



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

September 8, 2005

Conrad Ehrlich, M.D., President
Housatonic Valley Radiological Associates, P.C.
67 Sand Pit Road
Danbury, CT 06877

Re: Housatonic Valley Radiological Associates, P.C.
A Certificate of Need Determination, Report Number: 05-30547 DTR
Relocation of Existing CT Scanning Unit from Danbury Office to Southbury Office

Dear Dr. Ehrlich:

On June 30, 2005, the Office of Health Care Access ("OHCA") received your Certificate of Need Determination Form 2020 regarding the planned relocation of an existing CT Scanning Unit from Danbury to Southbury by Housatonic Valley Radiological Associates, P.C. ("Applicant"). The determination request was deemed complete under Docket Number 05-30547-DTR. OHCA staff has reviewed the information filed in this matter and makes the following findings:

1. Housatonic Valley Radiological Associates, P.C. is a professional corporation which has existing practice locations in Danbury, New Milford and Southbury.
2. It is now Housatonic Valley Radiological Associates, P.C.'s intent to remove the existing GE CTi Spiral CT Scanner located at 67 Sand Pit Road in Danbury and relocate it to the Southbury location of Housatonic Valley Radiological Associates, P.C., at 800 Main Street South, Suite 116.
3. The services currently provided at the Southbury practice location of Housatonic Valley Radiological Associates, P.C. are general diagnostic x-ray, ultrasound, MRI, diagnostic and screening mammography and DEXA scanning.
4. The current Fair Market Value of the existing CT Scanning Unit, owned by Housatonic Valley Radiological Associates, P.C., is estimated to be \$110,000.

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5. Housatonic Valley Radiological Associates, P.C. will primarily serve the following communities with the CT Scanning unit to be relocated to Southbury: Southbury, Middlebury, Newtown, Oxford, Roxbury, Waterbury and Woodbury.
6. The Capital Costs related to this relocation project are as follows:

Renovations	\$ 86,000
Sales Tax on Renovations and Shielding	\$ 900
Delivery and Installation	\$ 16,500
Fair Market Value of CT Scanner	<u>\$110,000</u>
Total Capital Cost of Project	\$213,400
7. The source of financing is an existing lease financing arrangement.
8. An estimate from Barrington Medical Imaging LLC Medical Imaging, LLC, (BMI) dated June 20, 2005, has been provided in support of the fair market value of the CT Scanner. The Applicant entered into a contracted arrangement with BMI LLC on 6/28/05 related to this relocation and renovation project.

Based on a review of these facts, OHCA determines that the relocation of the existing CT Scanner, owned and operated by Housatonic Valley Radiological Associates, P.C., from Danbury to Southbury at a project related capital cost of \$213,400, which includes \$100,000 for the fair market value of the CT Scanning unit does not require additional CON authorization. Please note that this CON determination is reviewed and acted upon entirely separately from a pending request under Docket Number: 05-30541-DTR, the acquisition of a multi-slice CT Scanner for the Danbury Office location of Housatonic Valley Radiological Associates.

This CON determination under Report Number 05-30547-DTR is valid for a one year period, until September 8, 2006. If the relocation project does not occur before that date, the Applicant must file another Form 2020 CON determination request for this project.

Thank you for providing information to OHCA regarding this proposal. If you have any questions regarding the above matter, please contact Karen Roberts at OHCA at (860) 418-7041 or Kimberly Martone at OHCA at (860) 418-7001.

Sincerely,

Signed by Commissioner Cristine A. Vogel on September 8, 2005

Cristine A. Vogel
Commissioner

CAV:tf:kr