



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Griffin Hospital

Docket Number: 08-31167-WVR

Project Title: Request to Waive CON Requirements for the Replacement of a Computed Tomography Scanner

Statutory Reference: Section 19a-639c of the Connecticut General Statutes

Filing Date: July 2, 2008

Decision Date: August 21, 2008

Staff: Paolo Fiducia

Project Description: Griffin Hospital requests a waiver of Certificate of Need (“CON”) requirements for replacement equipment for the purpose of replacing a computed tomography scanner, at a total capital expenditure of \$944,066.

Nature of Proceedings: On July 2, 2008, the Office of Health Care Access (“OHCA”) received the completed waiver of Certificate of Need (“CON”) request for replacement equipment from Griffin Hospital (“Hospital”) in Derby. The Hospital proposes to replace a computed tomography scanner in Derby, at a total capital expenditure of \$944,066. The Hospital is a health care facility or institution as defined in Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).

OHCA’s authority to review and approve, modify or deny the requested waiver of CON requirements for replacement equipment is established by Section 19a-639c of the 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

1. Griffin Hospital (“Hospital”) is an acute care hospital located at 130 Division Street in Derby, Connecticut. *(May 16, 2008, CON Waiver Form 2040, page 1)*
2. The Hospital is requesting a waiver of Certificate of Need (“CON”) requirements for the purpose of replacing its existing 16-slice GE Medical Lightspeed computed tomography (“CT”) scanner. *(May 16, 2008, CON Waiver Form 2040, page 3)*
3. The Hospital proposes to acquire and operate a 64-slice GE VCT XT CT scanner. *(May 16, 2008, CON Waiver Form 2040, page 3)*
4. Pursuant to Section 19a-639c of the Connecticut General Statutes (“C.G.S”), a proposal may be eligible for a waiver of replacement equipment from the CON process when a provider has previously received CON authorization from OHCA for the equipment to be replaced and when the cost or value of the replacement equipment will not exceed \$3 million. *(Section 19a-639c, C.G.S.)*
5. On June 6, 1996, in an Agreed Settlement under the Docket Number: 96-515, the Hospital received CON authorization from OHCA to replace its existing nine year old Phillips CT scanner with a Elscint CT Twin Scanning System, at a total capital expenditure of \$1,565,640. *(July 2, 2008, Supplemental Information Submitted, page 2 and June 6, 1996, Agreed Settlement Order under DN: 96-515)*
6. On June 11, 2003, in a final decision under the Docket Number: 03-30072-WVR, the Hospital received CON authorization from the Office of Health Care Access (“OHCA”) to replace its existing Elscint CT Twin Scanning System with a GE Medical Systems Lightspeed 16-slice CT scanner, at a total capital expenditure of \$1,068,007. *(May 19, 2008, CON Waiver Form 2040, page 11 and June 11, 2003, Final Decision Order under DN: 03-30072-WVR)*
7. The Hospital states that the current 16-slice CT scanner is not capable of performing the following studies:
 - a) Neuroperfusion imaging quantification which provides information on cerebral blood flow, cerebral blood volume, and blood flow transit time;
 - b) Coronary CT Angiography (“CTA”) procedures which help to manage patients with coronary artery related symptoms including chest pain and myocardial infarctions; and
 - c) Advanced pulmonary analysis including a quantitative description of tumor size and tumor doubling rate which helps appropriate clinical management regimes for lung cancer patients.*(July 2, 2008, Supplemental Information Submitted, page 3)*

8. The Hospital indicates the new 64-slice GE VCT XT CT scanner will provide the following advantages:
 - a) The proposed CT scanner has the capability to scan patients faster with superior image quality and flexibility to evaluate the patient in any imaging plane desired;
 - b) The proposed CT scanner has the mechanical requirements and post-processing capabilities to perform and analyze CCTA procedures, neuroperfusion imaging and advanced pulmonary analysis. Also, in-room fluoroscopic capabilities will be available for Interventional CT procedures;
 - c) Weight limit on the proposed scanner is 100 pounds greater than the Hospital's current scanner which will allow for patients of larger body size to be scanned; and
 - d) The detector design of the proposed CT scanner provides a 30% reduction in radiation dose for all patients compared to the Hospital's current scanner.
(July 2, 2008, Supplemental Information Submitted, page 4)

9. The total capital expenditure for the replacement project is \$944,066, which consists of \$934,066 in equipment costs and \$10,000 in renovation costs to install the new equipment. *(May 16, 2008, CON Waiver Form 2040, page 3)*

10. The capital expenditure of \$934,066 for the proposed scanner is below the \$3 million threshold used to determine whether a request is eligible to receive a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. *(May 16, 2008, CON Waiver Form 2040, page 3)*

11. The Hospital will fund the proposal through equity. *(May 16, 2008, CON Waiver Form 2040, page 3)*

12. Under the Hospital's proposal, the new CT scanner is scheduled to become operational on October 1, 2008. *(May 16, 2008, CON Waiver Form 2040, page 3)*

Rationale

Griffin Hospital (“Hospital”) is requesting a waiver of Certificate of Need (“CON”) requirements for replacement equipment, pursuant to Section 19a-639c, C.G.S. The Hospital is seeking to replace a 16-slice GE Medical Lightspeed computed tomography (“CT”) scanner, with a new 64-slice GE VCT XT CT scanner to be located at 130 Division Street in Derby.

The Hospital is requesting that the existing 16-slice CT scanner be replaced as the existing equipment does not possess the latest technological advances. The existing CT scanner is not able to perform neuroperfusion imaging quantification, coronary CT angiography procedures and advanced pulmonary analysis. Providing high quality and timely diagnostic imaging services for inpatients and emergency department patients through the use of the latest technology is essential for providing the best quality care to the Hospital’s patients. The proposed GE VCT XT 64-slice CT scanner is much more sophisticated CT technology and will increase the Hospital’s ability to serve its more acutely-ill patient population, including inpatients and patients being treated in its Emergency Department.

The capital expenditure for the proposed replacement CT scanner is \$934,066, which is below the \$3 million threshold for determining eligibility for a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. The Hospital will fund the replacement project through its equity funds.

Order

Based on the foregoing Findings and Rationale, the Office of Health Care Access (“OHCA”) has determined that Griffin Hospital’s (“Hospital”) request for a waiver of Certificate of need (“CON”) requirements for replacement equipment in order to replace a computed tomography (“CT”) scanner in Derby, at a total capital expenditure of \$944,066, meets the requirements for waiver of the CON process pursuant to Section 19a-639c, C.G.S. and is hereby **approved** subject to the following conditions.

1. This authorization shall expire on August 21, 2009. Should the Hospital’s replacement 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 total capital expenditure of \$944,066 for the CT scanner and required renovations. 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.
3. With respect to the acquisition of the new 64-slice CT scanner, the Hospital shall notify OHCA regarding the following information in writing by no later than two months after the scanner becomes operational:
 - a) The name of the manufacturer;
 - b) The model name and description of the computed tomography scanner; and
 - c) The initial date of the operation of the computed tomography scanner.
4. This authorization requires the removal of the 16-slice GE Medical Lightspeed CT scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Hospital’s Connecticut service locations. Furthermore, the Hospital shall provide evidence to OHCA of the disposition of the computed tomography scanner to be removed by no later than six months after the new scanner has become operational.
5. Should the Hospital propose any change in its proposal to replace its CT scanner, the Hospital shall file with OHCA a Certificate of Need Determination Request regarding the proposed service change.

Should the Hospital fail to comply with any of the aforementioned conditions, OHCA reserves the right to take additional action as authorized by law. 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 August 21, 2008

Date

Cristine A. Vogel
Commissioner