



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

Certificate of Need Program

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Anchorage, Alaska 99503
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September 1, 2015

Mr. David A. Joslin, Administrator
Diagnostic Health Anchorage
4100 Lake Otis Parkway, Suite 102
Anchorage, AK 99508

RE: Diagnostic Health Anchorage Request for Determination dated July 27, 2015

Dear Mr. Joslin,

Thank you for your letter dated August 17, 2015 in which you submitted additional information required by the Department to process your request for determination as to whether a certificate of need (CON) will be required for your proposed project in Wasilla.

Diagnostic Health Anchorage seeks to open a multi-modality imaging center at 1751 E. Gardner Way, Suite A, in Wasilla, Alaska. The center will include Computed Tomography (CT) and Magnetic Resonance Imaging (MRI).

Diagnostic Health Anchorage proposes to include the purchase of the CT and MRI units and enter into a two-year lease for 7,827 SF. Diagnostic Health Anchorage's original request included the cost of leasehold improvements and the purchase of additional equipment, accessories and services to facilitate the project. The initial project costs were previously estimated to be \$1,272,817.73. The revised project total is estimated to be \$1,242,282.07. Diagnostic Health Anchorage anticipates completing the project within 120-150 days once a determination is made.

In your letter dated August 17, 2015, you revised the combined total for the MRI and CT Suite tenant improvements. The total for the tenant improvements is \$105,800, not the \$110,400 originally estimated. Additionally, you supplied quotes for the facility's furniture from National Business Furniture and clarified the physical and mailing address of the facility to be 1751 E. Garner Way, Suite A.

Total Projected Expenditures:	<u>\$1,242,282.07</u>
MRI GE Gold Seal 1.5T 16 Channel HDXT	\$ 571,600.68
CT GE Gold Seal Brightspeed 16	\$ 266,987.75
Lease Costs (\$11,500 x 24 months)	\$ 276,000.00
Leasehold Improvements	\$ 105,800.00
Furniture and Accessories	\$ 5,893.64
MRI Rigging	\$ 16,000.00

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Based on the request for determination, a CON is not required for the proposed project, as presented, because the expenditures at issue do not exceed the \$1.5 million statutory threshold under AS 18.07.031.

If you are dissatisfied with this determination, you may request reconsideration under 7 AAC 07.033. A request for reconsideration must be postmarked no later than 30 days after publication of the public notice.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alex Hicks", with a stylized flourish at the end.

Alexandria Hicks, CON Coordinator