



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

September 28, 2005

Alan Kaye, M.D.
President
Advanced Radiology Consultants, LLC
56 Quarry Road
Trumbull, CT 06611

Re: Certificate of Need Determination, Report Number 05-30503-DTR
Advanced Radiology Consultants, LLC
Acquire a replacement CT Scanner for existing Shelton practice location

Dear Dr. Kaye:

On May 10, 2005, the Office of Health Care Access ("OHCA") received a Certificate of Need ("CON") Determination request from Advanced Radiology Consultants, LLC ("Applicant") for the acquisition of a CT Scanner for the Applicant's Shelton practice location. Additional information was submitted on September 14, 2005. Please be advised that OHCA has reviewed your request and makes the following findings:

1. The Applicant currently operates a single-slice CT scanner at 4 Corporate Drive, Suite 182 in Shelton, Connecticut. Other services at the Shelton practice location include MRI, plain x-ray and fluoroscopy.
2. The estimated total capital expenditure related to the project is as follows:

Purchase of CT scanner *	\$365,000
Sales Tax	\$ 21,900
Renovations	<u>\$ 10,000</u>
Total	\$396,900

(* includes shipping and delivery, installation and warranty. Also includes removal of existing system)

3. The Applicant is planning to acquire a Toshiba Aquilion Super 4 Whole Body multi-slice CT scanner.
4. The replacement unit can be sited in existing space and equipment footprint, therefore minimal construction cost will be incurred for the project.

5. No facility fee will be charged.
6. The examinations performed on the unit will be supervised and interpreted by Advanced Radiology's sub-specialist radiologists.
7. A price quote/order summary has been provided for the CT scanner. The Quote has a date of June 30, 2005 and was executed by the Applicant and Toshiba on that date. The Applicant received a budgetary quote for this equipment from Toshiba on April 28, 2005.
8. The Applicant is not required by Toshiba to pay for any portion of the unit until shipment is made.
9. The Quotation/Order Summary legally obligates the Applicant to purchase the specified CT scanning unit from Toshiba.
10. The Applicant has provided a letter from Toshiba which confirms that the Applicant is considered by Toshiba to have purchased the unit on June 30, 2005.

Based on the above findings, OHCA has determined that Advanced Radiology Consultants, LLC is not required to file a Certificate of Need request for the purchase of the CT scanner as the Applicant has made certain binding commitments related to this CT scanner acquisition prior to the implementation of Public Act 05-93. The Applicant has provided to OHCA satisfactory evidence that it entered into a legal purchase agreement for the CT scanning equipment for under \$400,000 prior to July 1, 2005 and further OHCA authorization is not required for the Applicant to implement the project.

The Applicant is required to provide to OHCA, by December 31, 2005, evidence that the Applicant has, by that date, taken full possession of the replacement CT scanner. Any request to provide such evidence beyond that date, must be accompanied by a full and satisfactory explanation as to the specific and previously unforeseen barriers which have or do exist, which prevent the Applicant taking full possession by December 31, 2005.

If you have any questions concerning this letter, please contact Tillman Foster, Associate Health Care Analyst or Karen Roberts, Compliance Officer, at (860) 418-7001.

Sincerely,

Signed by Commissioner Cristine A. Vogel on September 28, 2005

Cristine A. Vogel
Commissioner

CAV:kr

Copy: Rose McLellan License and Applications Supervisor, DPH, DHSR