



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

JOHN G. ROWLAND
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

March 3, 2004

Michael S. Tuccio
Senior Vice President
New England Region
Alliance Imaging, Inc.
600 Federal Street
Andover, MA 01810

Re: Certificate of Need Determination, Report Number 04-30262-DTR
Alliance Imaging, Inc.
Upgrade of Positron Emission Tomography Scanner

Dear Mr. Tuccio:

On February 27, 2004, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request regarding the upgrade of the Position Emission Tomography ("PET") scanners approved under CON Docket Numbers 01-565, 02-559, and 03-30173-CON. OHCA has reviewed the information and makes the following findings:

1. Alliance Imaging, Inc. ("Alliance") is a for-profit entity that currently provides mobile PET service to three (3) Connecticut hospitals as approved under CON Docket Numbers 01-565, 02-559, and 03-30173-CON.
2. On June 21, 2002, under CON Docket Number 01-565 Alliance was authorized by OHCA to provide mobile PET service at Lawrence and Memorial Hospital, 365 Montauk Avenue, New London.
3. On May 16, 2003, under CON Docket Number 02-559 Alliance was authorized by OHCA to provide mobile PET service to Johnson Memorial Hospital at Johnson Memorial Medical Park in Enfield.
4. On January 7, 2004, under CON Docket Number 03-30173-CON Alliance was authorized by OHCA to provide mobile PET service at Day Kimball Hospital, 320 Pomfret Street, Putnam.

5. Alliance proposes to upgrade the current PET scanners used to provide the mobile service to a General Electric Discovery ST with Computerizing Tomography (“CT”) for Attenuation Correction (“AC”) and Anatomical Mapping.
6. The net cost of the upgrade per scanner is \$350,000.
7. The current PET scanners each use two Germanium sources for the transmission/attenuation correction scan (“TAC scan”). The TAC scan requires 10 to 18 minutes per patient to complete.
8. The upgrade uses an x-ray source through the CT for the TAC scan. The upgrade TAC scan is completed in fewer than 60 seconds.
9. The upgrade will allow the transmission/attenuation correction portion of each scan to be reduced to fewer than 60 seconds from a current time of 10-18 minutes.
10. Quicker scan times provide more-accurate scans since patient movement during the scan will decrease.
11. The technology utilized by General Electric in the proposed upgrade has been used in the state for the past three years and uses a low milliamperage non-diagnostic transmission source.
12. Each of the three hospitals currently utilizes CT imaging.¹
13. More than 70% of PET devices sold in the last 18 months have been PET/CTs.²
14. Section 19a-638 of the Connecticut General Statutes (“C.G.S.”) states, in part, that the introduction of any additional function or services requires authorization from OHCA.
15. Section 19a-639, C.G.S. states, in part, that each health care facility or institution proposing to acquire major medical equipment in excess of four hundred thousand dollars (\$400,000) requires authorization from OHCA.

As each of the three Hospitals currently offer CT services, the upgrade to a General Electric Discovery ST does not represent the introduction of a new service. Therefore, under 19a-638, C.G.S., a Certificate of Need is not required. A Certificate of Need is also not required under 19a-639 as the cost of the upgrade is not in excess of \$400,000.

Based on the above findings, OHCA has determined that Alliance Imaging, Inc.’s proposal for the upgrade of the PET scanner approved under CON Docket Numbers 01-565, 02-559, and 03-30173-CON at a net capital expenditure of \$350,000 per scanner will not require Certificate of Need approval from OHCA.

¹ Source: Office of Health Care Access

² Source: “PET and PET/CT: Progress, Rewards, and Challenges”, *The Journal of Nuclear Medicine*, Volume 44, No. 7, July 2003, page 10N.

Thank you for providing information to OHCA regarding this proposal. If you have any questions concerning this letter, please contact Susan Cole (860) 418-7038.

Sincerely,

Cristine A. Vogel
Commissioner

CAV:lkq