

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL GOVERNOR CRISTINE A. VOGEL COMMISSIONER

June 21, 2010

Shraddha Patel
Director of Business Development/Planning
Lawrence and Memorial Hospital
365 Montauk Avenue
New London, CT 06320

Re: Certificate of Need Determination Report Number 10-31618-DTR

Lawrence & Memorial Hospital

Relocation of all Outpatient Wound Care Services to Waterford and Expansion of Wound Care Services to Include Hyperbaric Oxygen Therapy Services

Dear Mr. Patel:

On May 4, 2010, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Letter of Intent forms requesting the relocation of all its outpatient wound care services to Waterford, Connecticut and expansion of wound care service to include hyperbaric oxygen therapy services, with an associated capital expenditure of \$1,457,100. OHCA has reviewed the information contained in your proposal and makes the following findings:

- 1. Lawrence and Memorial Hospital ("Hospital") is an acute care hospital located at 365 Montauk Avenue, New London, Connecticut. The Hospital is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes ("C.G.S.").
- 2. The Hospital contends that it currently provides wound care treatments to patients suffering from chronic, acute, and traumatic non-healing wounds, venous insufficiency, radiation-related tissue damage, and acute/traumatic wounds.
- 3. The Hospital contends that the care includes the diagnosis, evaluation, and treatment of existing wounds and prevention of future wounds. Treatment may include medication, compression therapy, minor surgical debridement, pressure relief, negative pressure therapy, and specialized dressings.

- 4. The Hospital contends that outpatient wound care treatment is provided at the Hospital's several locations including outpatient centers (in Groton, Waterford, and Old Saybrook), inpatient units, and the emergency department.
- 5. The Hospital is proposing consolidation and relocation of its existing outpatient wound care services within the Hospital's primary service area to 40 Boston Post Road in Waterford.
- 6. The Hospital also proposes the expansion of its wound care services to include hyperbaric oxygen therapy ("HBOT") services, which include the addition of two (2) monoplace hyperbaric oxygen chambers.
- 7. The Hospital asserts that the proposal will move to a physician-based program, led by a medical director and supported by certified wound care specialists.
- 8. The Hospital contends that it has engaged Precision Health Care ("PHC") as a management partner to assist with HBOT service and with overall program development and management.
- 9. The Hospital asserts that PHC is a national organization that specializes in creating, managing, and improving comprehensive wound care centers.
- 10. The Hospital contends that it will be responsible for providing the wound care and HBOT services to its patients and PHC will be responsible for providing the monoplace HBOT chambers, and the hyperbaric chamber technicians to assist the Hospital in providing the HBOT service.
- 11. The Hospital contends that the total capital expenditure associated with this proposal is \$1,167,100. The total expenditure involves the following components:

Total Capital Expenditure	\$1,457,100
2 HBOTs (FMV-leased by PHC)	\$290,000
Contingency Cost	\$106,100
Construction/Renovation	\$745,000
Non-Medical Equipment Purchase	\$276,000
Medical Equipment Purchase	\$40,000

12. Pursuant to 19a-638 of the Connecticut General Statues ("C.G.S.), as amended by Public Act: 09-332, Section 93(f)

"Each short-term acute care general or children's hospital, chronic disease hospital or hospital for the mentally ill that on July 1, 2009, is providing outpatient services,that thereafter proposes to provide such services at an alternative location within the primary service area of the health care facility or institution, shall be exempt from the certificate of need requirements prescribed in subsection (a) of section 19a-638, as amended by this act,..."

13. OHCA finds that the Hospital currently offers wound care services on an outpatient basis and that the town of Waterford is within the primary service area of the Hospital.

Based on the above findings, OHCA has determined that Lawrence & Memorial Hospital's proposal for the relocation of its outpatient wound care services to 40 Boston Post Road, Waterford, Connecticut and expansion of its wound care services to include hyperbaric oxygen therapy services, with an associated capital cost of \$1,457,100, does not require CON approval, pursuant to Section 19a-638 as amended by Public Act 09-232 and 19a-639c of the Connecticut General Statutes.

Thank you for providing information to OHCA regarding this proposal. 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:md:swl