



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

November 7, 2005

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

RE: Report Number 05-30622-DTR; A Certificate of Need Determination
Relocation of its Existing Mobile MRI Unit from New Milford to Ridgefield
Housatonic Valley Radiological Associates, P.C.

Dear Dr. Ehrlich:

On October 28, 2005, the Office of Health Care Access ("OHCA") received your letter regarding the planned relocation of an existing MRI unit from New Milford to Ridgefield by Housatonic Valley Radiological Associates, P.C. ("Applicant"). The Determination request was deemed complete under Docket Number 05-30622-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 engaged in the private practice of radiology. Housatonic Valley Radiological Associates, P.C., has practice locations in Danbury, New Milford and Southbury.
2. Under CON Determination Report Number 01-N, OHCA stated that the acquisition of a Siemens Magnetom Impact 1.0 Tesla MRI unit located at the New Milford practice location of Housatonic Valley Radiological Associates, P.C. did not require a Certificate of Need because the capital cost of \$392,965 did not exceed the \$400,000 threshold for CON Review.
3. It is now Housatonic Valley Radiological Associates, P.C.'s intent to remove the existing Siemens Magnetom Impact 1.0 Tesla MRI unit located at 131 Kent Road, Building A in New Milford and relocate it to the new Housatonic Valley Radiological Associates, P.C., Office at 38 Grove Street in Ridgefield. Housatonic Valley Radiological Associates, P.C., has been in full ownership of the unit to be relocated since the spring of 2000.

An Equal Opportunity Employer
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4. The Fair Market Value of the existing 1.0 Tesla Mobile MRI unit is estimated to be \$65,000. The unit was manufactured in 1993 and installed in the New Milford site in 2000.
5. Housatonic Valley Radiological Associates, P.C. will primarily serve the following communities with the MRI unit to be relocated to Ridgefield: Ridgefield, Redding, and Wilton.
6. The Capital Costs related to this relocation project are as follows:

Renovations	\$100,000
Fair Market Value of MRI unit	<u>\$ 65,000</u>
Total Capital Cost of Project	\$165,000

7. The source of financing is an existing lease financing arrangement.

Based on a review of these facts, OHCA determines that the relocation of the existing MRI unit, owned and operated by Housatonic Valley Radiological Associates, P.C. from New Milford to Ridgefield at a project related capital cost of \$165,000 which includes \$65,000 for the fair market value of the MRI unit does not require additional CON authorization.

This CON determination under Report Number 05-30622-DTR is valid for a one year period, until November 4, 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 Cristine A. Vogel
Commissioner

CAV:kr;tf