



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: 08-31122-CON

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

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

Filing Date: September 10, 2008

Decision Date: December 9, 2008

Default Date: December 9, 2008

Staff Assigned: Paolo Fiducia

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 Meriden, 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 Meriden, 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 Record Journal, Meriden*, 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 Applicant’s CON Application, to request that OHCA hold a

public hearing on the Applicant'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 for adults at 5 Colony Street, Meriden, Connecticut. (March 19, 2008, Letter of Intent, page 8)
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	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 44 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 5 Colony Street, Meriden, Connecticut. (March 19, 2008, Letter of Intent, page 1)

4. The Applicant states that the Meriden site is licensed by DPH as a Psychiatric Outpatient Clinic for Adults. The program is for adults age 18+, and offers outpatient, individual, family and group sessions, Monday, Tuesday and Wednesday 9 am-5 pm. *(May 22, 2008, Initial CON Application, page 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 8)*
7. The Applicant based need for the closure of its Meriden site located at 5 Colony Street, as follows: *(September 10, 2008, Responses to Completeness Letter, pages 33 and 34)*
 - Historically at a deficit;
 - The limited service provision;
 - The limited scope of services; and
 - The inadequate levels of reimbursement for these services.
8. The Applicant states that the audited financial statements for Family Services of Central CT reveal that the agency for the last few years incurred a deficit by the counseling programs. *(September 10, 2008, Completeness Responses, Page 33)*
9. The Applicant states that over the past several years there has been a steady decline in the number of clients served, in spite of staffing the program with a bilingual clinician for a period of time, as well as attempting to increase their presence in local meetings and activities. *(September 10, 2008, Completeness Responses, Page 33)*
10. The Applicant states that the Executive Committee of the Board of Directors authorized closure of the programs at the Meriden site on March 7, 2008. *(September 10, 2008, Completeness Responses, Page 34)*
11. The Applicant states that on May 1, 2008, they notified DPH of the closure of the Meriden site. On April 18, 2008 the Department of Mental Health and Addiction Services was also notified of the closure of the Meriden site. *(September 10, 2008, Completeness Responses, Page 34)*
12. 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 Meriden. *(September 10, 2008, Completeness Responses, Page 34)*

13. The Applicant's last client was treated for outpatient psychiatric services on April 30, 2008, at the Meriden site. *(September 10, 2008, Completeness Responses, Page 34)*
14. The Applicant returned the Psychiatric Outpatient Clinic for Adults licenses for the Guilford and Meriden locations to the Department of Public Health ("DPH") on October 8, 2008. *(December 1, 2008, Correspondence from the Department of Public Health)*
15. The Applicant stated that services have not been provided at these sites since May, and it did not return the licenses to DPH to this point, as it had not received official word from OHCA approving the closures. *(December 1, 2008, Correspondence from the Department of Public Health)*
16. The Applicant's payer mix for the Meriden service location is as follows: *(May 23, 2008, Initial CON Application, page 9)*

Table 6: Payer mix for Meriden location

Payer Mix	Percentage
Medicare	0.0%
Medicaid	96.46%
TriCare (CHAMPUS)	0.0%
Total Government	96.46%
Commercial Insurers	2.34%
Self-Pay	1.20%
Workers Compensation	0.0%
Total Non-Government	3.54%
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

17. The project has no associated capital expenditure. *(May 23, 2008, Initial CON Application, page 2)*
18. The Applicant indicated that in FY 2008 the Meriden site had an operating loss of \$16,458. *(September 10, 2008, Completeness Responses, page 47, Attachment 4)*
19. The Applicant projects an incremental gain of operations from the closure of the Meriden site of \$19,648 for FY 2009, \$23,956 for FY 2010 and \$27,589 for FY 2011. *(September 10, 2008, Completeness Responses, page 47, Attachment 4)*
20. There is no State Health Plan in existence at this time. *(May 22, 2008, Initial CON Application, page 3)*

21. The Applicant has adduced evidence that the proposal is consistent with its long-range plan. *(May 22, 2008, Initial CON Application, page 3)*
22. The Applicant had improved productivity and contained costs by energy conservation, group purchasing, application of new technologies and acquisition/consolidation. *(May 22, 2008, Initial CON Application, page 8)*
23. The proposal will not result in any change to the Applicant's teaching and research responsibilities. *(May 22, 2008, Initial CON Application, page 8)*
24. The proposal will not result in changes to the Applicant's patient/physician mix. *(May 22, 2008, Initial CON Application, page 7)*
25. The Applicant possesses sufficient technical, financial and managerial competence and expertise to provide efficient and adequate service to the public. *(May 22, 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”) provided outpatient psychiatric treatment for adults at 5 Colony Street in Meriden, Connecticut. 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.

The Applicant has not provided services at these sites since May 2008, and returned the Psychiatric Outpatient Clinic for Adults license for the Meriden location to the Department of Public Health (“DPH”) on October 8, 2008. Even though the Applicant claimed that it did not return the license for the Meriden site to DPH, as it had not received official word from OHCA approving the closure, in fact it did. Therefore, the Applicant has not allowed OHCA in advance to determine if patients will have appropriate access since prior to CON authorization it had already ceased provision of the services.

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 Meriden, 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 December 9, 2008

Date

Cristine A. Vogel
Commissioner

CAV: pf