



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

August 14, 2008

Daniel Rissi, MD
Vice President, Chief Medical & Clinical Operations Officer
Lawrence & Memorial Hospital
365 Montauk Avenue
New London, CT 06320

RE: Certificate of Need Determination; Report Number 08-31216-DTR
Terminate Outpatient Rehabilitation Therapy Services in New London
and Establish Outpatient Rehabilitation Therapy Services in Waterford
Lawrence & Memorial Hospital

Dear Dr. Rissi:

On August 4, 2008, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request concerning the proposal of Lawrence & Memorial Hospital ("Hospital") to terminate outpatient rehabilitation therapy services in New London and establish outpatient rehabilitation therapy services in Waterford, at an estimated capital expenditure of \$1,768,595. OHCA has reviewed the information contained in the request and makes the following findings:

1. Lawrence & Memorial Hospital ("Hospital") is an acute care hospital located at 365 Montauk Avenue, New London, Connecticut.
2. The Hospital currently provides outpatient rehabilitation therapy services at four sites:
 - Lawrence & Memorial Hospital, 365 Montauk Avenue, New London;
 - Pequot Health Center, 52 Hazelnut Hill Road, Groton;
 - Flanders Health Center, 339 Flanders Road, East Lyme; and
 - Lawrence & Memorial Medical Office Building, 633 Middlesex Turnpike, Old Saybrook.
3. The Hospital is proposing to terminate its outpatient rehabilitation therapy service in New London and establish outpatient rehabilitation therapy services in Waterford.

4. The Hospital states that the same services will be provided at the proposed site, and following commencement of services at the proposed site, the outpatient rehabilitation services will no longer be provided on the Hospital's main campus in New London.
5. All outpatient rehabilitation services are provided and the services are billed as a department of the Hospital. The services to be provided at the Waterford location will also be billed as a department of the Hospital.
6. Section 19a-638 of the Connecticut General Statutes ("C.G.S.") states, in part, that
 - (2) *Each health care facility or institution or state health care facility or institution, including any inpatient rehabilitation facility, which intends to introduce any additional function or service into its program of health care shall submit to the office, prior to the proposed date of the institution of such function or service, a request for permission to undertake such function or service.*
 - (3) *Each health care facility or institution or state health care facility or institution which intends to terminate a health service offered by such facility or institution or reduce substantially its total bed capacity, shall submit to the office, prior to the proposed date of such termination or decrease, a request to undertake such termination or decrease.*

Based on the above findings OHCA has determined that the additional service site in Waterford for the provision of outpatient rehabilitation services in Waterford represents the introduction of an additional function or service and the termination of outpatient rehabilitation services on the Hospital's main campus in New London represents the termination of a health service. Consequently, the Hospital's proposal requires Certificate of Need approval pursuant to Sections 19a-638(2) and (3), C.G.S.

OHCA considers the submission of information received on August 4, 2008, as the Letter of Intent for this matter. Therefore, the Hospital, may file a completed CON application with OHCA between October 3, 2008 and December 2, 2008. The CON application is being mailed to your attention separately.

If you have any questions concerning this letter, please contact Laurie Greci, Associate Research Analyst, at (860) 418-7001.

Sincerely,

Signed by Commissioner Vogel on August 14, 2008

Cristine A. Vogel
Commissioner

CAV:lkg

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