STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH Office of Health Care Access

February 9, 2010

Annamarie Rose Administrator St. Raphael Magnetic Resonae Center 330 Orchard Street New Haven, CT 06511

Re: CON Determination Request; Report Number: 10-31528-DTR
Saint Raphael Magnetic Resonance Center
Proposal to Upgrade Software and Coils on Existing 3.0 Tesla and 1.5 Tesla-Strength MRI Scanners

Dear Ms.Rose:

On January 25, 2010, the Office of Health Care Access ("OHCA") received the Certificate of Need Determination request regarding the proposal of Saint Raphael Magnetic Resonance Center ("Applicant" or "SRMRC) to upgrade its existing 3.0T and 1.5T magnetic resonance imaging ("MRI") scanners with hardware and software, at a total capital expenditure of \$211,498. OHCA has reviewed the information contained in your request and makes the following findings:

- 1. SRMRC is a joint venture company which is comprised of DePaul Heatlh Services Corportaion, a wholly owned subsidiary of the Saint Raphael Heathcare System and Medical Imaging Associates, a private physician radiology practice. (January 25, 2010, CON Determination Request, pages 5&6)
- 2. SRMRC provides MRI services to inpatients and outpatients of the Hospital of Saint Raphael and is located at 330 Orchard Street, New Haven, Connecticut. (January 25, 2010, CON Determination Request, pages 2&5)
- 3. SRMRC currently operates two (2) MRI scanners, one a 3.0 Tesla and the other is a 1.5 Tesla. (January 25, 2010, CON Determination Request, page 5)
- 4. The Applicant is proposing to upgrade the 1.5T and the 3.0T MRI scanners with hardware and software. (January 25, 2010, CON Determination Request, page 5&Attachment I)

5. The Applicant's proposal will upgrade the existing 3.0T and 1.5T MRI scanners, as follows:

| MRI to be Upgraded | Upgrade Involved |
|--------------------|---|
| 3.0 Tesla | 32 channel head coil |
| 1.5 Tesla | -High resolution 8 channel Foot/Angle Array coil -Small Extremity Array |
| Software Upgrade | -Purchase VividLook, iCAD Prostate Analysis System (to compliment the prostate imaging service) |

(January 25, 2010, CON Determination Request, Attachment I)

- 6. The total capital expenditure for the hardware and software to upgrade the existing MRI scanners is \$211,498. (January 25, 2010, CON Determination Request, page 5)
- 7. The Applicant proposes to fund the proposed upgrage through its equity. (January 25, 2010, CON Determination Request, page 4)
- 8. Section 19a-639, C.G.S. states, in part, that each health care facility or institution proposing a capital expenditure exceeding one million dollars (\$3,000,000), or the acquisition of major medical equipment requiring a capital expenditure in excess of four hundred thousand dollars (\$300,000,000) requires authorization from OHCA.

Based upon the foregoing, OHCA finds that the proposal of Saint Raphael Magnetic Resonance Center to upgrade its existing 3.0 tesla and 1.5 tesla-strength MRI scanners does not exceed the threshold for capital expenditures and is not an acquisition of equipment pursuant to § 19a-639. Accordingly, Certificate of Need approval is not required for the proposal.

Thank you for informing OHCA of your plans. If you have any questions concerning this letter, please contact Steven W. Lazarus, Associate Health Care Analyst, at (860) 418-7012.

Sincerely

Cristine A. Vogel

Deputy Commissioner

CAV:swl