



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

January 26, 2006

Ms. Suzanne Berwick, Practice Administration
Marc B. d'Avignon, MD, PC d/b/a Farmington Valley MRI, LLC
P. O. Box 787
40 Dale Road
Avon, CT 06001

RE: Certificate of Need Determination; Report Number 05-30529-DTR
Acquisition of a replacement MRI unit

Dear Ms. Berwick:

On June 10, 2005, the Office of Health Care Access ("OHCA") received a Form 2030 Letter of Intent/Waiver form from Marc B. d'Avignon, M.D., P.C. d/b/a Farmington Valley MRI, LLC ("Applicant") for the replacement of an existing MRI unit in Avon Connecticut. Form 2030 waiver of CON request is not permitted when the original imaging equipment was not acquired through a Certificate of Need ("CON") authorization and therefore the June 10, 2005 submission was considered by OHCA to be a Certificate of Need Determination request. Please note the following regarding this matter:

1. The location of the proposal is 23 B Arts Center Court in Avon Connecticut.
2. The proposed capital expenditure is \$357,000, broken down by the following components:

\$340,000 for the fair market value of leased equipment
\$ 17,000 for construction/renovations
\$357,000 for the total capital cost of the project
3. The unit to be acquired is a General Electric ("GE") Short Bore 1.0T LX Octane MRI unit.
4. Marc B. d'Avignon is the President of the professional corporation and is the sole owner of Farmington Valley MRI, LLC.
5. The original MRI unit is a GE 0.5T unit installed in 2001. This unit is no longer being supported by GE.
6. In the June 10, 2005 submission, the Applicant did not provide any documentation to demonstrate that this acquisition had or would occur prior to July 1, 2005.

7. On August 24, 2005, OHCA forwarded a letter which required further information and documentation regarding this project. This letter was not responded to.
8. On December 22, 2005, OHCA forwarded a second letter which reiterated OHCA's August 24, 2005 request for information and/or documentation.
9. On December 30, 2005, OHCA received a faxed letter from the Applicant, which requested additional time to file information as the Applicant is "*still negotiating a contract price with the vendor*".

As the Applicant is still negotiating a contract price with the equipment vendor, OHCA concludes that the Applicant, Marc B. d'Avignon, MD, PC d/b/a Farmington Valley MRI, LLC is unable to demonstrate that it had acquired the replacement MRI unit prior to July 1, 2005. Pursuant to Public Act Number 05-93, An Act Concerning the Capital Expenditure Threshold For the Regulation of Equipment Acquisitions, the office may exempt from certificate of need review a provider which has either "1) provided to OHCA satisfactory evidence that it purchased or leased such equipment for under \$400,000 on or before July 1, 2005 or (2) has obtained, on or before July 1, 2005, a CON or CON determination from OHCA that a CON was not required. The Applicant in this matter has not provided any satisfactory evidence that it purchased the equipment on or before July 1, 2005 and did not obtain a CON or CON determination from OHCA prior to July 1, 2005.

Subsequent to July 1, 2005, all acquisitions of MRI equipment require Certificate of Need authorization pursuant to Section 19a-639 of the Connecticut General Statutes. Therefore, the Applicant is required to seek Certificate of Need authorization from OHCA in order to acquire this replacement MRI unit. The Applicant must submit a Letter of Intent for this project in accordance with Section 19a-639, C.G.S.

If you have any questions regarding the above, please contact Tillman Foster, Associate Health Care Analyst at (860) 418-7020 or Karen Roberts, Compliance Officer at (860) 418-704. If you have any questions regarding the Letter of Intent or Certificate of Need process, please contact Kimberly Martone, Supervisor of CON process at (860) 418-7029 or Susan Cole, Director of Certification, Financial Analysis and Forecasting at (860) 418-7038.

Sincerely,

Signed by Commissioner Cristine A. Vogel on January 26, 2006

Cristine A. Vogel
Commissioner

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