



## Office of Health Care Access

### A Request for Modification of a Previously Authorized Certificate of Need

**Applicant:** Mandel & Blau, M.D.'s P.C.

**Modification Docket Number:** 09-31073-MDF

**Modification Project Title:** A request to modify a previous Certificate of Need authorization in order to increase the authorized project capital costs by \$203,710 to \$1,431,189

**Original Project Docket Numbers and Title**      **Docket Number 07-31073-CON:** The acquisition of a 1.5 Tesla MRI scanner to replace its existing 0.23 Tesla Open MRI scanner and the relocation of its West Hartford MRI service from 901 Farmington to Blue Back Square in West Hartford

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

**Filing Date:** February 9, 2009

**Decision Date:** March 5, 2009

**Staff**      **Karen Roberts**

**Project Description:** Mandell & Blau, M.D.'s, P.C requests a modification of the Certificate of Need ("CON") authorization issued under Docket Number 07-31073-CON in order to increase in the authorized total capital cost, by \$203,710, from \$1,227,479 to \$1,431,189. The CON under Docket Number 07-31073-CON authorized Mandell & Blau, M.D.'s, P.C to acquire a 1.5 Tesla MRI scanner to replace its existing 0.23 Tesla Open MRI scanner and to relocate its West Hartford MRI service from 901 Farmington to Blue Back Square in West Hartford

## Findings of Fact

1. On July 14, 2008, under Docket Number 07-31073-CON, the Office of Health Care Access (“OHCA”) granted a Certificate of Need (“CON”) to Mandell & Blau, M.D.'s, P.C (“Applicant”) for the acquisition of a 1.5 Tesla MRI scanner to replace its existing 0.23 Tesla Open MRI scanner and to relocate its West Hartford MRI service from 901 Farmington Avenue, West Hartford to Blue Back Square in West Hartford. Condition #2 of the CON authorization states the following
  - “2. *The Applicant shall not exceed the approved total capital cost of \$1,227,479. In the event that the Applicant learns of potential cost increases or expect that final project costs will exceed those approved, the Applicant shall notify OHCA immediately.*”
2. On February 9, 2009, OHCA received a request from the Applicant to modify the CON Final Decision under Docket Number 07-31073-CON in order to increase the authorized total capital cost, by \$203,710, from \$1,227,479 to \$1,431,189
3. The Applicant provides the following information regarding the requested additional capital costs for this project:
  - a. The Applicant decided, during project implementation, to “fit out” the remaining office and storage space within the MRI service physical space since it “*would be cost effective to complete this now, rather than at a later date.*” The “fit out” involves approximately 800 square feet of space.
  - b. The space that is being “fit out” is ancillary space for the MRI services and includes MRI director’s office, conference room, storage room and a corridor required by building code for egress to the main building corridor.
  - c. At the time of the filing of the modification request, the construction project had included framing and sheet-rocking of all the walls and the HVAC was nearing completion along with the electrical work.
  - d. On February 19, 2009, the Applicant filed a letter with OHCA which states the Applicant’s intention to discontinue operating the existing 0.23 Tesla MRI unit which is being replaced by the authorized 1.5 Tesla unit, effective March 1, 2009. The discontinuation has occurred as the 0.23T unit has “*reached its end of life sooner than expected*”. The new unit was scheduled to be delivered to the Blue Back Square location on March 1, 2009 with installation to be completed and ready for operation for May 1, 2009. As such, there will be an eight week gap in the MRI services provided in West Hartford by this Applicant.
4. This request for a modification does not alter the intended scope of the project or the project timeframe. The Applicant indicates that the additional costs will be funded via lease financing.

## 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 07-31073-CON to Section 19a-637, C.G.S. is not altered by this request for a modification under Docket Number 09-31073-MDF. The requested modification appears to be the result of conditions not initially considered by the Applicant at the time of the CON filing. This request for a modification of Condition #2 of the CON to increase the authorized project costs by \$203,710 does not have a significant impact on this project and appears to be reasonable.

## Order

Based on the above discussion and the reasons provided in the Applicant's modification request, OHCA hereby grants the request and allows an increase in the capital costs authorized pursuant to the CON Order under Docket Number 07-31073-CON. Condition # 2 of the CON Order under Docket Number 07-31073-CON is modified as follows:

2. The Applicant shall not exceed the approved total capital cost of \$1,431,189. In the event that the Applicant learns of potential cost increases or expect that final project costs will exceed those approved, the Applicant shall notify OHCA immediately.

All other conditions set forth in the CON authorization issued under Docket Number 07-31073-CON, not further modified herein, will remain in full effect.

By Order of the  
Office of Health Care Access

*Signed by Commissioner Vogel on March 5, 2009*

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Date

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Cristine A. Vogel  
Commissioner

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