



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

November 3, 2004

Ajay I. Dalal, M.D.
Norwich Radiology Group, P.C.
12 Case Street
Norwich, CT 06360

Re: Certificate of Need Determination, Report Number 04-30371-DTR
Norwich Radiology Group, P.C.
Acquisition of a Positron Emission Tomography Scanner

Dear Dr. Dalal:

On September 9, 2004, the Office of Health Care Access ("OHCA") received a Certificate of Need ("CON") Determination request regarding the acquisition of a position emission tomography scanner ("PET scanner") by Norwich Radiology Group, P.C. ("NRG"), 12 Case Street, Norwich, Connecticut.

After review of the information provided by you in the CON Determination request and in a letter received on October 21, 2004, in response to OHCA's request for additional information, OHCA makes following findings:

1. Norwich Radiology Group, P.C. is a private physician group that provides radiological services at 12 Case Street, Norwich, Connecticut.
2. NRG plans to provide PET scanning service services to its patients at its current location, of 12 Case Street, Norwich.
3. NRG will have two authorized users, Ajay Dalal, M.D. and Daniel Gilmartin, M.D. Both physicians are board certified in radiology.

4. NRG provided the following capital expenditure information:

Capital Expenditure Item	Amount
PET Scanner (purchase)	355,000
Renovations to Accommodate PET Scanner	15,000
Additional Medical Equipment (purchase)	5,000
Sales Tax	22,500
Total Capital Expenditure	\$397,500

5. Acquisition of the PET scanner will allow NRG to offer the imaging service to its current patient population as a component of its existing professional radiology practice.
6. NRG is a licensed to possess and use the radiopharmaceuticals necessary for PET imaging.
7. The American College of Radiology has accredited the NRG's current nuclear medicine unit, the Toshiba GCA 7100A, for planar and cardiac imaging.
8. NRG is a participating provider with Medicare, Medicaid, and major third-party commercial payors.
9. Section 19a-639 of the Connecticut General Statutes requires that a healthcare facility obtain CON approval for the acquisition of major medical equipment, imaging equipment or a linear accelerator costing over four hundred thousand dollars (\$400,000).

Based on the above findings, OHCA has determined that Certificate of Need approval is not required for Norwich Radiology Group, P.C. to acquire a position emission tomography scanner for its radiological practice located in Norwich, at a total capital cost of \$397,500. The proposed capital expenditure is below the statutory threshold of \$400,000. Please be advised, however, that if Norwalk Radiology Group, P.C. changes the scope of services to be provided at this location or incurs a total capital cost equal to or greater than \$400,000 for the PET scanner proposal, Certificate of Need approval from OHCA would then be required.

Thank you for informing OHCA of your plans. If you have any questions concerning this letter, please contact Laurie K. Greci, Associate Research Analyst, at OHCA at (860) 418-7001.

Sincerely,

Signed by Cristine A. Vogel
Commissioner

c: Robert Hoff, Reid and Reige, P.C.
Rose McLellan, Licensing Examination Assistant, DHSR, DPH
CAV: lkg