington Institute provide substance abuse intensive outpatient services. *(May 23, 2008, Initial CON Application, page 5)*
14. The following table shows the existing providers in the Guilford's service area of intensive outpatient substance abuse ("IOP") and outpatient mental health ("OP") services area: *(May 23, 2008, Initial CON Application, page 5 and September 10, 2008, Completeness Responses, page 40, and Attachment 2)*

Table 2: Providers in the Applicant's service area

Name of Program	Location
Rushford Center	384 Pratt Street Meriden, CT
Stonington Institute	75 Swanton Hill Road North Stonington, CT
Harbor Health Services, Inc.	14 Sycamore Way Branford, CT
Catholic Charities Family and Mental Health	652 Boston Post Road Guilford, CT

15. The following table shows the average daily census in Guilford during FY 2006, FY 2007 and FY 2008 for IOP and OP services: *(September 10, 2008, Completeness Responses, page 36, and Attachment 1)*

Table 3: Applicant's average daily census in Guilford

	FY 2006 IOP	FY 2007 IOP	FY 2008 IOP		FY 2006 OP	FY 2007 OP	FY 2008 OP
Month	Avg Daily Census	Avg Daily Census	Avg Daily Census	Month	Avg Daily Census	Avg Daily Census	Avg Daily Census
July	3.0	0	0	July	2	7.3	1.6
Aug	3.0	0	1.8	Aug	2	5.1	3.5
Sept	4.7	0	3.6	Sept	2	4.8	3.5
Oct	5.1	0	6.0	Oct	2	2.8	5.3
Nov	5.2	0	5.7	Nov	3	3.8	5.3
Dec	4.0	0	4.9	Dec	3	3.1	3.2
Jan	5.2	0	5.5	Jan	3	4.0	5.3
Feb	4.0	0	5.3	Feb	4	5.4	6.8
March	3.1	0	6.3	March	3	4.3	4.8
April	3.0	0	1.8	April	4	4.5	2.6
May	3.1	0	0	May	3	4.2	0
June	3.0**	0	0	June	4*	5.8	0

Note *These numbers are estimated, based on an accurate yearly total, with assumptions made that the program operated three days/week, and adjusted for seasonal variation and trends to the higher actual numbers CMHA began capturing in FY '07.

** These numbers (Census) are estimates, based on an accurate total average for units of services for the year, divided by the number of months and program days (3/week) with seasonal and program closure variations estimated. Further data is not available as this period of time pre-dates CMHA ownership or involvement with FSCC.

16. The following table shows the number of clinic visits in the Guilford service location during FY 2005, FY 2006, FY 2007 and FY 2008 for IOP and OP:

Table 4: Number of clinic visits in FY 2005 through FY 2008

	FY 2005	FY 2006	FY 2007	FY 2008
IOP	502*	579	0**	625
OP	502*	371	584	365

*FY '05 numbers could not be reliably broken out by service type due to the nature of the data base prior to CMHA involvement, and current reporting restrictions. (60% of the totals there are assumed to be IOP and 40% OP)

**There were no clients served in IOP on FY '07

(September 10, 2008, Completeness Responses, pages 33 through 35)

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

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

	FY 2005	FY 2006	FY 2007	FY 2008
IOP	25	64	0	47
OP	7	49	62	36

(September 10, 2008, Completeness Responses, pages 33 through 35)

18. The Applicant states that client visits equate to patients for each specific service for the IOP services, the average number of visits for FY 2008 was 13.3, and for FY 2006 was 9.0. There were no IOP services provided in FY 2007. The data from FY 2005 is considered unreliable, but the assumption is that it would fall in the range of approximately 10 visits per client. *(September 10, 2008, Completeness Responses, page 36)*
19. The Applicant also states that for the outpatient services, the average number of services per client in FY 2008 was 10.1, in FY 2007, it was 9.4, in FY 2006 it was 7.6, and again, they are not comfortable enough with the accuracy of the FY 2005 data to state an average. Based on the combined numbers for IOP and OP the average would be 15.7 services per client served across the two programs. *(September 10, 2008, Completeness Responses, page 36)*
20. The Applicant indicates that the substance abuse intensive outpatient services are available at its CMHA's Hamden site. The current utilization capacity for the IOP program is 8 to 10 clients in Hamden. The average number of visits of service for July 1, 2007 through December 31, 2007 was 14.64, or approximately 5 clients per evening. On January 1, 2008 through June 28, 2008 the average weekly visits was 10.8, or approximately 3 to 4 clients a night in Hamden. There is capacity to add clients to the existing evening program. *(September 10, 2008, Completeness Responses, page 36)*
21. The Applicant's payer mix for the Guilford location is as follows: *(May 23, 2008, Initial CON Application, page 9)*

Table 6: Payer mix for Guilford location

Payer Mix	Percentage
Medicare	.76%
Medicaid	47.84%
TriCare (CHAMPUS)	0.0%
Total Government	48.60%
Commercial Insurers	50.37%
Self-Pay	1.03%
Workers Compensation	0.0%
Total Non-Government	51.40%
Total Payer Mix	100.00%

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

22. The project has no associated capital expenditure. *(May 23, 2008, Initial CON Application, page 2)*
23. The Applicant indicated that in FY 2007 the Guilford site had an operating loss of \$76,662. *(May 23, 2008, Initial CON Application, page 28, Attachment F)*
24. The Applicant projects an incremental gain from operations of the Guilford site of \$5,154 for FY 2008, \$37,792 for FY 2009 and \$55,744 for FY 2010. *(May 23, 2008, Initial CON Application, page 28, Attachment F)*
25. There is no State Health Plan in existence at this time. *(May 23, 2008, Initial CON Application, page 3)*
26. The Applicant has adduced evidence that the proposal is consistent with its long-range plan. *(May 23, 2008, Initial CON Application, page 3)*
27. The Applicant had improved productivity and contained costs by the application of new technologies. *(May 23, 2008, Initial CON Application, page 8)*
28. The proposal will not result in any change to the Applicant's teaching and research responsibilities. *(May 23, 2008, Initial CON Application, page 8)*
29. The proposal will not result in changes to the Applicant's patient/physician mix. *(May 23, 2008, Initial CON Application, page 8)*
30. The Applicant possesses sufficient technical, financial and managerial competence and expertise to provide efficient and adequate service to the public. *(May 23, 2008, Initial CON Application, page 8)*

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.

Community Mental Health Affiliates, Inc. (CMHA) d/b/a Family Services of Central CT (“Applicant”) provides outpatient psychiatric treatment and intensive outpatient substance abuse treatment for adults at 47 Clapboard Hill Road in Guilford, Connecticut. The Applicant is proposing the closure of its CMHA site in Guilford due to an inadequate number of patients, increasing operating cost and an inadequate level of reimbursement for Medicaid and SAGA clients. The Applicant has made marketing and outreach efforts, but demands for the services had continued to be minimal. The lack of activity made it impossible to recruit and retain competent staff.

The entity Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT is the result of the merger between Family Services of Central Connecticut (“FSCC”) and CMHA located at 47 Clapboard Hill Road, Guilford, 92 Vine Street, New Britain, 1890 Dixwell Avenue, Hamden, 5 Colony Street, Meriden, and 58 Main Street, Terryville, which received CON authorization to provide outpatient psychiatric treatment and intensive outpatient substance abuse treatment on April 2007. The Applicant indicated that they have informed their patients of the availability of similar services at CMHA programs located in New Britain, Meriden, and Terryville. The Applicant will also make services available to its patients that had previously utilized the Guilford site for substance abuse intensive outpatient services at its CMHA Hamden site. Services will be made available to these patients upon termination of the programs.

Although the Applicant has not allowed OHCA in advance to determine if patients will have appropriate access since prior to CON authorization they were already transferring patients elsewhere, there appear to be no barriers to access and therefore, OHCA determines that patient access will not be impacted.

Order

The proposal of Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT of the closure of its CMHA site in Guilford, with no associated capital expenditure is hereby GRANTED.

Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT 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 Community Mental Health Affiliates, Inc. d/b/a Family Services of Central CT 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

CAV: dd