

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

11-10-2010

Steven P. Oster
Administrator
North Haven Surgery Center
52 Washington Avenue
North Haven, CT 06473

Re: Certificate of Need Determination Request; Report Number: 10-31669-DTR
Sale of Two (2) 7.5 % Membership Interests in North Haven Surgery Center, LLC
North Haven Surgery Center, LLC

Dear Mr. Oster:

On October 13, 2010, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request regarding the planned sale of two (2) 7.5 % membership interests in North Haven Surgery Center, LLC. The following information was provided to OHCA regarding this proposal:

1. North Haven Surgery Center, LLC ("NHSC") is a for-profit limited liability company, located at 52 Washington Street in North Haven.
2. At this location, NHSC operates a freestanding ambulatory surgery center.
3. NHSC proposes to sell two (2) 7.5% interest in NHSC to Dr. David Karas and Dr. Eric Baum. Each physician-investor is a principal of Connecticut Pediatric Otolaryngology, LLC ("CPO"), a group practice with offices in New Haven.
4. The control of NHSC is mainly within the four-person Board of Managers ("Board"). Neither Dr. Karas nor Dr. Baum will participate on the Board. The limited liability company agreement ("Agreement") for NHSC provides for the number of managers on the Board be fixed at four (4) and only certain members can appoint a manager.
5. The Agreement provides for the Board to be made up of two representatives appointed by Titan Health of North Haven, LLC, which currently owns a 28% membership interest, one representative appointed by Comprehensive Pain and Headache Treatment Centers, LLC, a

An Equal Opportunity Employer

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group practice currently which owns 52% of NHSC, and one representative appointed by the physician principals of ENT Specialists, PC, which owns 20% of NHSC.

6. The ownership percentages of of NHSC after the sale is presented in the following table:

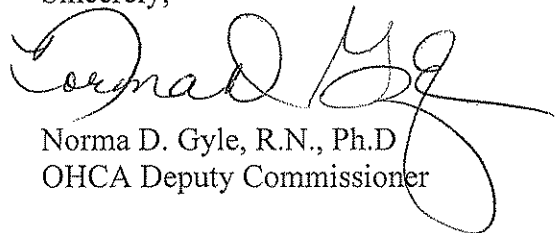
Owner	Percentage
Titan Health of North Haven, LLC	25%
Comprehensive Pain and Headache Treatment Centers, LLC	40%
Physician Principals, ENT Specialists, PC	20%
Dr. David Karas	7.5%
Dr. Eric Baum	7.5%
Total Ownership	100%

7. The proposed sale to Drs. Karas and Baum will not result in a transfer of ownership of the NHSC nor change its governance or controlling body.
8. The proposed sale will not result in any other changes for NHSC in terms of the facility's services, licensure category, physical space, billing practices, third-party payers or the target population served.
9. There is no associated capital expenditure.

Based on the above findings, OHCA has determined that the proposal of North Haven Surgery Center, LLC to sell two 7.5% interest to Dr. David Karas and Dr. Eric Baum will not result in the transfer of ownership as defined in Public Act 10-179 § 83(14). Therefore, the proposal of North Haven Surgery Center, LLC to sell interest to the two physicians does not require Certificate of Need approval from OHCA.

Thank you for advising OHCA of your plans. If you have any questions concerning this letter, please contact Melanie Dillon at (860) 418-7060.

Sincerely,



Norma D. Gyle, R.N., Ph.D
OHCA Deputy Commissioner

NDG:MD:lkg

C: Rose McLellan, License & Applications Supervisor, FLIS, DPH



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

Called + Confirmed

Receipt w/

Applicant
(Mr. Oster).

No Fax Confirmation
sheet
came out.

SL

11/12/10

FAX SHEET

TO: Steven P. Oster
FAX: (203) 234-7114
AGENCY: DPH/OACA
FROM: LANNIE GRACI
DATE: 11/12/10 TIME: 7:30 am
NUMBER OF PAGES: 3
(including transmittal sheet)

Comments: Final Care Determination and Report #
10-31669-DTR enclosed.

PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.

Phone: (860) 418-7001

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