

Radiology Interpretation Services, Inc.
POST OFFICE BOX 70277
FAIRBANKS, ALASKA 99707

January 13, 2012

Karen Lawfer
Department of Health and Social Services
Section of Health Planning and Systems Development
P.O. Box 110610
Juneau, Alaska 99811

Regarding: Request for Determination – Fairbanks MRI

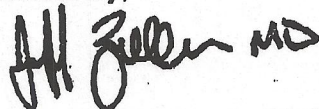
Dear Ms. Lawfer:

I would like to request a determination of whether a Certificate of Need (CON) will be required for a project that my company is currently planning. The project would involve purchasing a MRI Unit, entering into a lease for space to operate out of, making leasehold improvements to the space leased and purchasing various additional equipment needed for the project. In my opinion through the use of the proposed high-field bore-less MRI unit, our facility will deliver the optimal combination of comfort and quality for patients and will be able to provide positioning flexibility and accommodation for bariatric patients unmatched in Fairbanks.

After your determination is made, I plan to purchase a Hitachi MRI Unit at a cost of \$1,015,000 (quote is attached and it includes shipping and installation), enter into a lease of facility for approximately 1,000 square feet with the net present value of the lease payments being \$71,124, enter in contract with a licensed General Contractor to make leasehold improvements to the space at a cost of \$188,004 and purchasing additional equipment to operate the business at a cost of \$6,286. The total cost of the project is estimated to be \$1,280,414, per the attached project cost letter.

I anticipate it will take 120 days from the time my company enters into the contracts till it will be able to provide services to the community. I look forward to receiving your response.

Sincerely,



Jeffrey Zuckerman, M.D.
President
Radiology Interpretation Services, Inc.

David A. Whitmore Architect LLC

535 Third Avenue, Suite A

Fairbanks, Alaska 99701

907-452-2339 fax: 907-452-2359

whitmoredavid@alaska.net

Karen Lawfer
Department of Health and Social Services
Section of Health Planning and Systems Development
P.O. Box 110610
Juneau, Alaska 99811

Regarding: Project Cost

Dear Ms. Lawfer:

We have been hired to provide professional services for a project currently being planned by Radiology Interpretation Services, Inc (RIS). The project as planned would consist of purchasing a MIR Unit, entering into a lease for space to operate out of, making leasehold improvements to the space leased and purchasing various additional equipment needed for the project. We have been asked to provide a "certified estimate of total cost of the proposed facility" according to Alaska Code 7 ACC 07.010 and the following is an estimate of the total cost prepared in conjunction with Dr. Jeffrey Zuckerman of RIS.

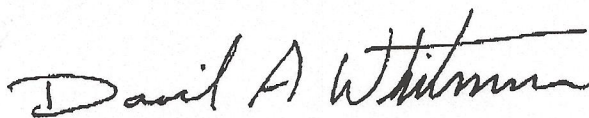
The medical equipment's cost is \$1,015,000 per the Hitachi Medical Systems America, Inc. quote dated 12/9/2011 for a High-Field Bore-Less MIR Unit. The office equipment and furnishings have an estimated cost of \$6,286. RIS anticipates leasing approximately 1,000 square feet in a wood framed masonry building at a Fairbanks mall built in April, 1977 and the net present value of the lease payments are \$71,124. Based on the proposed floor plan of the facility, the cost of the leasehold improvements is estimated to be \$188,004 and this amount includes permits and architectural fees.

The aggregate total cost of the proposed project is \$1,280,414.

Please let us know if we can be of any further assistance.

Regards,

Sincerely,



David A. Whitmore, Architect

address:
Bentley Mall
32 College Rd
built 1977 - 30-40 yrs
Washington Mall
3419 Airport Way

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425.1313 Fax: 330.405.8079

Quotation Number: EW0098
Revision Number: 2
Quotation Date: 12/09/2011

HITACHI
Inspire the Next

Dr. Zuckerman

System:

Qty	Description	Unit Price	Customer Price
1	OASIS HIGH-FIELD BORE-LESS MR	2,350,000	1,015,000

Included:

Qty	Description	Unit Price	Customer Price
1	HASKRIS CHILLER	50,000	INCLUDED
1	WORKFLOW PLUS	24,000	INCLUDED
1	SHIPPING AND INSURANCE TO CUSTOMER SITE	20,000	INCLUDED
1	OASIS RIGGING EXPENSES	15,000	INCLUDED
System Package:			\$1,015,000
Invoice Total:			\$1,015,000