

STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

April 27, 2009

Ms. Maryanne Volkringer
Vice President, Affiliates & Business Development
Waterbury Hospital
64 Robbins Street
Waterbury, CT 06721

RE: Certificate of Need Determination Report Number 09-31354-DTR
The termination of computed tomography scanning services in Naugatuck
Valley Imaging Partners, LLC

Dear Ms. Volkringer:

On April 15, 2009, the Office of Health Care Access ("OHCA") received your request for a Certificate of Need ("CON") Determination, filed on behalf of Valley Imaging Partners, LLC, regarding the termination of Computed Tomography ("CT") scanning services in Naugatuck, Connecticut. OHCA has reviewed the information contained in your submission and makes the following findings:

1. OHCA finds that Valley Imaging Partners, LLC ("VIP") is a joint venture organization with two members, Diagnostic Radiology Associates, LLC ("DRA"), a private physician practice, which owns 51% and Greater Waterbury Management Resources, Inc. ("GWMRI"), which owns 49% of VIP.
2. OHCA finds that VIP provides radiology services at 799 New Haven Road, Naugatuck, Connecticut. VIP currently offers open Magnetic Resonance Imaging services and CT scanning services at its Naugatuck office.
3. OHCA finds that VIP is seeking to terminate its CT scanning services at its Naugatuck location. VIP plans to sell the CT scanner to an independent radiology equipment vendor for approximately \$12,000.
4. OHCA finds that VIP is an independent diagnostic testing facility (IDTF) for federal reimbursement purposes.
5. Under a previous CON Determination, Report Number: 06-30696-DTR, OHCA determined that VIP "is not required to file a Certificate of Need request for the 2004 acquisition of the CT scanner pursuant to Section 19a-639, C.G.S. as it was fully acquired prior to the implementation of Public Act 05-93 ...". However, OHCA also determined that "Valley Imaging Partners, LLC, the owner

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of the imaging equipment, is structured both as a Central Service Facility and a joint venture wherein a member owner is a health care facility or institution. Therefore, Valley Imaging Partners, LLC is itself a health care facility or institution and will be subject to Certificate of Need review for any future applicable projects under Sections 19a-638 and 19a-639 of the Connecticut General Statutes."

6. OHCA finds that the joint venture member, Greater Waterbury Management Resources, Inc., is a wholly owned subsidiary of the Greater Waterbury Health Network and an affiliate of Waterbury Hospital, a health care facility or institution. Pursuant to Section 19a-630(1) of the Connecticut General Statutes, health care facilities and institutions include: "*any parent company, subsidiary, affiliate or joint venture, or any combination thereof, of any such facility or institution ...*"
7. Section 19a-638(a)(3) of the Connecticut General Statutes states (in part):

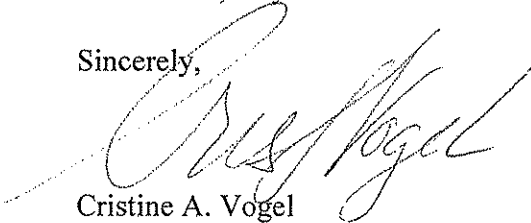
"Each health care facility or institution... which intends to terminate a health care service offered by such facility or institution ... shall submit to the office, prior to the proposed date of such termination or decrease, a request to undertake such termination"

Based on the above findings, OHCA hereby determines that:

- Greater Waterbury Management Resources, Inc. is a health care facility or institution as an affiliate of Waterbury Hospital. Therefore, Valley Imaging Partners, LLC. is determined to be a health care facility or institution as it is a joint venture involving a hospital affiliate.
- OHCA previously determined in CON Determination Report Number 06-30696-DTR that Valley Imaging Partners, LLC is a health care facility or institution.
- Ceasing to provide CT scanning services is determined to be a termination of a health care service by a health care facility or institution, pursuant to Section 19a-638(a)(3), C.G.S.

Therefore, Valley Imaging Partners, LLC. is required to seek and obtain Certificate of Need authorization from OHCA pursuant to Section 19a-638(a)(3), C.G.S. Valley Imaging Partners, LLC may file a Letter of Intent with OHCA to request initiation of the Certificate of Need process for termination of the CT scanning service. If you have any questions related to this letter, please contact Steven W. Lazarus or Karen Roberts or if you have questions related to the Certificate of Need process, please contact Kimberly R. Martone, they can all be reached at (860) 418-7001.

Sincerely,



Cristine A. Vogel
Commissioner

CAV/swl/kr

Copy: Rose McLellan, License and Applications Supervisor, DPH