**IMPORTANT**

***All Office of Health Strategy (OHS)******Certificate Of Need (CON)-
related documents*** (**Determinations, Applications, Completeness Letter Responses and Modifications)** ***must be filed electronically*** through OHS’s single point of access, its CON Web Portal.

***First time Portal users must register prior to submitting any documents.***To register, click here: [Certificate of Need Web Portal](http://dphconwebportal.ct.gov/)

To access the portal, click on the link above or and click <https://portal.ct.gov/OHS> on the “Certificate of Need Program” link and then click on the “https://dphconwebportal.ct.gov“ link.

***OHS may, at its discretion, utilize data from Hospital Reporting System (HRS) and the Connecticut All Payer Claims Database (APCD)*** to supplement the administrative record and the hearing record associated with an application. OHS may also reference and cite HRS and APCD data in its agreed settlements and final decisions.

For any questions, please email HSP@ct.gov or call (860) 418-7001.

**CON Application - Main Form**

***Required for all CON applications***

**Contents:**

* OHS Waiver
* Checklist
* List of Supplemental Forms
* Proposal Information
* Affidavit
* Executive Summary
* Project Description
* Public Need and Access to Health Care
* Financial Information
* Utilization

# **OHS Waiver**

Please be advised that the Office of Health Strategy (OHS) is in the process of revising its regulations (19a-639a-3(b)) to enable it to accept new CON filings **via OHS’s website**.

While proceeding through this legal process, OHS waives the requirement for applicant(s) to file paper copies pursuant to Sec. 149 of Public Act No, 21-2 (June Special Session). All new CON applications filed electronically with OHS should be submitted via OHS’s website ([Certificate of Need Web Portal](https://dphconwebportal.ct.gov/Account/Login?ReturnUrl=%2F)) and include the following:

1. A scanned copy of each submission in its entirety\*, including all attachments, properly executed and notarized where necessary, in Adobe (.pdf) format.
2. An electronic copy of the applicant’s responses in MS Word (the applications) and MS Excel (the financial attachment).

**\*All application components (e.g., Main Form, Supplemental Form, Financial Worksheet and Exhibits) should be compiled and paginated.**

Note: Should anyone not have the ability to file electronically, the present paper submission process may still be used.

If you have any questions regarding a CON filing with OHS, please contact us by email at HSP@ct.gov or call us directly at (860) 418-7001.

# **Checklist**

**Instructions**: Review each item below and check box when completed. **[Checklist *must* be submitted as the first page of the CON application.]**

[x]  A completed CON Main Form, including an affidavit for each applicant, signed and notarized by the appropriate individuals. CON forms can be found at [OHS Forms](https://portal.ct.gov/OHS/Pages/Certificate-of-Need/CON-Forms).

[x]  A completed Supplemental Form specific to the proposal type (see next page to determine which Supplemental Form to include in the application).

[x] \*\*\*NEW Pursuant to Public Act 22-118, Sec. 225, the attached fee schedule shall apply to all CON applications filed on or after July 18, 2022. Until OHS’s payment processing system is adjusted, Applicants should file with a $500 fee and will be sent an invoice for the remaining amount as determined by the agency.
A filing fee using Master Card or Visa submitted electronically via OHS’s website ([Certificate of Need Web Portal](https://dphconwebportal.ct.gov/Account/Login?ReturnUrl=%2F)) in the amount of $**500.00.**

[x] Attached is evidence demonstrating that public notice has been published for 3 consecutive days in a newspaper that covers the location of the proposal. Use the following link to help determine the appropriate publication: [Connecticut newspapers](https://portal.ct.gov/-/media/OHS/ohca/CONApplications/NewspapersListpdf.pdf). **The application must be submitted** **no sooner than** **20 days, but no later than 90 days from the last day of the newspaper notice.**

 ***See attached Exhibit A.***

The following information **must** be included in the public notice:

* A statement that the applicant is applying for a certificate of need pursuant to section § 19a-638 of the Connecticut General Statutes;
* A description of the scope and nature of the project;
* The street address where the project is to be located; and
* The total capital expenditure for the project.

(Please email (HSP@ct.gov) a courtesy copy of the newspaper order confirmation to OHS at the time of publication.)

[x]  A completed Financial Worksheet specific to the application type.

[x]  All confidential or personally identifiable information (e.g., Social Security number) has been redacted.

[x]  All material should be submitted via OHS’s website ([OHS Web Portal](https://dphconwebportal.ct.gov/Account/Login?ReturnUrl=%2F)) and include:

1. A scanned Adobe-PDF copy of each submission in its entirety\*, including all attachments in Adobe (.pdf) format.
2. An electronic copy of the applicant’s responses in MS Word (the application) and MS Excel (the Financial Worksheet).

\***All application components (e.g., Main Form, Supplemental Form, Financial Worksheet and Exhibits) should be compiled and paginated**.

**Note: OHS hereby waives requirement to file any paper copies.**

# **Supplemental Forms**

In addition to completing this **Main Form** and **Financial Worksheet (A, B or C)**, the applicant(s) must complete the appropriate **Supplemental Form** listed below. Check the box of the **Supplemental Form** to be submitted with the application, below. If unsure which form to select, please call the OHS main number (860-418-7001) for assistance. All CON forms can be found on OHS’s website at [CON Forms and Submission](http://portal.ct.gov/DPH/Office-of-Health-Care-Access/Apps--Forms/OHCA-Forms).

|  |  |  |
| --- | --- | --- |
| **Check form included** | **Conn. Gen. Stat.Section19a-638(a)** | **Supplemental Form** |
|[ ]  (1) | **Establishment of a new health care facility** (mental health and/or substance abuse)*-**see note below\** |
|[ ]  (2) | **Transfer of ownership of a health care facility** (excludes transfer of ownership/sale of hospital – see “Other” below) |
|[ ]  (3) | **Transfer of ownership of a group practice** |
|[ ]  (4) | **Establishment of a freestanding emergency department** |
|[ ]  (5)(7)(8)(15) | **Termination of a service:*** inpatient or outpatient services offered by a hospital
* surgical services by an outpatient surgical facility\*\*
* emergency department by a short-term acute care general hospital
* inpatient or outpatient services offered by a hospital or other facility, or institution operated by the state that provides services that are eligible for reimbursement under Title XVIII or XIX of the federal Social Security Act, 42 USC 301, as amended
 |
|[ ]  (6) | **Establishment of an outpatient surgical facility** |
|[ ]  (9) | **Establishment of cardiac services** |
| [x]  | (10)(11) | **Acquisition of equipment:*** acquisition of computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners or positron emission tomography-computed tomography scanners
* acquisition of nonhospital based linear accelerators
 |
|[ ]  (12) | **Increase in licensed bed capacity** of a health care facility |
|[ ]  (13) | **Acquisition of equipment utilizing [new] technology** that has not previously been used in the state |
|[ ]  (14) | **Increase of two or more operating rooms** within any three-year period by an outpatient surgical facility or short-term acute care general hospital |
|  |  |
|[ ]  Other | **Transfer of Ownership / Sale of Hospital** |

**\***This supplemental form should be included with all applications requesting authorization for the establishment of a **mental health and/or substance abuse treatment facility**. For the establishment of other “health care facilities,” as defined by Conn. Gen. Stat § 19a-630(11) - hospitals licensed by DPH under chapter 386v, specialty hospitals, or a central service facility - complete *the Main Form* only.

\*\*If termination is due to insufficient patient volume or a subspecialty is being terminated, a CON is not required.

**Proposal Information**

Select the appropriate proposal type from the dropdown below. If unsure which item to select, please call the OHS main number (860-418-7001) for assistance.

|  |  |
| --- | --- |
| **Proposal Type**(select from dropdown) | Acquisition of imaging equipment  |
| **Brief Description** | Acquisition of a 1.5 Tesla Magnetic Resonance Imagining Scanner by Comprehensive Orthopaedics & Musculoskeletal Care, L.L.C.  |
| **Proposal Address** | 98 Main St. #201, Southington, CT 06489 |
| **Capital Expenditure** | $ 50,000.00 |
| **Is this Application the result of a Determination indicating a CON application must be filed?**[x]  No[ ]  Yes, Docket Number: Click here to enter text. |

**Applicant(s) Information**

|  |  |  |
| --- | --- | --- |
|  | **Applicant One** | **Applicant Two****(if applicable)** |
| **Applicant‘s Full Legal Name\* & Address:** | Comprehensive Orthopaedics & Musculoskeletal Care, L.L.C.863 N. Main St. Ext., Suite 200Wallingford, CT 06492 |  |
| **Applicant Tax Status:**(check one box) | [x]  For Profit[ ]  Not-for-Profit | [ ]  For Profit[ ]  Not-for-Profit |
| **Parent Corporation Full Legal Name & Address:****(if applicable)** | N/A |  |
| **New Company:****(if applicable)** | N/A |
| **Contact Person:****(one contact person per applicant)** | Adam Q. Ferguson, D.O. |
| Name: | Adam Q. Ferguson, D.O. |
| Title: | Managing Member, Comprehensive Orthopaedics & Musculoskeletal Care, L.L.C. |
| Address: | 863 N. Main St. Ext., Suite 200, Wallingford, CT 06492 |
| Email: | AdamF@comcllc.com |
| Phone number: | 203-265-3280 |

\**For more than two applicants, attach a separate sheet providing the following information: applicant’s full legal name, address, tax status and, if applicable, the parent company’s name and address.*

# **Affidavit**

Applicant: Comprehensive Orthopaedics & Musculoskeletal Care, L.L.C.\_\_

Project Title: Acquisition of a 1.5 Tesla Magnetic Resonance Imagining Scanner by Comprehensive Orthopaedics & Musculoskeletal Care, L.L.C.

I, Adam Q. Ferguson, D.O.­­\_\_\_\_\_\_, \_\_\_\_Managing Member\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 (Name) (Position – CEO or CFO)

of Comprehensive Orthopaedics & Musculoskeletal Care, L.L.C. being duly sworn, depose and state that the (Facility Name) said facility complies with the appropriate and applicable criteria as set forth in Sections 19a-630, 19a-637, 19a-638, 19a-639 of the Connecticut General Statutes, and that all facts contained in the submitted Certificate of Need application are true and correct to the best of my knowledge.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature Date

Subscribed and sworn to before me on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public/Commissioner of Superior Court

My commission expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# **Executive Summary**

The purpose of the Executive Summary is to give the reviewer a conceptual understanding of the proposal. In the space below, provide a succinct overview of your proposal (this may be done in bullet format). Summarize the key elements of the proposed project. Details should be provided in the appropriate sections of the application that follow. [Please click here to reference the 2020 CON Guidebook while completing the application.](https://portal.ct.gov/-/media/OHS/CONfolder/CON-Guidebook-2020.pdf)

Comprehensive Orthopaedics & Musculoskeletal Care, L.L.C. (“**COMC**”) proposes to acquire a 1.5 Tesla Magnetic Resonance Imaging (“**MRI**”) scanner (the “**Proposed Scanner**”) through a lease agreement at a total estimated capital cost of $50,000.00. The Proposed Scanner will be housed in a new, state-of-art mobile trailer located in the parking lot at COMC’s office located at 98 Main Street, No. 201, Southington, Connecticut.

COMC is an advanced, multi-specialty orthopedic medicine private practice, providing a full range of expertise in orthopedic medicine, including general orthopedics, sports medicine and sports related injuries, hand and wrist, foot and ankle, joint replacement, spine, and interventional pain. COMC has been serving patients in its communities in Central Connecticut for over 25 years and currently has four office locations in Southington, Wallingford, Meriden and Cheshire, Connecticut. COMC has six board-certified/board-eligible physicians, one board certified and fellowship-trained pain management physician, one podiatric physician and two physician assistants, who are committed to providing the very best in orthopedic care. COMC also offers physical therapy and occupational therapy services. Since 2013, COMC has offered walk-in and after-hours urgent orthopedic care services (“Ortho OUCH Care”) at all four of its locations for injuries that require immediate attention such as sprains and strains, dislocations, fractures and work-related injuries. This allows COMC to provide specialized and cost-effective treatment for injuries that require immediate attention.

COMC is seeking to acquire the Proposed Scanner because of increasing delays experienced by patients in scheduling MRI scans, pressure from insurance companies to refer to non-hospital freestanding imaging centers, the lack of non-hospital, high field MRIs in the proposed service area, and increasing delays with prior authorization by insurance companies. Presently, COMC does not have an MRI scanner in any of its office locations. The Proposed Scanner is needed to meet current and future patient and community need and to ensure adequate and timely access to MRI imaging services.

Given the essential role advanced imaging plays in the treatment of orthopedic patients and the broad scope of orthopedic specialty services provided by COMC, the practice’s physicians need timely access to MRI scans in order to assess the appropriate treatment options for its patients. The Proposed Scanner will provide COMC physicians with important scheduling flexibility for stat studies and the ability to schedule appointments for MRI scans more quickly, allowing treatment to begin sooner and avoiding worsening of patient injuries or orthopedic conditions.

In addition more timely access to services, the Proposed Scanner will enhance quality control and coordination of care. With all aspects of care handled in-office and all patient information contained within a single medical record, the orthopedic physician is able to begin treatment faster than if the patient was required to go to another provider for a MRI scan, wait for the results, and wait for the radiologist to contact the orthopedic physician to transmit the results. The physician is better able to monitor the patient’s health and provide timely follow up. The result is more integrated and coordinated care that ultimately leads to better outcomes at less cost.

Both the office-based orthopedic practice and the Ortho OUCH Care walk-in urgent care services continue to grow, especially in those specialties serving athletes and the active elderly of the baby boom generation. COMC is adding a new orthopedic surgeon to the practice in September 2023. COMC expects to add up to 3 more surgeons and one new location over the next 3 years.

There is a clear public need for the Proposed Scanner because the current Percent Utilization of the four existing MRI scanners in COMC’s primary service area exceeds 85%, which is the benchmark for showing public need pursuant to the 2012 OHS Statewide Facilities and Services Plan. Based upon the Office of Health Strategy’s 2020 MRI inventory data, these four MRI scanners are presently operating at 142% utilization. This is not only far above the 85% benchmark that demonstrates a public need, but also above full capacity for MRI scanners in the primary service area. Therefore, there is a clear public need for the Proposed Scanner.

In addition, the Percent Utilization in COMC’s primary service area and contiguous towns also far exceeds the 85% benchmark. There are eighteen (18) MRI scanners in the towns that are contiguous to COMC’s primary service area. Collectively, these eighteen scanners plus the four in COMC’s primary service area are operating at 101.9% capacity, which exceeds the 85% benchmark that demonstrates a public need. Therefore, there is a clear public need for the Proposed Scanner. In addition, the MRI scanners in the contiguous areas would be a long drive for many of COMC’s patients and unlikely to be locations chosen by patients to get their MRI.

For all these reasons, COMC respectfully requests that this CON Application to acquire the Proposed Scanner at its Southington office be approved.

*Pursuant to Section 19a-639 of the Connecticut General Statutes, the Office of Health Strategy is required to consider specific criteria and principles when reviewing a Certificate of Need application. Text marked with a “§” indicates it is actual text from the statute and may be helpful when responding to prompts.*

# **Project Description**

1. Provide a detailed narrative describing the proposal. Explain how the applicant(s) determined the necessity for the proposal and discuss the benefits to the public and for each applicant, separately. Include all key elements, including the parties involved, what the proposal will entail, the equipment/service location(s), the geographic area the proposal will serve, the implementation timeline, anticipated start date, and why the proposal is needed in the community.

**Response:**

Comprehensive Orthopaedics & Musculoskeletal Care, L.L.C. (“**COMC**”) proposes to acquire a 1.5 Tesla Magnetic Resonance Imaging (“**MRI**”) scanner (the “**Proposed Scanner**”) through a lease agreement. The MRI scanner and the coach/mobile trailer will be purchased by the leasing company at a total estimated capital cost of $1,450,000. COMC will pay a monthly lease payment and will make a capital expenditure estimated at $50,000 to install the concrete pad and electricity service for the MRI. The Proposed Scanner will be a mobile scanner located in the parking lot at COMC’s office at 98 Main Street, No. 201, Southington, Connecticut.

COMC is an advanced, multi-specialty orthopedic medicine private practice, providing a full range of expertise in orthopedic medicine, including general orthopedics, sports medicine and sports related injuries, hand and wrist, foot and ankle, joint replacement, spine, and interventional pain. COMC has been serving patients in its communities in Central Connecticut for over 25 years and currently has four office locations in Southington, Wallingford, Meriden and Cheshire, Connecticut. COMC has six board-certified/board-eligible physicians, one board certified and fellowship-trained pain management physician, one podiatric physician and two physician assistants, who are committed to providing the very best in orthopedic care. COMC also offers physical therapy and occupational therapy services. Since 2013, COMC has offered walk-in and after-hours urgent orthopedic care services (“Ortho OUCH Care”) at all four of its locations for injuries that require immediate attention such as sprains and strains, dislocations, fractures and work-related injuries. This allows COMC to provide specialized and cost-effective treatment for injuries that require immediate attention.

COMC is an in-network provider with most insurance plans, participates in Medicare and Medicaid. COMC has been designated an Aetna Institute of Quality® Orthopedic Care Facility for Hip and Knee Service. This designation is provided in recognition of providers in Aetna’s network that provide specialized clinical services for certain health conditions and consistently delivering evidence-based, safe care.

COMC is seeking to acquire the Proposed Scanner because of increasing patient delays in scheduling MRI services, pressure from insurance companies to refer to non-hospital freestanding imaging centers, the lack of non-hospital, high field MRIs in the proposed service area, and increasing delays with prior authorization by insurance companies. Presently, COMC does not have an MRI scanner in any of its office locations. The Proposed Scanner is needed to meet current and future patient and community need and to ensure adequate and timely access to imaging services.

Given the essential role advanced imaging plays in the treatment of orthopedic patients and the broad scope of specialties in orthopedic surgery provided by COMC, the practice’s physicians need timely access to MRI scans in order to assess the appropriate treatment options for its patients. The Proposed Scanner will provide COMC physicians with important scheduling flexibility for stat studies and the ability to schedule appointments for MRI scans more quickly, allowing treatment to begin sooner and avoiding worsening of patient injuries or orthopedic conditions.

In addition to more timely access to services, the Proposed Scanner also offers other patient benefits, including in-house monitoring of quality standards, enhanced continuity of care and service coordination that are especially valuable to patients seeking a comprehensive provider of orthopedic care. MRI studies and interpretations would be entered directly into COMC’s picture archiving system (PACS) and electronic medical record (EMR). PACS systems typically generate patient-specific work lists for clinicians and technologists upon patient check-in, thereby reducing deviations from standards of care, improving efficiency, and promoting care quality. Results of the MRI are delivered to the orthopedic physician quickly and are easily accessible through the EMR. With this increase in efficiency, the physician is better able to monitor the patient’s health and provide timely follow up. The result is more integrated and coordinated care that ultimately leads to better outcomes at less cost.

In terms of implementation, COMC has entered into an MRI Lease Agreement with Captive Radiology for the lease of a 1.5 Tesla MRI. The Proposed Scanner is anticipated to be a 70 centimeter wide bore design. The wide bore design produces high quality imaging and can accommodate larger patients and patients that would otherwise get claustrophobic because of the narrow opening in older model MRI scanners. Of the existing MRIs in the primary service area, three are closed units and one is an open unit. The open unit has a lower quality scanning due to the lower strength of the magnet. Upon approval of the CON, it is anticipated that the MRI will be obtained, installed and operational within four to six months, depending on equipment availability.

The Proposed Scanner is needed most and best situated in COMC’s Southington office for a number of reasons. First, the Southington office is a large office that serves a high volume of patients who will be able to have their MRI scans in the same location where they receive treatment. Second, the Southington office is conveniently located just 1.6 miles off I-84 and is easily accessible to patients who are currently treated at other offices of COMC.

**Need for the Services:**

There is a clear public need for the Proposed Scanner because the current Percent Utilization of the four existing MRI scanners in COMC's primary service area exceeds 85%, which is the benchmark for showing public need pursuant to the 2012 OHS Statewide Facilities and Services Plan (the “**Plan**”). As shown in **Table A** below, there are currently four (4) MRI scanners located in COMC’s primary service area. Based upon OHS’s 2020 utilization data for MRIs, these scanners are presently operating at 142%, not only exceeding the 85% benchmark for a clear public need, but also significantly above 100% capacity.

**Table A: Existing MRI Providers in Service Area**

|  |
| --- |
| **MRI Providers in Primary Service Area:** |
| **Facility's Provider Name,Street Address and Town** | **Unit** | **Scans** | **Capacity** | **Percent Utilization** |
| MidState Radiology Associates, L.L.C. +435 Lewis AvenueMeriden, CT 06450  | Siemens Aera, Fixed, Closed, 1.5 Tesla MRI Unit | 6,023 | 4,000 | 151% |
| The Hospital of Central Connecticut (Bradley Memorial Campus) +81 Meriden AvenueSouthington, CT 06489  | Hitachi Oasis 1, Fixed, Open, 1.2 Tesla MRI Unit | 9,329  | 4,000 | 233% |
| Meriden Imaging Center, Inc. - Radiology Associates d/b/a Cheshire Diagnostic Imaging ++ a250 South Main StreetCheshire, CT 06410  | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | 3,007  | 4,000 | 75% |
| Meriden Imaging Center, Inc. - Radiology Associates d/b/a Wallingford Diagnostic Imaging Center ++ a863 North Main StreetWallingford, CT 06492  | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | 4,379  | 4,000 | 109% |
| Totals:  |  | 22,738 | 16,000 | 142% |

Source: OHS Statewide Health Care Facilities and Services Inventory – 2020, Table 8 MRI Inventory

+Hospital based

++Hospital affiliated

a Meriden Imaging Center, Inc. - Radiology Associates appears to have joined Midstate Radiology Associates, LLC, which is a hospital affiliated group.

In addition, as shown in **Table B** below the Percent Utilization in COMC’s primary service area and contiguous towns also far exceeds the 85% benchmark. There are eighteen (18) MRI scanners in the towns that are contiguous to COMC’s primary service area. Collectively, these eighteen scanners and the four in COMC’s primary service area are operating at 101.9% capacity, which is exceeds the 85% benchmark that demonstrates a public need. Therefore, there is a clear public need for the Proposed Scanner.

**Table B: Existing MRI Providers in Service Area and Contiguous Towns**

|  |
| --- |
| **MRI Providers in Primary Service Area and Contiguous Towns:** |
| **Facility's Provider Name,Street Address and Town** | **Unit** | **Scans** | **Capacity** | **Percent Utilization** |
| MidState Radiology Associates, L.L.C. + \*435 Lewis AvenueMeriden, CT 06450  | Siemens Aera, Fixed, Closed, 1.5 Tesla MRI Unit | 6,023 | 4,000 | 151% |
| The Hospital of Central Connecticut (Bradley Memorial Campus) +\*81 Meriden AvenueSouthington, CT 06489  | Hitachi Oasis 1, Fixed, Open, 1.2 Tesla MRI Unit | 9,329  | 4,000 | 233% |
| Meriden Imaging Center, Inc. - Radiology Associates d/b/a Cheshire Diagnostic Imaging ++ a \*250 South Main StreetCheshire, CT 06410  | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | 3,007  | 4,000 | 75% |
| Meriden Imaging Center, Inc. - Radiology Associates d/b/a Wallingford Diagnostic Imaging Center ++ a \* 863 North Main StreetWallingford, CT 06492  | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | 4,379  | 4,000 | 109% |
| Bristol Hospital +41 Brewster RoadBristol, CT 06010  | General Electric, Signa Excite, Fixed, Closed, 1.5 Tesla MRI Unit | 3,322  | 4,000  | 83.1% |
| Radiology Associates PC d/b/a/ Bristol Radiology Center +++25 Collins RdBristol, CT 06010 | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | 1,428  | 4,000  | 35.7% |
| Connecticut Orthopaedic Specialists, P.C. ++++2416 Whitney AveHamden, CT 06518  | General Electric, Fixed, Closed, 1.5 Tesla MRI Unit | 4,857  | 4,000  | 121.4% |
| Southern Connecticut Imaging Center LLC d/b/a Whitney Imaging ++a2200 Whitney AvenueHamden, CT 06518  | Siemens Espree, fixed, Open, 1.5 Tesla MRI Unit | 5,517  | 4,000  | 137.9% |
| Middlesex Health +28 Crescent Street Middletown, CT 06457  | Siemens Espree, Fixed, Closed, 1.5 Tesla MRI Unit | 4,249  | 4,000  | 106.2% |
| Middlesex Health Outpatient Center +534 Saybrook RoadMiddletown, CT 06457  | Siemens Verio, Fixed, Closed, 3 Tesla MRI Unit | 3,686  | 4,000  | 92.2% |
| Mandell & Blau, M.D.'s, P.C. d/b/a Open MRI of Middletown + b140 Main StreetMiddletown, CT 06457  | Hitachi Altaire, Fixed, Open, 0.7 Tesla MRI Unit | 2,220  | 4,000  | 55.5% |
| Middlesex Orthopedic Surgeons ++++420 Saybrook RoadMiddletown, CT 06457  | Toshiba, Vantage AGV, Fixed, Closed, 1.5 Tesla MRI Unit | 4,220  | 4,000  | 105.5% |
| New Britain MRI Limited Partnership +100 Grand StreetNew Britain, CT 06052  | Philips Achieva XR, Fixed, Closed, 1.5 Tesla MRI Unit | 4,996  | 4,000  | 124.9% |
| New Britain MRI Limited Partnership +100 Grand StreetNew Britain, CT 06052  | Philips Ingenia, Fixed, Closed, 3 Tesla MRI Unit | 4,816  | 4,000  | 120.4% |
| Starling Radiology ++++300 Kensington AvenueNew Britain, CT 06051  | Philips Ingenia, Fixed, Closed, 1.5 Tesla MRI Unit | 2,070  | 4,000  | 51.8% |
| Yale-New Haven Hospital, Inc. - North Haven Radiology +6 Devine StreetNorth Haven, CT 06473  | Siemens Skyra, Fixed, Closed, 3 Tesla MRI Unit | 4,223  | 4,000  | 105.6% |
| Yale-New Haven Hospital, Inc. - North Haven Radiology6 Devine StreetNorth Haven, CT 06473  | Siemens Magnatom Vida, Fixed, Closed, 3 Tesla MRI Unit | 4,925  | 4,000  | 123.1% |
| Naugatuck Valley Radiology d/b/a Prospect Diagnostic Imaging +++166 Waterbury RoadProspect, CT 06712  | Hitachi Oasis, Fixed, Open, 1.2 Tesla MRI Unit | 3,909  | 4,000  | 97.7% |
| Saint Mary's Hospital +56 Franklin StreetWaterbury, CT 06706 | GE 450W, Fixed, Closed, 1.5 Tesla MRI Unit | 4,331  | 4,000  | 108.3% |
| Greater Waterbury Imaging Center Limited Partnership + c68 Robbins StreetWaterbury, CT 06708  | General Electric HDx Echospeed, Fixed, Closed, 1.5 Tesla MRI Unit |  d  | 4,000 | d |
| Greater Waterbury Imaging Center Limited Partnership + c68 Robbins StreetWaterbury, CT 06708  | General Electric Optima 450W, Fixed, Closed, 1.5 Tesla MRI Unit | 4,600  | 4,000  | 115.0% |
| Naugatuck Valley MRI +++1389 West Main StreetWaterbury, CT 06708  | General Electric Signa HDX, Fixed, Closed, 1.5 Tesla MRI Unit | 3,574  | 4,000  | 89.4% |
| TOTAL |  | 89,681 | 88,000  | 101.9% |

Source: OHS Statewide Health Care Facilities and Services Inventory – 2020, Table 8 MRI Inventory

\* Located in primary service area

+ Hospital based or hospital-owned satellite MRI

++ Hospital affiliated

+++ Non-hospital MRI

++++ Non-hospital MRI (exclusively used for patients of the private practice)

a Meriden Imaging Center, Inc. - Radiology Associates appears to have joined Midstate Radiology Associates, LLC, which is a hospital affiliated group. Southern Connecticut Imaging Center LLC d/b/a Whitney was acquired by Midstate Radiology Associates per a press release dated 2/5/22.

b Mandell & Blau’s MRI was acquired by HHC Imaging Center Operations per CON settlement dated 7/21/2022.

c Per Waterbury Hospital’s Form 990, it owns an 80% equity interest in Greater Waterbury Imaging Center Limited Partnership. In addition, these MRIs are located on the Hospital’s campus.

d Total Patient Visits or Scans reported as an aggregate for this location.

COMC patients anecdotally report that increasing copayments and deductibles create a financial barrier to access to MRI scans. Tiered health plans typically include financial incentives that encourage members to utilize freestanding imaging centers over hospital-owned services. However, COMC patients have limited access to access to non-hospital MRI services. The four (4) MRIs in COMC’s primary service area are all owned by a hospital or a hospital affiliated group practice. Out of the twenty-two (22) MRIs in COMC’s primary service area plus contiguous towns, sixteen (16) are hospital owned or owned by an affiliate of a hospital. Only six (6) scanners are not owned by a hospital or an affiliate of a hospital, but three (3) of those are owned by group practices whose MRI scanner is limited to use for patients of the group practice only. The lack of non-hospital MRIs in COMC’s primary service area and the contiguous towns increases out-of-pocket expenses for patients.

Lastly, since COMC’s primary service area accounts for 80.6% of its patient visits, the patients residing in contiguous towns with an MRI Scanner is very low, as follows: Middletown 1.7%, Waterbury 1.0%, Bristol 0.9%, New Britain 0.7%, Hamden 0.7% and North Haven 0%.

Thus, based on the foregoing, there is a clear public need for the Proposed Scanner. In addition, the Proposed Scanner will have a positive impact on timeliness, quality and continuity of care, as well as reducing cost of services to patients and payers.

1. Provide the history and timeline of the proposal (i.e., When did discussions begin internally or between applicant(s)? What have the applicant(s) accomplished so far?).

As noted above, COMC has noted that increased wait times for patient to schedule MRI scans, increased pressure to utilize non-hospital imaging providers and patient concern with increasing out-of-pocket expenses over the past several years. Initial efforts by COMC focused on assisting with prior authorizations to reduce scheduling delays and working with providers in the primary service area to try and turn-around times for reporting of MRI test results. When those efforts did not sufficiently reduce delays, COMC began to look for alternative options for its patients. COMC began considering the option of acquiring its own MRI in spring 2022 in order to reduce scheduling delays, reduce patient out-of-pocket cost, improve quality and coordination or care, and improve the ability of COMC surgeons to review MRI images in real time and interact with the supervising radiologist to improve image captures.

In addition the foregoing, COMC is adding a new orthopedic surgeon to the practice in September 2023 and expects to add up to 3 more orthopedic surgeons and one new location over the next 3 years. COMC’s successful Ortho OUCH Care urgent orthopedic care services is anticipated to create further demand for prompt, high quality MRI scans and reports to guide clinical decision-making in urgent situations. These factors have resulted in COMC determining that the Proposed Scanner is important in order to best serve its existing and expanding patient population and to stay on the forefront of comprehensive and integrated orthopedic care.

1. Provide the following information:

Utilizing **OHS Table 1**, list all services to be added, terminated or modified, their physical location (street address, town and zip code), the population to be served and the existing/proposed days/hours of operation;

**Response:**

**OHS TABLE 1**

**APPLICANT'S SERVICES AND SERVICE LOCATIONS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Service** | **Street Address, Town** | **Population Served** | **Days/Hours of Operation** | **New Service or Proposed Termination** |
| 1.5 Tesla MRI Scanner | 98 Main St. #201, Southington, CT 06489 | Patients of COMC  | Monday – Friday, from 7:30 a.m. to 6:00 p.m. | New service |

utilizing **OHS Table 2**, identify the service area towns (i.e., use **ONLY** [official town names](http://ctstatelibrary.org/cttowns/counties)) and explain the reason for their inclusion (e.g., market share).

**Please note: use of village or area names instead of an official town name (Connecticut has 169 official towns) will not be accepted and will require revision/resubmission of the table.**

**Response:**

# **OHS TABLE 2**

**service area towns**

|  |  |
| --- | --- |
| **Official Town Name** | **Reason for Inclusion** |
| Meriden, Wallingford, Southington, and Cheshire | These towns account for COMC’s primary service area, based upon patient visit data from 2021 and 2022. In particular, these towns account for towns of origin of 80.6% of unduplicated patient visits to COMC.  |

Contiguous Towns: Bristol, Plainville, New Britain, Berlin, Middletown, Middlefield, Durham, North Branford, North Haven, Hamden, Bethany, Prospect, Waterbury and Wolcott.

1. List all health care facility license(s) that the applicant current holds. If the license is inactive or is “not in good standing,” please explain why and provide a recent corrective action plan. List all health care facility licenses that will be needed to implement the proposal (i.e., include licenses required by the Department of Public Health, Department of Children and Families, etc.).

[Click here to lookup a license.](https://www.elicense.ct.gov/Lookup/LicenseLookup.aspx)

[Click here for DPH Facility Licensing and Investigation Section (FLIS) website and contact information.](https://portal.ct.gov/DPH/Facility-Licensing--Investigations/Facility-Licensing--Investigations-Section-FLIS/Facility-Licensing)

[Click here to view SAMHSA data.](https://www.samhsa.gov/medication-assisted-treatment/practitioner-resources/DATA-program-data)

**Response:**

COMC is a private physician practice and does not currently hold any active or inactive health care facility licenses. No additional health care facility licenses will be needed to implement the proposal.

1. Submit the following information as attachments to the application:
	1. a copy of all Connecticut Department of Public Health, Department of Children and Families license(s) currently held by the applicant(s);

**Response:**

COMC does not hold any Connecticut Department of Public Health or Department of Children and Families licenses.

* 1. a list of all key professional, administrative, clinical and direct service personnel related to the proposal and attach a copy of their Curriculum Vitae;

**Response:**

The key professional, administrative, clinical and direct service personnel related to the proposal include:

Adam Q. Ferguson, D.O., Medical Director for MRI Services

Aaron S. Covey, M.D., Managing Physician

Justin Urbano, Chief Financial Officer

The CVs for the individuals listed above are attached in **Exhibit B**.

Prior to the installation of the MRI, COMC will obtain the services of 2.5 FTE MRI Technologists and 1.5 FTE MRI Technology Aides to provide the technical MRI services, which staff will be leased from Captive Radiology, LLC under a MRI lease agreement.

After approval of this application, COMC will enter into a professional services agreement with a radiology practice to provide the professional interpretations for the MRI scans.

* 1. copies of any scholarly articles, studies or reports that support the need to establish the proposed service, along with a brief explanation regarding the relevance of the articles;

**Response:**

Please see **Exhibit C** for copies of the following articles:

**“Magnetic Resonance Imaging Near Orthopaedic Hardware”, Koff, M., et. al., J Magn Reson Imaging. 2017 July.**

This article discusses the imaging superiority of MRI imaging over basic radiography and computerized tomography in orthopedic imaging, particularly in the assessment of post-arthroplasty pain. MRI does not expose patients to harmful ionizing radiation and new techniques have been developed to minimize image distortion associated with the presence of implanted orthopedic hardware.

**“Metal artifacts from titanium and steel screws in CT, 1.5T and 3T MR images of the tibial Pilon: a quantitative assessment in 3D”, Radzi, S., et. al., Quant Imaging Med Surg. 2014.**

This article concludes that MRI based 3D models of long bones are of comparable accuracy to those generated from CT without exposing patients to ionizing radiation associated with CT. Most of the modern commercial fracture fixation implants do not contain magnetic material and are safe for patients to undergo MRI scans at 1.5T and 3T. However, 1.5T MRI generates less artifact around orthopedic implants and is therefore preferred over 3.0T for orthopedic imaging. MRI is non-radiation based and provides superior imaging of the cartilage and other soft tissue structures in comparison to radiographs.

**“MR Imaging with Metal-suppression Sequences for Evaluation of Total Joint Arthroplasty”, Talbot and Weinberg, RadioGraphics. 2016.**

Total joint arthroplasty is an increasingly common orthopedic procedure, and patient age at implantation continues to decrease which means increased incidence of joint revisions. MR imaging with metal-suppression sequences is a powerful tool in detection of arthroplasty-related complications. This article also notes that less artifact and distortion is observed with 1.5T versus 3.0T MRI.

**“MR Imaging of Hip Arthroplasty Implants”, Fritz, J., et. al., RadioGraphics. 2014.**

Owing to the increasing numbers of hip arthroplasty procedures performed, decreasing age at joint replacement, and the metal-on-metal arthroplasty systems which are associated with risk for adverse local tissue reactions, there is a growing demand for an accurate diagnosis of symptoms related to hip arthroplasty implants and for a way to monitor patients at risk. MRI has evolved into a powerful diagnostic tool for the evaluation of hip arthroplasty implants. Additionally, MR imaging is the most useful imaging modality to assess the severity of intracapsular polyethylene wear-induced synovitis, perhaps the most predictable type of arthroplasty component wear. MR imaging has the capacity to assess the severity of this wear with a sensitivity of 95% in comparison to CT scan which can only capture 75%, and radiographs with only 52%. This makes MR imaging the most effective for imaging bone loss.

In addition, attached as **Exhibit D** are copies of articles and medical coverage policies from various commercial payers demonstrating the continued migration to outpatient free-standing imaging sites for MRIs to lower costs and improve accessibility for patients.

* 1. the “state, federal, national or industry-approved” protocols or Standard of Practice Guidelines that will be utilized in relation to the proposal. Attach copies of all relevant sections and describe how the applicant proposes to meet the protocols or guidelines; and

**Response**:

Upon approval of this application, COMC intends obtain accreditation for the MRI from the American College of Radiology (“**ACR**”). COMC will follow the protocols and guidelines of ACR in its operation of the MRI Scanner.

* 1. copies of agreements (e.g., memorandum of understanding, transfer agreement, operating agreement) related to the proposal. If a final signed version is not available, provide a draft with an estimated date by which the final agreement will be available.

**Response:**

Attached as **Exhibit E** is a copy of the MRI Lease Agreement, which is subject to CON approval.

After approval of the CON, COMC will enter into a professional services agreement with a radiology practice for professional interpretations of the MRIs.

**Public Need and Access to Care**

§ *“Whether the proposed project is consistent with any applicable policies and standards adopted in regulations by the Office of Health Strategy;” Conn.Gen.Stat. § 19a-639(a)(1).*

1. Describe how the proposed project is consistent with any applicable policies and standards in regulations adopted by the Office of Health Strategy (OHS).

**Response:**

While OHS has yet to formally adopt policies and standards in regulation, COMC’s acquisition of the Proposed Scanner is consistent with OHS’s 2012 Statewide Health Care Facilities and Services Plan (the “**Plan**”), particularly with respect to the plan’s standards and guidelines for MRI. The Plan states that applicants seeking to acquire MRI scanners are expected to demonstrate that the existing MRI scanners in the primary service area are operating at a percent utilization that exceeds 85%, in order to show a clear public need for the proposed acquisition of the new equipment.

The utilization for the existing scanner’s in COMC’s primary service area is at 142%, which far exceeds the 85% threshold in the Plan. Additionally, there are numerous other factors for consideration beyond the utilization statistics that support the need for the Proposed Scanner, including, but not limited to, the ability to provide improved quality and continuity of care through more timely diagnosis and treatment. In addition to being in alignment with the Plan as described in response to Question 7 directly below, this last factor was specifically mentioned in the Office of Health Strategy’s Imaging Workgroup report issued in March of 2020.

*§ “The relationship of the proposed project to the statewide health care facilities and services plan;” Conn.Gen.Stat. § 19a-639(a)(2).*

1. Describe how the proposed project aligns with the OHS Health Systems Planning’s Statewide Health Care Facilities and Services Plan, available at [HSP Publications Library](https://portal.ct.gov/OHS/Health-Systems-Planning/HSP-Publications/HSP-Publications-Library).

**Response:**

This proposal aligns with the 2012 OHS Statewide Health Care Facilities and Services Plan. Guiding principles of the Plan pertinent to Applicant’s proposal include:

* *Promote and support the long-term viability of the state’s health care delivery system.*
	+ This proposal helps maintain the continued viability and operation of independent, physician groups and patients’ access to high quality, cost effective care.
* *Ensure that any regulated service will maintain overall access to quality health care.*
	+ By keeping the scheduling, performance and interpretations of MRI scans within the control of COMC, quality standards and accountability of care are enhanced and access to these services is improved for patients.
* *Promote equitable access to health care services (e.g., reducing financial barriers, increasing availability of physicians) and facilitate access to preventive and medically necessary health care.*
	+ COMC physicians participate in Medicare and Medicaid and such patients will be able to use the Proposed Scanner. The cost of COMC’s MRI services will be less than MRI scans at hospital owned and hospital affiliated scanners, which will reduce out-of-pocket costs for patients.
* *Encourage collaboration among health care providers to develop health care delivery networks.*
	+ COMC physicians provide emergency room coverage at The Hospital of Central Connecticut, Midstate Medical Center and Middlesex Hospital.
* *Support the need for a sufficient health care workforce that facilitates access to the appropriate level of care in a timely manner (e.g., optimal number of specialty providers).*
	+ COMC has recruited three new orthopedic surgeons to Central Connecticut in the last few years. COMC has an additional orthopedic surgeon who is starting with the group practice in September 2023 and plans to add an additional three surgeons.
* *Maintain and improve the quality of health care services offered to the state’s residents.*
	+ As previously noted, the Proposed Scanner will better ensure the quality of MRI services provided to COMC patients through more timely testing, diagnosis and treatment, as well as improved coordination of care.
* *Promote planning that helps to contain the cost of delivering health care services to its residents.*
	+ The addition of the Proposed Scanner and MRI services will also enhance COMC’s ability to diagnose and treat patients more efficiently and improve outcomes. In addition, cost to patients and payers will be reduced by providing patients with access to a non-hospital and non-hospital affiliated MRI provider.
* *Encourage regional and local participation in discussions/collaboration on health care delivery, financing and provider supply.*
	+ The proposal furthers accountability and accessibility of care in the primary service area for COMC’s patients.
* *Promote planning or other mechanisms that will achieve appropriate allocation of health care resources in the state.*
	+ This proposal appropriately allocates MRI resources directly to those providers who utilize the technology in informing their diagnosis and treatment decisions.

*§ “Whether there is a clear public need for the health care facility or services proposed by the applicant;” Conn. Gen. Stat. § 19a-639(a)(3).*

1. With respect to the proposal, provide evidence and documentation that demonstrate clear public need. Include citations to referenced articles, peer-reviewed literature or other documentation that supports the application:

identify the target patient population to be served;

**Response:**

The target population is patients of COMC who require MRI for diagnostic evaluation, assessment of post-arthroplasty complications, and/or surgical approach planning. The target population to be serviced is COMC’s patients from each of its office locations, including Southington, Meriden, Cheshire and Wallingford.

discuss if and how the target patient population is currently being served;

**Response:**

COMC does not have an MRI Scanner in any of its offices. Accordingly, patients in need of MRI scans must rely upon other providers. This leads to scheduling delays. Patients typically wait at least two (2) weeks, sometimes longer, for an appointment. These scheduling delays cause a delay in diagnosis and treatment, during which time patients’ conditions could deteriorate. In addition, COMC does not have control of the quality of the MRI services or the prior authorization process for these services.

Currently, patients’ options for MRI scanners in the primary service area are four MRIs, two operated by a hospital and the other two operated by a hospital-affiliated group practice of same hospital system. Some insurance plans and third party administrators will not pre-authorize outpatient scans at hospital based facilities or are incentivizing enrollees away from hospital based or hospital outpatient imaging satellites to non-hospital providers because of the cost differences. None of the four MRIs in the primary service area are operated by a non-hospital affiliated provider. In the contiguous towns, only six (6) MRIs are not owed by a hospital or a hospital affiliate; however, three (3) of these MRIs are available only to patients of the private practice owning the MRI. Thus, there are only three (3) non-hospital owned or affiliated MRIs in the contiguous towns. These three MRIs are located in Bristol, Prospect and Waterbury. These scanners are long drives for patients of COMC, and therefore patients are more likely to utilize a closer hospital affiliated MRI at a greater cost.

document the need for the equipment and/or service in the community;

**Response:**

The need for the Proposed Scanner is discussed in detail in COMC’s response to question 1 and is summarized as follows:

Utilization exceeds 85% in the primary service area and the contiguous towns:

According to Table 8: Magnetic Resonance Imaging (MRI) Scanning Providers in the 2020 Facilities and Services Inventory (“**Inventory**”), the primary service area has four MRSs with a total of 22,738 scans. The Plan defines MRI unit capacity to be 4,000 scans per year. The calculations are as follows:

4 MRIs X 4,000 Scans = 16,000 scan capacity

(22,738/16,000) X 100 = 142% utilization

In addition, in the primary service area and contiguous towns there are 22 MRIs with a total of 89,681 scans. The Plan defines MRI unit capacity to be 4,000 scans per year. The calculations are as follows:

22 MRIs X 4,000 Scans = 88,000 scan capacity

(89,681/88,000) X 100 = 101.9% utilization

Delays in Patient Scheduling/Results: COMC’s patients experience notable delays in scheduling MRIs. Even with COMC’s efforts to assist in obtaining MRI pre-authorizations from insurers there are still scheduling delays. There are also delays in getting reports of the MRI results. Often COMC staff needs to follow up for results, especially for stat tests. These delays and inefficiencies unnecessarily delay treatment for patients who are often in pain or have functional limitations that are awaiting diagnosis and surgical correction.

Rising deductibles and copayments create economic barriers to care: As deductibles and copayments rise, patients’ out-of-pocket costs are increasing and some patients may be penalized financially for receiving care at hospital owned and operated outpatient departments. All four MRIs in the primary service area are hospital owned or owned by a hospital affiliated practice group. Thus, there is no low cost alternative in the primary service area. In addition, out of the 18 MRIs in the contiguous towns, only six are not owned by a hospital or an affiliate of a hospital system, but three of those are only available to patients of the group practice operating the scanner.

Improved Patient Care, Convenience and Quality Control: The Proposed Scanner will also allow COMC to improve patient care and convenience, better control quality, and improve turnaround times of scan results as described in COMC’s response to Question 1.

Additional Providers: COMC anticipates the number of scans performed on patients to continue to grow as a result of the hiring of new physicians. COMC is adding an additional orthopedic surgeon in September 2023 and plans to add three additional surgeons and another location in the next three years.

explain why the location of the facility or service was chosen;

**Response:**

As described in COMC’s response to Question 1, the Southington office was chosen as the best location for the Proposed Scanner because that office serves a high volume of patients who will have the convenience of having MRI scans on site. In addition the office is conveniently located just 1.6 miles off I-84 and is easily accessible to patients who are currently treated at other offices of COMC. The Southington office location also has lots of available parking.

provide incidence, prevalence or other demographic data that demonstrates community need;

**Response:**

Please see responses to Questions 1 and 8c describing the need for the Proposed Scanner in the community.

In addition, as depicted in the population projections below, the total population in the primary service area is projected to decline slightly, but will age significantly over the five year period from 2020 to 2025 and the ten year period from 2020 to 2030. A review of the demographics for the primary service area demonstrates that the population is aging. See **Table C** below displaying that the 65-84 age demographic is projected to increase by 8.2% from 2020 to 2025 and to increase 11.5% from 2020 to 2030. The aging of the population underscores the need for additional health services, including orthopedic services and imaging.

**Table C - Projected Changes in Population Age 65-84 in the Primary Service Area (Meriden, Southington, Cheshire and Wallingford)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Age Cohort** | **2020 Population** | **2025 Projected Population** | **2030 Projected Population** | **5 Year Change** | **5 Year % Change** | **10 Year Change** | **10 Year % Change** |
| 65 to 69 years Total | 9,890 | 10,298 | 9,954 | 408 | 4.1% | 64 | 0.6% |
| 70 to 74 years Total | 7,496 | 7,700 | 7,921 | 204 | 2.7% | 425 | 5.7% |
| 75 to 79 years Total | 5,558 | 6,542 | 6,722 | 984 | 17.7% | 1,164 | 20.9% |
| 80 to 84 years Total | 4,055 | 4,666 | 5,496 | 611 | 15.1% | 1,441 | 35.5% |
| **Total** | **26,999** | **29,206** | **30,093** | **2,207** | **8.2%** | **3,094** | **11.5%** |

\* Data from <https://www.ctdata.org/>

Based the US Census data, approximately 19.2% of the individuals residing in COMC’s primary service area are 65+ years old. (See table on attached **Exhibit F**.) These patient may be more comfortable having access to imaging services at their physician’s office. The Proposed Scanner and services will better serve the interests of this sector of the population. For many older adults with chronic health conditions, ambulation may be a factor that makes a visit to the physician’s office very challenging if there is a parking garage and long walks through hospital buildings to navigate.

In addition the above, the population projections for the 25-44 age demographic (See **Table D** below) is anticipated to grow by 5.0% in COMC’s the primary service area from 2020 to 2030. This age group is likely to include active adults who may need orthopedic care and treatment.

|  |
| --- |
| **Table D - Projected Changes in Population Ages 25 – 45 in the Primary Service Area (Meriden, Southington, Cheshire and Wallingford)** |
| **Age Cohort** | **2020 Population** | **2025 Projected Population** | **2030 Projected Population** | **5 Year Change** | **5 Year %  Change** | **10 Year Change** | **10 Year% Change** |
| 25 to 29 years Total | 10,295 | 10,956 | 10,480 | 661 | 6.4% | 185 | 1.8% |
| 30 to 34 years Total | 11,029 | 11,077 | 11,732 | 48 | 0.4% | 703 | 6.4% |
| 35 to 39 years Total | 10,979 | 11,465 | 11,480 | 486 | 4.4% | 501 | 4.6% |
| 40 to 44 years Total | 11,898 | 12,111 | 12,709 | 213 | 1.8% | 811 | 6.8% |
| **Total** | **44,201** | **45,609** | **46,401** | **1,408** | **3.2%** | **2,200** | **5.0%** |

discuss how low-income persons, racial and ethnic minorities, disabled persons and other underserved groups will benefit from this proposal;

**Response:**

COMC providers are enrolled in Medicare and Medicaid. To the extent that any of COMC’s patients who require MRI services are low income, racial and ethnic minorities, disabled or of another underserved group, such patients will benefit from the availability of the Proposed Scanner in the same manner as all other COMC patients.

Given that the nature of orthopedic injuries and conditions are physically disabling, COMC is particularly attuned to accommodating the physically disabled. Patients who may have difficulty traveling, such as the physically disabled or low-income persons, will no longer need to visit multiple providers and travel to a secondary location for MRI services because COMC anticipates that it will be able to accommodate the vast majority of ordered MRI scans for its patients in its Southington office. The Proposed Scanner will be housed in a new, state-of-the-art mobile trailer that includes a patient lift, which is used for all patients for safety purposes. The patient lift can accommodate patients in wheelchairs.

COMC has a history of providing services to low-income persons. For example, in FY2021 and FY 2022, 9% of COMC’s patients were Medicaid recipients.

list any changes to the clinical services offered by the applicant(s) and explain why the change was necessary;

**Response:**

The only change in clinical services offered by COMC will be the addition of MRI services offered in the Southington office. COMC does not presently have an MRI Scanner at any of its four office locations. Therefore, the addition of the proposed Scanner would constitute a new service for COMC patients. This change is necessary to provide better continuity of care for patients and to reduce delays in patient treatment. The Proposed Scanner will be used for diagnosis of a wide variety of orthopedic injuries and postoperative monitoring. In addition, the Proposed Scanner will allow faster examination and assessment of patients compared to what current patients receive when they are sent off-site for MRI scans.

explain how access to care will be affected; and

**Response:**

The addition of the Proposed Scanner to COMC’s Southington Office will greatly improve access to care for patients with shorter wait times to schedule the MRI scan and to receive the test results, which allows patients to receive necessary treatment sooner. COMC will also be able to accommodate urgent/same-day add-ons if needed. Patients will benefit from greater continuity of care, improving surgeon-radiologist collaboration and quality control and oversight provided by COMC’s physicians. In addition as a non-hospital owned service, COMC’s MRI service will result in lower out-of-pocket expenses for patients.

discuss any alternative proposals that were considered.

**Response:**

No alternative proposals were considered.

*§ “Whether the applicant has satisfactorily demonstrated how the proposal will improve quality, accessibility and cost effectiveness of health care delivery in the region, including, but not limited to, (A) provision of or any change in the access to services for Medicaid recipients and indigent persons;” Conn.Gen.Stat. § 19a-639(a)(5).*

1. Describe and provide specific details on how the proposal will improve the following (i.e., include citations to referenced articles, peer-reviewed literature or other documentation that supports the application):
	1. the quality of health care in the region (see OHS Table 12);

**Response:**

As noted above, this proposal will afford COMC patients with the opportunity to receive MRI scans at their physician’s office if they choose. These patients will benefit from the enhanced quality controls and coordination of care that physician-directed in-office imaging provides. This includes the ability to quickly schedule the MRI scan and subsequent follow up to maximize the health benefit and speed recovery for patient. The COMC physician ordering the MRI also has a better opportunity to monitor and ensure the quality of technicians administering the MRI scan and the radiologists performing the reads. In addition, COMC will obtain accreditation for the Proposed Scanner with the American College of Radiology and will operate the Proposed Scanner in accordance with American College of Radiology guidelines and protocols. Lastly, the Proposed Scanner will be a wide bore MRI that will accommodate larger patients and assist patients that would otherwise get claustrophobic, which will improve patient experience.

* 1. accessibility of health care in the region; and

**Response:**

As described in COMC’s responses to Questions 1 and 8h, the Proposed Scanner will result in improved timeliness of scheduling, including greater flexibility to accommodate stat studies. MRI test results will be available quicker, allowing patients to begin treatment in a more timely fashion. In addition, the Proposed Scanner should provide a more cost-effective option for patients, as two of the four (4) scanners in the Primary Service Area are hospital-owned and the other two (2) scanners are owned by hospital-affiliated group practices.

* 1. the cost effectiveness of health care delivery in the region.

**Response:**

This proposal will positively impact the cost effectiveness of health care delivery in the region. COMC is an in-network provider for most insurances and participates in Medicare and Medicaid. COMC’s ability to accommodate more patients through in-office MRI scans will reduce the number of patients receiving their scans at locations that include a facility fee, thereby reducing the cost of care in the region. The Proposed Scanner will provide state-of-the-art services at a lower cost with lower copay, deductible, and co-insurance burdens than the hospital outpatient scanners in the service area and likely at lower cost than the scanners owned by hospital affiliated entities.

Acquisition of the Proposed Scanner will improve the coordination of care for patients seeking imaging services in conjunction with comprehensive orthopedic care. A coordinated approach adds value to the care being delivered by ensuring that patient needs are safely and efficiently addressed by providers. COMC can ensure that high quality and accurate imaging exams are completed, eliminating the need for, and costs associated with, additional and duplicative examinations and/or procedures to be performed.

In addition, timely advanced imaging enables earlier identification of acute pathologies which facilitates diagnoses, allowing the treatment plan be developed sooner. Without access to appropriate and timely advanced imaging, therapeutic and invasive procedures that are needed to make patients healthier can be delayed, which may result in further deterioration of the patient’s condition.

* 1. health equity in the region

Health equity is defined as “when all members of society enjoy fair and just opportunity to be as healthy as possible.” COMC participates in Medicare and Medicaid. The Proposed Scanner will be available to all patients of COMC regardless of socioeconomic status, race or ethnicity. In addition, COMC offers discounts or payment plans to patients based on financial hardship.

1. What specific steps will the applicant(s) take to ensure that future health care services provided will adhere to the National Standards on culturally and Linguistically Appropriate Services (CLAS) to advance health equity, improve quality and help eliminate health care disparities in the projected service area? (More details can be found at [National CLAS Standards](https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=2&lvlid=53)).

**Response:**

COMC contracts with Cyracom International, Inc. for medical interpreter services for patients with limited English proficiency or those who primarily communicate through American Sign Language. Cyracom International is a leading provider of medical interpreter services and is available 24 hours a day, seven days a week. COMC also offers written information in other formats (large print, audio, accessible electronic formats, other formats).

1. Describe how you are promoting health equity at your facility and/or in your programs.

**Response:**

COMC promotes health equity through their participation in Medicare and Medicaid. In addition, COMC provides emergency room coverage at The Hospital of Central Connecticut, Midstate Medical Center and Middlesex Hospital and treats all these patients in the emergency room without regard to ability to pay.

1. Describe how your facility and/or programs will positively impact your community with special attention to the demographic data response in 8a (target patient population).

**Response:**
As noted in COMC’s response to Question 8e above, the patient population in COMC’s primary service area is aging. Patients that are age 65+ may be more comfortable having access to imaging services at their physician’s office. Easier access will better serve the interests of this sector of the population. For many older adults with chronic health conditions, ambulation may be a factor that makes a visit to the physician’s office very challenging if there is a parking garage and long walks through hospital buildings to navigate. The Proposed Scanner will be housed in a state-of-the-art mobile trailer that includes a patient lift that will be used for all COMC patients to ensure patient safety.

In addition, COMC participates with Medicare and Medicaid. The MRI services will be available to all patients regardless of their insurance status, socioeconomic status, race or ethnicity.

1. Connecticut has identified several health priorities in the state (i.e., addressing chronic conditions, access to substance use disorder treatment, childhood obesity, behavioral health treatment, lead screenings/prevention, addressing low birthweight racial gap, and emergency room use). [Please click here to be taken to the Quality Council 2022 Core Measure Set.](https://portal.ct.gov/-/media/OHS/Quality-Council/Core-Measure-Set/2022-CT-Core-Measure-Set-Updated-2021-6-23.pdf) Identify if the proposal addresses any of the core measures outlined as health priorities for the state. If so, describe which core measure is addressed.

**Response:**

Not applicable. The 2022 Core Measure Set indicators are primary care focused and are not applicable to either a specialty physician practice or an imaging device.

1. Are you recognized as a Patient Centered Medical Home (“PCMH”)? If not, are you working toward PCMH recognition?

**Response:**

No, COMC is not recognized as a Patient Centered Medical Home. As surgical subspecialty practice, COMC is not eligible to function as a PCMH.

1. Describe how your organization has tried to positively impact primary care in Connecticut. For example, explain your participation in primary care delivery models that incentivize value via alternative payment. If this application if for a mental health or substance use facility, explain any participation in models that integrate behavioral health care into primary care. If this application relates to specialty care, explain how your proposal will integrate and coordinate with primary care.

**Response:**

COMC has an electronic medical record system through which referring primary care providers receive COMC physician notes on patient consultations the same day that the patient visits occur. These notes detail clinical findings, diagnoses and treatment recommendations for inclusion in the referring primary care provider’s EMR.

With regard to participation in “primary care models that incentivize value via alternative payments,” COMC participates in the Centers for Medicare and Medicaid Services Bundled Payments for Care Improvement Advanced (“**BCPI Advanced**”) initiative. BCPI Advanced rewards healthcare providers for delivering services more efficiently, supports enhanced care coordination, and recognizes high quality care.

1. Please provide a breakdown of the racial/ethnic composition for the service area and for the applicant’s patient population.

**Response:**

COMC does not track the racial/ethnic composition of its patient population.

Please refer to **Exhibit G** for town-level age, sex, race and Hispanic ethnicity data for COMC’s primary service area.

1. Provide specific details describing how this proposal will help improve the coordination of patient care.

**Response:**

This proposal will improve the coordination of patient care because COMC patients will be able to receive MRI scans at COMC’s physician office in Southington and thus allow the patient’s physician and staff to control the scheduling and prior authorization of the MRI service. The Proposed Scanner will also vastly improve communication between MRI technicians, radiologists reading the scan and the individual COMC physician. The radiologist will also have the ability to enter the report directly into COMC’s EMR and PACS. If the patient needs surgical care in the Southington Surgical Center or a local hospital, that is also arranged by, and performed by, the COMC orthopedic surgeon and his/her staff.

In addition, COMC participates in CONNIE and therefore exams will become part of the patient’s electronic medical record in the health information exchange and will be accessible to all the patient’s other health care providers if needed.

1. Describe how this proposal will improve access to care for Medicaid recipients and indigent persons and, in addition, answer the following:
	1. Are you a current Medicaid provider?

**Response:**

Yes, COMC is currently a Medicaid provider.

* 1. How will you assure that you will abide by the [Medicaid Access standards](https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-Access-Monitoring-Review-Plan/Medicaid-Access-Monitoring-Review-Plan)?

**Response:**

COMC will continue to participate in Medicaid. Nine percent (9%) of COMC’s patient population are Medicaid recipients, which is a higher level than most orthopedic group practices in Connecticut. In addition, COMC provides emergency room coverage for orthopedics at The Hospital of Central Connecticut, Midstate Medical Center and Middlesex Hospital and provides necessary emergency treatment to Medicaid and self-pay patients. COMC physicians also provide physician staffing for The Hospital of Central Connecticut’s outpatient orthopedic clinic that serves Medicaid and self-pay patients.

COMC’s acquisition of Proposed Scanner will allow COMC to better serve its Medicaid patients by offering MRI scans at its offices. In addition, patients that have difficulty arranging for transportation to appointments would be able to schedule their MRI on the same day as a physician visit in the Southington office, thereby avoiding multiple trips.

1. Provide a copy of the applicant’s charity care policy and sliding fee scale applicable to the proposal.

**Response:**

COMC is not a non-profit health care facility and therefore does not have an official charity care policy. COMC accepts Medicare and Medicaid. Very few non-hospital affiliated physician practices in Connecticut accept Medicaid patients. Medicaid patients account for nine percent (9%) of COMC’s payer mix. COMC does offer a financial assistance in the form of a discount off the fees charged or payment plans to patients with a financial hardship. COMC generally will offer discounts up to 20% of total charges based on financial need. Financial assistance is determined on a case-by-case basis based on the patient’s documentation of a financial hardship.

1. If charity care policies will be changed as a result of the proposal, list all changes and describe how the new policies will affect patients.

***Response:***

Not Applicable. COMC’s policy for providing financial assistance as described above will not change as a result of this proposal.

1. Provide a detailed explanation of how this proposal will improve cost effectiveness of health care delivery in the region. Be sure to provide any supporting evidence.

**Response:**

This proposal will positively impact the cost effectiveness of health care delivery in the region. COMC is an in-network provider for most insurances and participates in Medicare and Medicaid. COMC’s ability to accommodate more patients through in-office MRI scans will reduce the number of patients receiving their scans at locations that include a facility fee, thereby reducing the cost of care in the region. The Proposed Scanner will provide state-of-the-art services at a lower cost with lower copay, deductible, and co-insurance burdens than the hospital outpatient scanners in the service area and likely at lower cost than the scanners owned by hospital affiliated entities.

Acquisition of the Proposed Scanner will improve the coordination of care for patients seeking imaging services in conjunction with comprehensive orthopedic care. A coordinated approach adds value to the care being delivered by ensuring that patient needs are safely and efficiently addressed by providers. COMC can ensure that high quality and accurate imaging exams are completed, eliminating the need for, and costs associated with, additional and duplicative examinations and/or procedures to be performed.

In addition, timely advanced imaging enables earlier identification of acute pathologies which facilitates diagnoses, allowing the treatment plan to be developed sooner. Without access to appropriate and timely advanced imaging, therapeutic and invasive procedures that are needed to make patients healthier can be delayed, which may result in further deterioration of the patient’s condition.

COMC believes that the most effective approach to improving care delivery and cost effectiveness in orthopedics is to provide the full spectrum of necessary services through its practice, including physical therapy, x-ray and the addition of MRI services. COMC is able to ensure adherence to standards of care across the patient experience and enhance care collaboration with other providers, such as post-surgical care providers, so that patients receive the right care to achieve successful outcomes.

*§ “Whether an applicant, who has failed to provide or reduced access to services by Medicaid recipients or indigent persons, has demonstrated good cause for doing so, which shall not be demonstrated solely on the basis of differences in reimbursement rates between Medicaid and other health care payers;” Conn.Gen.Stat. § 19a-639(a)(10).*

1. If the proposal fails to provide or reduces access to services by Medicaid recipients or indigent persons, provide explanation of good cause for doing so.

**Response:**

Not applicable. COMC is a Medicaid provider whose participation is unchanged by the proposal. Medicaid recipients would have access to the MRI services.

*§ “Whether the applicant has satisfactorily demonstrated that any consolidation resulting from the proposal will not adversely affect health care costs or accessibility to care.” Conn.Gen.Stat. § 19a-639(a)(12).*

1. Will the proposal adversely affect patient health care costs in any way? Quantify and provide the rationale for any changes in price structure that will result from this proposal, including, but not limited to, the addition of any imposed facility fees and changes to health plan reimbursement for services.

**Response:**

No, this proposal will not adversely affect patient health care costs in any way. COMC does not impose facility fees and is an in-network provider for nearly all insurances, resulting in lower costs to both insurance companies and patients.

1. Utilizing **OHS Table 3 and 4,** include both historical and projected cost data for self-pay patients and commercially insured patients as two separate tables.

**Note: If the COVID-19 pandemic affected the ability to report on FY2020 historical cost, please provide FY2019 cost data.**

**Response:**

The historical and projected cost for self-pay patients and commercially insured patients is dependent on the specific test, including body location and whether it is performed without contrast or with and without contrast. The specific test type is driven by the patient’s clinical condition, as prescribed by the treating physician. Therefore, historical, current and projected cost of care experience contemplates multiple factors beyond unit price or increases in unit price.

COMC does not currently have an MRI scanner and therefor does not have any historical data on the average cost of MRI scans per self-pay patients.

COMC was unable to obtain specific data on self-pay costs from other providers. The 2022 cost number in Table 3 was based on an average of the data on current self-pay costs for towns in COMC’s Primary Service Area and contiguous towns from <https://radiologyassist.com/> for MRI services without contrast and with and without contrast. A three percent (3%) inflation rate was assumed for the projected average cost.

# **OHS TABLE 3**

**Average cost**[1] **of MRI SCAN Per SELF-PAY patient**

|  |  |  |
| --- | --- | --- |
|  | **Historical** | **Projected** |
| **Test** | **FY 2022** | **FY 2022** | **FY 2023** | **FY 2024** | **FY 2025** |
| MRI, without contrast | N/A | $683-$779 | $703-$802 | $725-$826 | $746-$851 |
| MRI, with and without contrast | N/A | $845-$1204 | $870-$1240 | $896-$1277 | $923-$1316 |

[1] Cost is defined as the total dollar amount paid by the insurer plus patient out-of-pocket costs (e.g., deductibles, co-pays)

\*Partial Year

# **OHS TABLE 4**

**Average cost**[1] **of MRI SCAN Per Commercially INSURED patient**

|  |  |
| --- | --- |
| **Historical** | **Projected** |
| **FY 2022** | **FY 2023** | **FY 2024** | **FY 2025** | **FY 2026** |
| N/A | $425\* | $437 | $450 | $464 |

[1] Cost is defined as the total dollar amount paid by the insurer plus patient out-of-pocket costs (e.g., deductibles, co-pays)

\*Partial Year

For Table 4, the 2023 cost number was based on an average of the reimbursement rates for COMC’s commercial payers for MRI services that would be performed by COMC with the Proposed Scanner. A three percent (3%) growth rate was assumed for the projected average cost.

1. Explain whether this proposal will affect patient premiums or out of pocket costs for the commercially insured? If yes, please explain how. [Click here for information on the CMS price transparency rule.](https://www.cms.gov/newsroom/press-releases/cms-proposes-rule-increase-price-transparency-access-care-safety-health-equity)

**Response:**

This proposal is not expected to affect patient premiums or a patient’s overall out of pocket costs under their insurance plan. Patient premiums, co-payment amounts, and deductibles are established in a contractual agreement between the insured and the insurance company. COMC has no role in that contractual relationship. Although, patients may save out of pocket costs with respect to the specific MRI service because COMC’s costs will be less than the cost of MRI scans performed at a hospital based scanner or a scanner owned by a hospital affiliated entity.

1. Explain whether this proposal will affect costs to the uninsured.

**Response:**

No, this proposal will not affect costs to the uninsured. Out-of-pocket costs for patients using the Proposed Scanner should decrease as a result of lower charges and the absence of hospital-based facility fees.

1. Will the proposal result in increased costs to any State of Connecticut program (e.g., Medicaid, State employee plan)?

**Response:**

This proposal is not expected to increase any State of Connecticut program costs. Rather, this proposal offers a low-cost, high-quality alternative to MRI scanners in the primary service area that are owned by hospitals or hospital affiliated group practices.

1. Are you currently participating in any accountable care organization (ACO) arrangements or value-based payment arrangements? If yes, please describe in detail and describe whether and how the proposal will be incorporated into such arrangements.

**Response:**

COMC does not participate with any ACOs. COMC participates in the CMS Bundled Payments for Care Improvement Advanced program.

# **Financial Information**

*§ “Whether the applicant has satisfactorily demonstrated how the proposal will impact the financial strength of the health care system in the state or that the proposal is financially feasible for the applicant;” Conn.Gen.Stat. § 19a-639(a)(4).*

1. Provide the applicant’s fiscal year: start date (mm/dd) and end date (mm/dd).

**Response:**

COMC’s fiscal year is January 1 to December 31.

1. Describe how this proposal will help ensure the stability of the state’s health care system or demonstrate that the proposal is financially feasible for the applicant(s).

**Response:**

This proposal will provide COMC patients with a lower-cost MRI alternative resulting in lower out-of-pocket costs as well as decreased payments by insurers. Further, COMC’s Financial Worksheet B and balance sheet demonstrate that the proposal is financially feasible for COMC. COMC is limiting its financial risk by leasing the MRI from Captive Radiology. COMC’s capital costs are lower because the MRI will be housed in a mobile trailer.

1. Provide a detailed explanation for all capital expenditure/costs associated with the proposal and list the dollar amount in **OHS Table 5.**

**Response:**

**OHS TABLE 5**

TOTAL Proposal CAPITAL EXPENDITURE

|  |  |
| --- | --- |
| **Category** | **Cost** |
| Equipment (Siemens Aera 1.5T)Lease for 60 Months (Capital Expenditure for equipment by lessor) | ($850,000) |
| Land/Building | N/A |
| Coach/Mobile TrailerIncluded in 60 Month Lease(Capital Expenditure for equipment by lessor) | ($600,000) |
| Construction/Renovation (Concrete Pad/Electrical Power) | $50,000 |
| Other (specify) | N/A |
| **Total Capital Expenditure for COMC** | **$50,000** |
| (Total capital expenditure for lessor) | ($1,450,000) |

1. List all funding or financing sources for the proposal and the dollar amount of each. Provide applicable details such as: interest rate; term; letter of interest or approval from a lending institution.

**Response:**

COMC will lease the MRI and mobile trailer/coach under a sixty (60) month lease. The leasing company will purchase the Proposed Scanner and lease it to COMC. COMC would make the lease payments to the leasing company from operating cash flow. The costs for the concrete pad and electrical services for the MRI will be funded by COMC’s cash on hand. No borrowing from a commercial lending institution is anticipated.

1. Please provide a thorough and detailed explanation of how the project’s proposed capital expenditure was calculated. In so doing, please identify any assumptions as well as any other information that is relevant to OHS’ analysis of whether the proposed capital expenditure provided is reasonable. The agency reserves the right to request additional information and adjust the application fee – either upwards or downwards – based upon its assessment of the justification provided. If the applicant refuses to pay an application fee that is adjusted upwards, its application may automatically be deemed rejected.

**Response:**

COMC obtained an estimate of the costs from the lessor of the MRI and mobile trailer/coach. The final costs are subject to product availability and purchase price after approval of the certificate of need, but the actual costs are not anticipated to be materially different from the estimate.

1. Include as an attachment:
	* + 1. audited financial statements for the most recently completed fiscal year. If audited financial statements do not exist, provide other financial documentation (e.g., unaudited balance sheet, statement of operations, statement of cash flow, tax return, or other set of books). Connecticut hospitals required to submit annual audited financial statements may reference that filing, if current; and

**Response:**

Please see COMC’s unaudited profit and loss statement, balance sheet, and statement of cash flows appended as **Exhibit H**. COMC has provided information for 2021, because the 2022 statements are not completed yet this early in the calendar year.

* + - 1. completed **Financial Worksheet A (non-profit entity), B (for-profit entity) or C (*§*19a-486a sale)**, available at [OHS Forms](http://portal.ct.gov/DPH/Office-of-Health-Care-Access/Apps--Forms/OHCA-Forms), providing a summary of revenue, expense, and volume statistics, “without the CON project,” “incremental to the CON project,” and “with the CON project.” **Note: the actual results reported in the Financial Worksheet must match the audited financial statements previously submitted or referenced. In addition, please make sure that the fiscal years reported on the Financial Worksheet are the same fiscal years reported for the utilization and payer mix tables (OHS Tables 8 and 9**).

**Response:**

Please see attached Financial Worksheet B.

1. Fully identify the basis for the projections and explain all calculations reported in the Financial Worksheet. In providing these detailed assumptions, please include the following:
2. Identify general assumptions for projected amounts that are estimated to be the same, both with or without this proposed project (i.e., project-neutral increases or decreases that occur between years). Explain significant variances (+/- 25% variances) that occur between years for the project neutral changes;
3. Identify specific assumptions for all projected amounts that are estimated to change as a result of implementation of the proposed project (i.e., project-specific increases or decreases). Address projected changes in revenue, payer mix, expense categories and FTEs. In addition, connect any service, volume (utilization) or payer mix change described elsewhere in the CON application narrative or tables with these financial assumptions; and
4. If the applicant does not project any specific increases or decreases with the project in the Financial Worksheet, explain why.

**Response:**

General Assumptions:

* Revenue is projected to increase 3% year over year. COMC anticipates patient visits will increase with the addition of a new surgeon in September 2023. COMC plans to add an additional office location as well that will increase patient volume and increase patient revenue.
* Expenses were also increased 3% annually.

Project Specific Assumptions:

* The proposed MRI is assumed to begin service October 1, 2023.
* Utilization of MRI scans is increased 3% per year, based in part on the addition of new surgeons and anticipated population growth in COMC’s primary service area in the age 65-84 demographic and the age 25-44 demographic (see Tables C and D).
* Lease expense is increased based on the estimated costs under the terms of the MRI Lease Agreement. The lease payment includes the cost of the services of 2.5 FTE MRI Technologists and 1.5 FTE MRI Technology Aides.
* Operating expenses are increased by the costs paid for radiologist professional reads of the MRI scans. In addition, the $50,000 capital cost for the site preparation is included in the operating expense for FY 2023.
* Supplies and drugs cost will increase once the MRI is operational. The cost is estimated at an average of $10 per MRI scan.
1. Describe any projected incremental losses from operations resulting from the implementation of the CON proposal. If losses will result, provide an estimate of the timeframe needed to achieve incremental operational gains.

**Response:**

Not applicable. COMC does not project any incremental losses from operations.

1. Describe how your proposal will aid in controlling the cost of healthcare (to patients and to the overall healthcare system). Please support your answer with historical cost data and comparisons (i.e., cost to patient and impact on cost to the CT healthcare system).

**Note: All applications will have some sort of impact whether that includes additional fees, higher copays, fewer required visits, etc.**

**Response:**

**Response:**

This proposal will aid in controlling the cost of healthcare to patients by providing COMC’s patient with access to a non-hospital MRI scanner, which charges no facility fees, has lower out-of-pocket costs to patients, reduces costs to insurers and provides high quality imaging. COMC is an in-network provider for most insurances and participates in Medicare and Medicaid. COMC’s ability to accommodate more patients through in-office MRI scans will reduce the number of patients receiving their scans at locations that include a facility fee, thereby reducing the cost of care in the region. The Proposed Scanner will provide state-of-the-art services at a lower cost with lower copay, deductible, and co-insurance burdens than the hospital outpatient scanners in the service area and likely at lower cost than the scanners owned by hospital affiliated entities.

In addition, timely advanced imaging enables earlier identification of acute pathologies which facilitates diagnoses, allowing the treatment plan to be developed sooner. Without access to appropriate and timely advanced imaging, therapeutic and invasive procedures that are needed to make patients healthier can be delayed, which may result in further deterioration of the patient’s condition.

COMC has no historical cost data because the Proposed Scanner will be a new service.

1. Complete the table below (i.e., provide all information appropriate for your facility or service) with data from the most recently completed three fiscal years. Please use the formulas in the table below.

**Response:**

**OHS TABLE 6**

HISTORICAL FINANCIAL INDICATORS AND MISCELLANEOUS DATA

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Comments** | **Formula** | **FY 2019** | **FY2020** | **FY2021** |
| **A. Operating Performance** |
| Operating Margin | The total of net patient revenue from reimbursement of patient services by government and non-government payers plus other operating revenue. | Gains / (Loss) from Operations / Revenue from Operations |  3,967,268 | 3,331,715  | 4,324,365  |
| **B. Liquidity** |
| Days Cash on Hand | The average number of days of cash available to pay for expenses that is maintained in cash accounts. A higher number is favorable, since it indicates a greater ability to meet outstanding obligations. | Cash + Short Term Investments / (Total Expenses less depreciation) / 365 |  1,000,000 |  500,000 | 1,300,000  |
| **C. Leverage and Capital Structure** |
| Long-term Debt to Capitalization | Themeasure of the proportion of Long-Term Debt in a capital structure. A lower proportion or percentage is desirable because it allows for obtaining of more favorable terms (i.e., lower interest rates) when borrowing. | LTD / (LTD + Net Assets) | 0  | 0  | 0  |
| **D. Additional Statistics** |
| Income from Operations | The difference between total operating revenue and total operating expenses that results in a financial gain or loss from operating activities. | Total Operating Revenue less Total Operating Expenses | 3,967,268  | 3,331,715  | 4,324,365  |
| Available bed occupancy  | A measure of the volume and utilization of inpatient hospital services. | (Patient Days x 100) / (Available beds x 365)  | N/A  | N/A | N/A |
| Annual operating revenue growth rate | The difference between total operating revenue in the current year compared with total operating revenue in the prior year. | (Current year amount less prior year amount) / prior year amount. (*Amount added to source file*.) | +758,236 | -1,632,986  | +1,686,875  |
| Annual expense growth rate | The difference between total operating expenses in the current year compared with total operating expense in the prior year. | (Current year amount less prior year amount) / prior year amount. | +979,580  | -997,433  |  +694,225 |
| Community Benefit amount (total by fiscal year) – IRS 990  | Services and activities provided by nonprofit hospitals that address and impact the health related needs of the community the hospital serves. | Amount provided by the hospital in their annual IRS 990 submission. (Financial Assist and other Comm Benefits - Schedule H - Part I, Line 7, Col E, line K total) & (Comm. Bldg activities - Schedule H, Part II, Col E, line 10 total) |  N/A | N/A  |  N/A |
| Charity Care expenses/recipients | The difference between the hospital’s published charges and the amount of reimbursement received for services provided to patients from whom reimbursement was not expected. | No formula. Amounts for expenses and recipients are provided by the hospital. |  N/A | N/A | N/A |
| 30 day readmission penalties & rates | Under the Centers for Medicare and Medicaid Services (CMS) Hospital Readmission Reduction Program, CMS assesses penalties on and reduces Medicare payments to hospitals with excess 30 day readmissions of Medicare patients to improve healthcare by linking payments to quality of care. | Hospital Readmission Penalty Trends (MCR Worksheet E, Part A, Line 70.94) |  N/A | N/A | N/A |
| **E. Capacity and Utilization** |
| Average Daily Census | The average number of patients per day in a hospital over a given period of time. | Total patient days / 365 |  N/A | N/A | N/A |
| Case Mix Index | The average relative Diagnostic Related Group (DRG) weight of a hospital’s inpatient discharges. The CMI reflects the diversity, clinical complexity, and resource needs of all the patients in the hospital. | [Sum (DRG weight x # of discharges)] / total discharges[FY 2020 Final Rule and Correction Notice Tables | CMS](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2020-IPPS-Final-Rule-Home-Page-Items/FY2020-IPPS-Final-Rule-Tables) |  N/A | N/A | N/A |

# **Utilization**

*§ “The applicant's past and proposed provision of health care services to relevant patient populations and payer mix, including, but not limited to, access to services by Medicaid recipients and indigent persons;” Conn.Gen.Stat. § 19a-639(a)(6).*

1. Complete **OHS Table 7** and **OHS Table 8** for the past three fiscal years (“FY”), current fiscal year (“CFY”) and first three projected FYs of the proposal for each of the applicant’s existing and/or proposed services. In completing these tables, please adhere to the following:
2. Identify each service type and add lines as necessary. Provide the number of visits or discharges as appropriate for each service type and **label** what the **volumes** **represent** (e.g., visits) and the **fiscal year** reflected in the table.
3. For CFY periods 6 months or greater, report annualized volume, identify the months covered and the method of annualizing. For periods less than 6 months, report actual volume and identify the months covered.
4. For OHS Table 8, if the first year of the proposal is only a partial year, provide the partial year utilization and indicate the months included in a footnote. In addition, provide projections for the first three complete FYs.

**Note: Please make sure that the fiscal years reported on OHS Table 8 match the fiscal years reported in the Financial Worksheet and payer mix (OHS Table 9) projections.**

**Response:**

Since COMC does not currently have its own MRI scanner, the historical data below is based on historical scans ordered by COMC’s physicians.

**OHS TABLE 7**

HISTORICAL UTILIZATION BY SERVICE

|  |  |  |
| --- | --- | --- |
| **Service** | **Actual Volume [MRI Scans Ordered]****(Last 3 Completed FYs)** | **CFY Volume\*** |
| **FY 2020** | **FY 2021** | **FY 2022** | **FY 2023** |
| MRI Scans | 3003 | 3508 | 3337 | 289 |
| **Total** | 3003 | 3508 | 3327 | 289 |

**\*For CFY 2023, this reflects MRI scans ordered in the month of January.**

# **OHS TABLE 8**

PROJECTED UTILIZATION BY SERVICE

|  |  |
| --- | --- |
| **Service** | **Projected Volume [MRI Scans]** |
| **Partial FY 2023\*** | **FY 2024** | **FY 2025** | **FY 2026** |
| MRI Scans | 857\* | 3530 | 3636 | 3745 |
| **Total** | 857\* | 3530 | 3636 | 3745 |

**\* Months include October – December 2023.**

1. Provide a detailed explanation and justification of all assumptions used in the derivation/calculation of the projected service volume; explain any increases and/or decreases in volume reported in OHS Tables 7 and 8.

**Response:**

The data in Table 7 is based on the number of MRI scans ordered by COMC’s physicians. It is noted that CY 2020 volume was significantly lower than usual due to the impact of the COVID-19 pandemic. Total scans ordered in FY 2019 were 3,622. The volume of scans ordered in FY 2021 of 3508 and in FY 2022 of 3327 shows a rebound from the pandemic to the pre-COVID level of MRI scans.

For Table 8, COMC assumed that the proposed MRI will be operational October 1, 2023. COMC is adding a new orthopaedic surgeon to the practice in September 2023. COMC expects to add up to 3 more surgeons and one new location over the next 3 years. Each year assumes a 3% growth rate based on population aging, adding new physicians, adding an additional office location and anticipated growth in COMC’s Ortho OUCH Care urgent care services.

1. Provide the current and projected patient population mix **by individual service location(s)** for the proposal using **OHS Table 9,** provide the number and percentage of patients by payer, all assumptions and label what the volume represents (e.g., discharges).

**Note: payer mix should be calculated from patient volumes, not patient revenues. Also, current year should be the most recently completed fiscal year. Projected years should match OHS Table 8 and the Financial Worksheet.**

**Response*:***

COMC expects that its MRI payor mix will be reflective of the overall practice’s payor mix and has no reason to believe that the medical need for imaging is influenced by a patient’s source of payment.

**OHS TABLE 9**

**APPLICANT’S CURRENT & PROJECTED PAYER MIX**

 **[2022-All locations; 2023-2025 MRI Scan at Southington]**

|  |  |  |
| --- | --- | --- |
| **Payer** | **Most Recently Completed** | **Projected** |
| **FY 2022** | **FY 2023** | **FY 2024** | **FY 2025** | **FY 2026** |
| **Volume: (Unduplicated Patient Visits, All Locations)** | **%** | **Volume: (MRI Scans\*\*)** | **%** | **Volume: (MRI Scans)** | **%** | **Volume: (MRI Scans)** | **%** | **Volume: (MRI Scans)** | **%** |
| Medicare | 12,590 | 15% | 129 | 15% | 530 | 15% | 545 | 15% | 562 | 15% |
| Medicaid | 7,554 | 9% | 77 | 9% | 318 | 9% | 327 | 9% | 337 | 9% |
| TRICARE | 839 | 1% | 9 | 1% | 35 | 1% | 36 | 1% | 37 | 1% |
| **Total Government** | **20,984** | **25%** | **214** | **25%** | **883** | **25%** | **909** | **25%** | **936** | **25%** |
| Commercial Insurers: In-Network | 56,237 | 67% | 574 | 67% | 2365 | 67% | 2436 | 67% | 2509 | 67% |
| Commercial Insurers: Out-of-Network | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Uninsured | \* | \* | \* | \* | \* | \* | \* | \* | \* | \* |
| Self-pay | 839 | 1% | 9 | 1% | 35 | 1% | 36 | 1% | 37 | 1% |
| Workers Compensation | 5,876 | 7% | 60 | 7% | 247 | 7% | 255 | 7% | 262 | 7% |
| **Total Non-Government** | **62,952** | **75%** | **643** | **75%** | **2648** | **75%** | **2727** | **75%** | **2809** | **75%** |
| **Total Payer Mix** | **83,936** | **100%** | **857** | **100%** | **3,530** | **100%** | **3,636** | **100%** | **3,745** | **100%** |

**\*Uninsured numbers are included with self-pay.**

**\*\* FY 2023 MRI Scans are for October - December 2023.**

*§ “Whether the applicant has satisfactorily identified the population to be served by the proposed project and satisfactorily demonstrated that the identified population has a need for the proposed services;” Conn.Gen.Stat. § 19a-639(a)(7).*

1. Describe the population (as identified in question 8(a)) by gender, race/ethnicity, age groups or persons with a specific condition or disorder and provide evidence (i.e., incidence, prevalence, or other demographic data) that demonstrates a need for the proposed service or proposal. **Please note: if population estimates or other demographic data are submitted, provide only publicly available and verifiable information (e.g., U.S. Census Bureau, Department of Public Health and Connecticut State Data Center) in a format consistent with the standards established in compliance with** C.G.S. Sec. 19a-754d.

**Response:**

As stated above in response to Question 8.a., the target population to be served is COMC’s existing patient base. COMC does not routinely collect patient demographic information and therefore, the practice has no detailed demographic information regarding the practice patients who receive MRI scans. Attached as **Exhibit I** is a table that shows the most recent population estimates published by the Department of Public Health for the proposed service area and contiguous towns.

As indicated response to Question 8.e, the population age 65+ is growing in COMC’s primary service area. Given the projected growth in this age group in the primary service area population and current volumes for Medicaid patients, COMC’s patients will have better and quicker access to imaging services. In addition, with the exception of Meriden, the median age in the primary service area exceeds the statewide median (See **Table D**).

 **Table D – Median Age 2016-2020 Estimates for the Primary Service Area**

|  |  |
| --- | --- |
| **Location** | **Median Age2016-2020 Estimates** |
| Cheshire | 46.2 |
| Meriden | 40.8 |
| Southington | 45.5 |
| Wallingford | 45.5 |
| State of Connecticut | 41.1 |

Source: [www.data.ctdata.org/visualization/median-age-by-town](http://www.data.ctdata.org/visualization/median-age-by-town)

1. Using **OHS Table 10**, provide a breakdown of utilization by town (i.e., use **ONLY** [official town names](http://ctstatelibrary.org/cttowns/counties)) for the **most recently completed fiscal year**. Indicate the fiscal year and the type of volume being reported: number of persons, visits, scans or other appropriate unit. Provide the source of data.

**Response:**

**OHS TABLE 10**

**UTILIZATION BY TOWN**

**FY 2021**

|  |  |
| --- | --- |
| **Official Connecticut Town** | **Volume****(unduplicated visits)** |
| Meriden | 31,865 |
| Wallingford | 20,614 |
| Cheshire | 6,974 |
| Southington | 4,042 |
| Middletown | 1,330 |
| North Haven | 1,148 |
| Berlin | 1,089 |
| Durham | 1,013 |
| Waterbury | 821 |
| Prospect | 698 |
| Bristol | 683 |
| Wolcott | 683 |
| New Britain | 576 |
| Middlefield | 564 |
| Hamden | 541 |
| Plainville | 502 |
| North Branford | 418 |
| New Haven | 412 |
| Naugatuck | 322 |
| East Haven | 255 |
| East Hampton | 234 |
| Cromwell | 228 |
| West Haven | 223 |
| Rocky Hill | 202 |
| Newington | 141 |
| Middlebury | 132 |
| Haddam | 131 |
| Guilford | 126 |
| Plymouth | 125 |
| Killingworth | 124 |
| East Hartford | 114 |
| Farmington | 99 |
| Manchester | 97 |
| Madison | 95 |
| Bethany | 94 |
| Branford | 92 |
| Portland | 86 |
| Watertown | 85 |
| West Hartford | 84 |
| Thomaston | 82 |
| Milford | 67 |
| Hartford | 65 |
| Wethersfield | 58 |
| Glastonbury | 53 |
| Windsor | 53 |
| Burlington | 51 |
| Colchester | 48 |
| Southbury | 47 |
| Woodstock | 44 |
| Moodus | 42 |
| Torrington | 40 |
| Woodbridge | 39 |
| Ansonia | 38 |
| East Haddam | 38 |
| Old Saybrook | 37 |
| Simsbury | 36 |
| Beacon Falls | 34 |
| Clinton | 30 |
| Orange | 30 |
| Danbury | 29 |
| Bridgeport | 28 |
| Woodbury | 26 |
| Chester | 24 |
| Avon | 22 |
| Deep River | 21 |
| East Berlin | 21 |
| Enfield | 21 |
| Vernon | 21 |
| Trumbull | 20 |
| Derby | 19 |
| South Glastonbury | 17 |
| Westbrook | 17 |
| Old Lyme | 16 |
| Westport | 15 |
| East Granby | 14 |
| Harwinton | 14 |
| Tolland | 13 |
| Bloomfield | 12 |
| Groton | 12 |
| Stamford | 12 |
| Waterford | 12 |
| Andover | 11 |
| Sandy Hook | 11 |
| Windham | 11 |
| Bethel | 10 |
| Bethlehem | 10 |
| Canton | 10 |
| Darien | 10 |
| Ellington | 10 |
| Niantic | 10 |
| Shelton | 10 |
| Colebrook | 9 |
| Coventry | 9 |
| East Lyme | 9 |
| Fairfield | 9 |
| Norwalk | 9 |
| Oxford | 9 |
| Winchester | 9 |
| Columbia | 8 |
| Essex | 8 |
| Griswold | 8 |
| Mansfield | 8 |
| Suffield | 8 |
| Willington | 8 |
| Goshen | 7 |
| Mystic | 7 |
| Stafford Springs | 7 |
| Stonington | 7 |
| Stratford | 7 |
| Hebron | 6 |
| Litchfield | 6 |
| Monroe | 6 |
| New Milford | 6 |
| Lebanon | 5 |
| Morris | 5 |
| Putnam | 5 |
| Seymour | 5 |
| Thompson | 5 |
| West Cornwall | 5 |
| Brooklyn | 4 |
| Norwich | 4 |
| Redding | 4 |
| Chaplin | 3 |
| New Hartford | 3 |
| Newtown | 3 |
| Brookfield | 2 |
| East Windsor | 2 |
| Granby | 2 |
| Marlborough | 2 |
| New London | 2 |
| Ridgefield | 2 |
| Salem | 2 |
| Voluntown | 2 |
| West Simsbury | 2 |
| Ashford | 1 |
| Killingly | 1 |

*§ “The utilization of existing health care facilities and health care services in the service area of the applicant;” Conn.Gen.Stat. § 19a-639(a)(8).*

1. Using **OHS Table 11**, identify all existing providers in the service area and, as available, list the services provided, population served, days/hours of operation and current utilization. Include providers in the towns served or proposed to be served by the applicant, as well as providers in towns contiguous to the service area.

***Response:***

# **OHS TABLE 11**

SERVICES AND SERVICE LOCATIONS OF EXISTING PROVIDERS

|  |
| --- |
| **MRI Providers in Primary Service Area:** |
| **Facility's Provider Name,Street Address and Town** | **Program orService** | **Population Served** | **Days/Hours ofOperation** | **CurrentUtilization** |
| MidState Radiology Associates, L.L.C. +435 Lewis AvenueMeriden, CT 06450 | Siemens Aera, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | Monday - Friday from 6:00am-11:30pm; Saturday & Sunday from 6:30am-7:00pm | 6,023 |
| The Hospital of Central Connecticut (Bradley Memorial Campus) +81 Meriden AvenueSouthington, CT 06489  | Hitachi Oasis 1, Fixed, Open, 1.2 Tesla MRI Unit | Not publically available | Monday - Friday from 7:15am - 6:15pm; Saturday from 8am - 2:15pm |  9,329  |
| Meriden Imaging Center, Inc. - Radiology Associates d/b/a Cheshire Diagnostic Imaging ++ a250 South Main StreetCheshire, CT 06410  | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday - Friday 8:00am - 5:00pm | 3,007 |
| Meriden Imaging Center, Inc. - Radiology Associates d/b/a Wallingford Diagnostic Imaging Center ++ a863 North Main StreetWallingford, CT 06492  | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday - Friday 7:00am - 5:00pm | 4,379 |
| **Total** | **4 Units** |  |  | **22,738**  |

Source: OHS Statewide Health Care Facilities and Services Inventory – 2020, Table 8 MRI Inventory

+Hospital based

++Hospital affiliated

a Meriden Imaging Center, Inc. - Radiology Associates appears to have joined Midstate Radiology Associates, LLC, which is a hospital affiliated group.

|  |
| --- |
| **Existing MRI Providers in Service Area and Contiguous Towns** |
| **Facility's Provider Name,Street Address and Town** | **Program orService** | **Population Served** | **Days/Hours ofOperation** | **CurrentUtilization** |
| MidState Radiology Associates, L.L.C. + \*435 Lewis AvenueMeriden, CT 06450  | Siemens Aera, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | Monday - Friday 6:00 am - 11:30 pm Saturday and Sunday 6:30 am - 7:00 pm | 6,023 |
| The Hospital of Central Connecticut (Bradley Memorial Campus) + \*81 Meriden AvenueSouthington, CT 06489  | Hitachi Oasis 1, Fixed, Open, 1.2 Tesla MRI Unit | Not publically available | Monday - Friday 8:00 am - 5:00 pm | 9,329  |
| Meriden Imaging Center, Inc. - Radiology Associates d/b/a Cheshire Diagnostic Imaging ++ a \*250 South Main StreetCheshire, CT 06410  | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday - Friday 8:00 am - 5:00 pm | 3,007  |
| Meriden Imaging Center, Inc. - Radiology Associates d/b/a Wallingford Diagnostic Imaging Center ++ a \* 863 North Main StreetWallingford, CT 06492  | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday - Friday 7:00am - 5:00pm | 4,379  |
| Bristol Hospital +41 Brewster RoadBristol, CT 06010  | General Electric, Signa Excite, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | Not listed on website | 3,322  |
| Radiology Associates PC d/b/a/ Bristol Radiology Center +++25 Collins RdBristol, CT 06010 | GE Pioneer, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday - Thursday 7:30 am – 8:00 pmFriday 7:30 am – 5:00 pm  | 1,428  |
| Connecticut Orthopaedic Specialists, P.C. ++++2416 Whitney AveHamden, CT 06518  | General Electric, Fixed, Closed, 1.5 Tesla MRI Unit | Patients of group practice only | Monday, Thursday and Friday 9:00 am -5:00 pmWednesday 8:00 am - 5:00pm | 4,857  |
| Southern Connecticut Imaging Center LLC d/b/a Whitney Imaging ++ a2200 Whitney AvenueHamden, CT 06518  | Siemens Espree, fixed, Open, 1.5 Tesla MRI Unit | Not publically available | Monday - Friday 7:00 am - 11:00 pmSaturday - Sunday 8:00 am - 4:30 pm | 5,517  |
| Middlesex Health +28 Crescent Street Middletown, CT 06457  | Siemens Espree, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | Open seven days a week by appointment only; no hours listed | 4,249  |
| Middlesex Health Outpatient Center +534 Saybrook RoadMiddletown, CT 06457  | Siemens Verio, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday – Friday, by appointment only; no hours listed | 3,686  |
| Mandell & Blau, M.D.'s, P.C. d/b/a Open MRI of Middletown + b140 Main StreetMiddletown, CT 06457  | Hitachi Altaire, Fixed, Open, 0.7 Tesla MRI Unit | Not publically available | 7:00 am – 7:00 pm; no days of week listed | 2,220  |
| Middlesex Orthopedic Surgeons ++++420 Saybrook RoadMiddletown, CT 06457  | Toshiba, Vantage AGV, Fixed, Closed, 1.5 Tesla MRI Unit | Patients of group practice only | Monday - Thursday 8:00 am - 6:00 pmFriday 8:00 am - 5:00 pm | 4,220  |
| New Britain MRI Limited Partnership +100 Grand StreetNew Britain, CT 06052  | Philips Achieva XR, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | Monday - Friday 8:00 am - 7:00 pmSaturday 8:00 am - 2:00 pm | 4,996  |
| New Britain MRI Limited Partnership +100 Grand StreetNew Britain, CT 06052  | Philips Ingenia, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday - Friday 8:00 am - 7:00 pmSaturday 8:00 am - 2:00 pm | 4,816  |
| Starling Radiology ++++300 Kensington AvenueNew Britain, CT 06051  | Philips Ingenia, Fixed, Closed, 1.5 Tesla MRI Unit | Patients of group practice only | Monday, Wednesday, Friday 7:00 am - 5:30 pmTuesday, Thursday 7:00 am - 7:00 pmSaturday 8:00 am - 12:00 pm | 2,070  |
| Yale-New Haven Hospital, Inc. - North Haven Radiology +6 Devine StreetNorth Haven, CT 06473  | Siemens Skyra, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday - Friday 7:00 am - 8:00 pmSaturday and Sunday 7:30 am - 4:00 pm | 4,223  |
| Yale-New Haven Hospital, Inc. - North Haven Radiology6 Devine StreetNorth Haven, CT 06473  | Siemens Magnatom Vida, Fixed, Closed, 3 Tesla MRI Unit | Not publically available | Monday - Friday 7:00 am - 8:00 pmSaturday and Sunday 7:30 am - 4:00 pm | 4,925  |
| Naugatuck Valley Radiology d/b/a Prospect Diagnostic Imaging +++166 Waterbury RoadProspect, CT 06712  | Hitachi Oasis, Fixed, Open, 1.2 Tesla MRI Unit | Not publically available | Monday - Friday: 7:30 am - 8:30 pmSaturday, by appointment 8:00 am - 2:00 pm | 3,909  |
| Saint Mary's Hospital +56 Franklin StreetWaterbury, CT 06706 | GE 450W, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | No hours listed on website  | 4,331  |
| Greater Waterbury Imaging Center Limited Partnership + c68 Robbins StreetWaterbury, CT 06708  | General Electric HDx Echospeed, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | Monday - Friday 7:30 am - 10:00 pmSaturday 7:30 am - 8:00 pm |  d  |
| Greater Waterbury Imaging Center Limited Partnership + c68 Robbins StreetWaterbury, CT 06708  | General Electric Optima 450W, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | Monday - Friday 7:30 am - 10:00 pmSaturday 7:30 am - 8:00 pm | 4,600  |
| Naugatuck Valley MRI +++1389 West Main StreetWaterbury, CT 06708  | General Electric Signa HDX, Fixed, Closed, 1.5 Tesla MRI Unit | Not publically available | Monday – Friday 7:30 am - 6:00 pm Saturday, by appointment 8:30 am - 12:00 pm | 3,574  |

Source: OHS Statewide Health Care Facilities and Services Inventory – 2020, Table 8 MRI Inventory

\* Located in primary service area

+ Hospital based or hospital-owned satellite MRI

++ Hospital affiliated

+++ Non-hospital MRI

++++ Non-hospital MRI (exclusively used for patients of the private practice)

a Meriden Imaging Center, Inc. - Radiology Associates appears to have joined Midstate Radiology Associates, LLC, which is a hospital affiliated group. Southern Connecticut Imaging Center LLC d/b/a Whitney was acquired by Midstate Radiology Associates per a press release dated 2/5/22.

b Mandell & Blau’s MRI was acquired by HHC Imaging Center Operations per CON settlement dated 7/21/2022.

c Per Waterbury Hospital’s Form 990, it owns an 80% equity interest in Greater Waterbury Imaging Center Limited Partnership. In addition, these MRIs are located on the Hospital’s campus.

d Total Patient Visits or Scans reported as an aggregate for this location.

1. Will this proposal shift volume away from existing providers in the area? If not, explain in detail why the proposal will have no impact on existing provider volumes. Please justify the utilization figured provided.

**Response:**

Currently, patients have long waits to get an MRI. COMC believes that most patients currently obtain MRI scans at one of the four MRI scanners in the primary service area. MRI utilization in the primary service area is 142%, which is far in excess of the 85% benchmark for public need established in the Plan. In addition, the four MRI scanners in COMC’s area are owned by a hospital or a hospital affiliated entity. COMC’s scanner will offer MRI services at more cost effective pricing.

Further, in compliance with 42 CFR § 411.355 (In-Office Ancillary Services Exception), COMC will provide patients with a written list of MRI providers within a 25 mile radius. Patients have the freedom to choose where to receive their MRI scan. Because of the influence of insurers and third party administrators for health plans, lower out-of-pocket costs, and timeliness of services, there will be some shifting of volume in the area, primarily from hospital owned and hospital affiliated MRI services.

1. Describe what effect the proposal will have on existing physician referral patterns in the service area.

**Response:**

Pursuant to federal requirements, COMC will continue to provide patients with a written list of MRI providers within a 25 mile radius of its Southington offices. Patients have the freedom to choose where to receive their MRI exam. Many patients may choose the Proposed Scanner because of the convenience of the location and the ability to receive care from their existing provider. Further, this proposal will have no effect on non-COMC referring physicians, as COMC would not accept referrals from outside providers for MRI services.

1. Describe how this proposal will affect the overall health care system/market concentration. Include how the proposal will impact other providers, referral patterns, regional impact, rates, and any other applicable factors.

**Response:**

MRI utilization in the primary service area is 142%. The Proposed Scanner with improve the health care system by providing additional access to MRI scans and reducing patient wait times. In addition, patients will benefit from quality assurance and coordination of care by receiving their MRI scans from COMC. The overall health care system benefits from having a lower-cost provider in the primary service area, which will also reduce patients’ out-of-pocket costs. Of the four MRI scanners in the primary service, two are hospital owned and the other two are operated by a hospital affiliated group practice in the same hospital system. The Proposed Scanner will reduce market concentration for MRI services by allowing a private competitor to offer MRI services in the primary service area.

1. Will the proposal result in additional providers added to your staff? If yes, provide the number, location, provider types, and justification to be added.

**Response:**

Yes. COMC will obtain the services of 2.5 FTE MRI Technologists and 1.5 FTE MRI Technology Aides to provide the technical MRI services, which staff will be leased from Captive Radiology, LLC under a MRI lease agreement.

1. If applicable, describe how the proposal will help advance the applicant’s ability to participate in alternative payment arrangements for healthcare delivery and reimbursement (e.g., shared savings arrangements).

**Response:**

COMC currently participates in the CMS Innovation Center program, Bundled Payments for Care Improvement Advanced Model (“**BPCI Advanced**”). BPCI Advanced is an Alternative Payment Model (APM) under the CMS Quality Payment Program that provides one bundled payment for a single clinical episode. A clinical episode encompasses all the care delivered from the initial surgical episode through 90 days post-procedure. Although MRI services are no included in the BPCI Advanced bundled payment, by having its own 1.5T MRI in Southington, COMC is able to ensure timely access to optimal orthopedic imaging at a lower cost which, in turn, lowers patient cost-sharing expenses and may improve COMC’s ability to participate in alternative payment arrangements in the future.

1. Considering the proposed transaction as a whole, describe any potential constraints or limitations that will impact the applicant’s ability to participate in the Connecticut Health Information Alliance d/b/a Connie. [Health Information Alliance (ct.gov)](https://portal.ct.gov/OHS/HIT-Work-Groups/Health-Information-Alliance)

**Response:**

This proposal has no impact on COMC’s ability to participate in the Connecticut Health Information Alliance d/b/a Connie.

*§ “Whether the applicant has satisfactorily demonstrated that the proposed project shall not result in an unnecessary duplication of existing or approved health care services or facilities;” Conn.Gen.Stat. § 19a-639(a)(9).*

1. If applicable, explain why approval of the proposal will not result in an unnecessary duplication of services.

**Response:**

As noted in responses throughout this application, COMC has demonstrated that primary service area utilization is at 142%, which is significantly above the 85% threshold for demonstrating public need as established by OHS in the Plan, indicating a need for additional MRI capacity in the primary service area.

Even with the addition of the Proposed Scanner for COMC, the utilization of MRI services in the primary service area will still exceed 85% as demonstrated below:

5 MRIs units (existing 4 Units plus the Proposed Scanner) x 4000 scans = 20,000 scan capacity

22,738 scans (2021 primary service area data) + 3,327 (COMC 2022 scans) = 26,065 scans

26,065 total scans / 20,000 scan capacity = **130.3%**

COMC has further demonstrated that the utilization in the primary services and the contiguous towns is 101.9%, which is also significantly above the 85% threshold establish by OHS in the Plan.

The proposal will not result in an unnecessary duplication of services because the service area has exhausted the capacity of the existing scanners. The Proposed Scanner will create the necessary capacity to enable COMC’s patients to benefit from the enhanced continuity of care, service, communication, and clinical coordination that in-office imaging services provide.

*§ “Whether the applicant has satisfactorily demonstrated that the proposal will not negatively impact the diversity of health care providers and patient choice in the geographic region;” Conn.Gen.Stat. § 19a-639(a)(11).*

1. Explain in detail how the proposal will impact (i.e., positive, negative or no impact) the diversity of health care providers and patient choice in the geographic region.

**Response:**

This proposal will improve patient choice in the service area by adding an additional MRI scanner which charges no facility fees, has lower out-of-pocket costs, reduces costs to insurers and provides high quality imaging. The Proposed Scanner will enhance the diversity of imaging provider locations in the primary service area, by adding a non-hospital affiliated service location.

**OHS TABLE 12
HOSPITAL QUALITY INDICATORS**

**Response:**

This table is not applicable to COMC.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Purpose of Quality Indicators | Quality Indicator (Measure) | FY2021 | FY2020 | FY2019 | Comment |
| Inpatient Quality Indicators (IQIs) provide a perspective on quality of care inside hospitals and identify areas that might need further study | IQI 90 Mortality for Selected Procedures\**(Esophageal or pancreatic resection, abdominal aortic aneurysm, PCI, carotid endarterectomy to reduce stroke)* |   |   |   |   |
|   | IQI 91 Mortality for Selected Conditions\**(Heart failure, acute stroke, gastro hemorrhage, hip fracture & pneumonia)* |   |   |   |   |
| The Patient Safety Indicators (PSIs) provide information on potentially avoidable safety events that represent opportunities for improvement in the delivery of care. More specifically, they focus on potential in-hospital complications and adverse events following surgeries, procedures, and childbirth. The measure also helps to identify issues that might need further study. | PSI 90 Patient Safety for Selected Indicators\**(Pressure ulcer, iatrogenic pneumonia, fall with hip fracture, peri-operative hemorrhage/ hematoma, postop acute kidney injury, respiratory failure, embolism/DVT, sepsis, wound dehiscence, abdominal-pelvic accidental puncture or laceration)* |   |   |   |   |
| The Pediatric Quality Indicators (PDIs) focus on potentially preventable complications and iatrogenic events for pediatric patients treated in hospitals and on preventable hospitalizations among pediatric patients, taking into account the special characteristics of the pediatric population. They can help hospitals identify problems in pediatric hospital care that may need further study and evaluate preventive care for children in outpatient settings. | PDI 90 Pediatric Quality Overall Composite\**(Asthma, diabetes short-term complications, gastroenteritis, UTI)* |   |   |   |   |
| PDI 91 Pediatric Quality Acute Composite*(Gastroenteritis, UTI)* |   |   |   |   |
| PDI 92 Pediatric Quality Chronic Composite*(Asthma, diabetes)* |   |   |   |   |
| The Prevention Quality Indicators (PQIs) identify issues of access to outpatient care, including appropriate follow-up care after hospital discharge. More specifically, the PQIs use data from hospital discharges to identify admissions that might have been avoided through access to high-quality outpatient care. The PQIs are population-based indicators that capture all cases of the potentially preventable complications that occur in a given population (in a community or region) either during a hospitalization or in a subsequent hospitalization. The PQIs are a key tool for community health needs assessments. | PQI 90 Prevention Quality Overall Composite\**(Diabetes - short- and long-term complications, uncontrolled, lower extremity amputation, COPD/adult asthma, hypertension, heart failure, community-acquired pneumonia, UTI, younger adult asthma)* |   |   |   |   |
| PQI 91 Prevention Quality Acute Composite*(Community-acquired pneumonia, UTI)* |   |   |   |   |
| PQI 92 Prevention Quality Chronic Composite*(Diabetes - short- and long-term complications, uncontrolled, lower extremity amputation, COPD/adult asthma, hypertension, heart failure, UTI, younger adult asthma)* |   |   |   |   |
| PQI 93 Prevention Quality Diabetes Composite*(Diabetes - short- and long-term complications, uncontrolled, lower extremity amputation)* |   |   |   |   |
| Hospital-wide readmissions of patients to the same hospital within 30 days of discharge. | 30-day All-cause readmissions\*\* |   |   |   |   |

|  |  |  |  |
| --- | --- | --- | --- |
| Source: Applying the Agency for Healthcare Research and Quality (AHRQ) Quality indicator tool available at https://www.qualityindicators.ahrq.gov/Modules/Default.aspx to inpatient data |  |  |  |
| <https://www.qualityindicators.ahrq.gov/Modules/Default.aspx> |
|

|  |  |  |  |
| --- | --- | --- | --- |
| \*Measures the overall quality performance in the focus area |  |  |  |
| [\*\*HEDIS measure](https://www.ncqa.org/hedis/measures/plan-all-cause-readmissions/#:~:text=Plan%20All%2DCause%20Readmissions%20(PCR)&text=Assesses%20the%20rate%20of%20adult,and%20older)%20health%20plan%20members.) | <https://www.ncqa.org/hedis/measures/plan-all-cause-readmissions/#:~:text=Plan%20All%2DCause%20Readmissions%20(PCR)&text=Assesses%20the%20rate%20of%20adult,and%20older)%20health%20plan%20members.> |  |  |  |

 |  |  |  |

**CON Application Fee Schedule**

Pursuant to Public Act 22-118, Sec. 225, the following fee schedule shall apply to all CON applications filed on or after July 18, 2022. Until OHS’s payment processing system is adjusted, Applicants should file with a $500 fee and will be sent an invoice for the remaining amount as determined by the agency.

**Fee**                                       **Cost**

$1,000                                 <$50,000

$2,000                                 $50,000< cost <$100,000

$3,000                                 $100,000< cost <$500,000

$4,000                                 $500,000< cost <$1,000,000

$5,000                                 $1,000,000< cost <$5,000,000

$8,000                                 $5,000,000< cost <$10,000,000

$10,000                              $10,000,000< cost