



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

April 3, 2006

Sally F. Herlihy
Vice President, Planning & Marketing
New Milford Hospital
21 Elm Street
New Milford, CT 06776

RE: Certificate of Need Determination; Report Number 06-30703-DTR
New Milford Hospital
Replacement through the Acquisition of Digital Mammography Equipment

Dear Ms. Herlihy:

On March 3, 2006, the Office of Health Care Access ("OHCA") received New Milford Hospital's ("Hospital") request for a Certificate of Need Determination regarding the replacement of its existing mammography equipment through acquisition of digital mammography equipment. Upon review of the information contained in the request, OHCA finds the following:

1. New Milford Hospital ("Hospital") is a nonprofit acute care hospital located at 21 Elm Street, New Milford, Connecticut 06776.
2. The Hospital's current mammography equipment was purchased in 2002 at a total cost of \$59,000.
3. The Hospital is proposing to replace the mammography imaging equipment with a GE Digital Mammography System.

4. In addition to the digital imaging equipment, the Hospital is proposing to acquire additional digital mammography equipment including Stereotaxy, CAD, Digital Printer and Stereochair, in order to enhance the system function.
5. The proposal's service area includes the Connecticut towns of New Milford, Bridgewater, Brookfield, Kent, Roxbury, Sherman, Warren and Washington.
6. The proposed total capital expenditure for the proposal is as follows:

Table 1: Total Capital Expenditure

Equipment	Cost
Mammography Imaging Equipment	\$384,223
Ancillary Mammography Equipment*	\$154,963
Total Capital Expenditure	\$539,186

*Equipment listed (above) under finding number 4

7. The Hospital is not eligible for the waiver of CON for replacement equipment pursuant to Sections 19a-639c of the Connecticut General Statutes ("C.G.S.") as this proposal is greater than the original cost of the equipment to be replaced, plus an increase of ten percent for each twelve-month period that has elapsed since the equipment was originally purchased in 2002.

Based on the above information, OHCA determines that New Milford Hospital's proposal to replace its four year old mammography imaging and ancillary equipment at a total capital expenditure of \$539,186 does not meet the requirement for waiver of CON for replacement equipment and is greater than the \$400,000 threshold for major medical equipment, pursuant to Section 19a-639, C.G.S.

Therefore, New Milford Hospital is required to file a Certificate of Need ("CON") Application pursuant to 19a-639 C.G.S. The Application will be mailed to New Milford Hospital under a separate cover.

If you have any questions concerning this letter, please contact Steven W. Lazarus, Associate Health Care Analyst, at (860) 418-7012.

Sincerely,

Signed by Cristine A. Vogel
Commissioner

CAV:swl

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