



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

September 8, 2004

Augusta S. Mueller
Director, Planning
Bridgeport Hospital
267 Grant Street
Bridgeport, Connecticut 06610-0120

Re: Bridgeport Hospital & Healthcare Services, Inc.
CON Determination Report Number 04-30366-DTR
Reconfiguration of services involving Bridgeport Hospital and Ahlbin Center for
Rehabilitation Medicine

Dear Ms. Mueller:

On August 31, 2004, the Office of Health Care Access ("OHCA") received Bridgeport Hospital & Healthcare Services, Inc.'s ("BHHS") request for Certificate of Need ("CON") Determination regarding the reconfiguration of services involving two subsidiaries of BHHS, Bridgeport Hospital ("Hospital") and the Ahlbin Center for Rehabilitation Medicine ("ACRM").

OHCA has carefully reviewed the information submitted by the Petitioner and makes the following findings:

1. BHHS, ACRM & the Hospital are non-stock, non-profit and federal tax exempt corporations.
2. BHHS is a sole-member and the parent company of the Hospital and ACRM. The same individuals serve on the Board of Directors of ACRM and the Hospital.
3. Bridgeport Hospital is an acute care hospital located at 267 Grant Street in Bridgeport, Connecticut.

4. ACRM operates outpatient rehabilitation facility that became part of BHHS in 1989. ACRM currently provides physical therapy, occupational therapy, speech therapy, recreational therapy and audiology services at four sites located in Bridgeport, Fairfield, Shelton and Stratford.
5. BHHS is proposing to transfer outpatient therapy services offered by ACRM to the Hospital. BHHS is proposing the reconfiguration in order to achieve operation efficiencies and reduce duplication of administrative function. No actual change of control will occur as a result of this petition.
6. Currently, the operations of ACRM are partially integrated with the Hospital. The Director of ACRM also has responsibility over several Bridgeport Hospital areas including inpatient rehabilitation, the primary care center, Medease and security/parking.
7. The transfer of the therapy services will facilitate the ability of BHHS to standardize additional operations such as payroll, purchasing and receiving. BHHS is proposing to operationalize the transfer of these services at the beginning of next fiscal year on October 1, 2004.
8. ACRM is certified as a Durable Medical Equipment provider by Medicare and Medicaid. This enables ACRM to distribute hearing aids and other equipment necessary for the provision of audiology services. For this reason, audiology services will remain at ACRM and will not be transferred to the Hospital.
9. Following the transfer, the Hospital will be responsible for delivery and billing of physical therapy, occupational therapy, speech therapy and recreational therapy. BHHS will retain its sole-member parent status over both subsidiaries and will continue to have ultimate control over these outpatient services.
10. There is no cost associated with the proposed reconfiguration.
11. Section 19a-638 (1) of the Connecticut General Statutes ("C.G.S."), states, in part, that each health care facility or institution, that intends to (A) transfers all or part of its ownership or control, (B) change the governing powers of the board of a parent company or any affiliate, or (C) change or transfer the power or control of a governing or controlling body of an affiliate shall request permission to undertake such transfer or change control.

Based on the above findings, OHCA has determined that the reconfiguration involving Bridgeport Hospital and Ahlbin Center for Rehabilitation Medicine by the Bridgeport Hospital & Healthcare Services, Inc. does not constitute a change of ownership or control as given in Section 19a-638, C.G.S. and there is no cost associated with the proposal and therefore, does not exceed the \$1,000,000 threshold of Section 19a-639 C.G.S. Therefore, Certificate of Need approval from the Office of Health Care Access to proceed with the proposed corporate reconfiguration is not required.

If you have any questions concerning this letter or the Certificate of Need process, please contact Steven Lazarus, Associate Health Care Analyst, at (860) 418-7012.

Sincerely,

Signed by Cristine A. Vogel
Commissioner

CAV:sl