DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

P.O. BOX 110601 JUNEAU, ALASKA 99811-0601 PHONE: (907) 465-3030 FAX: (907) 465-3068

November 27, 2007

Certified, Return Receipt Requested

Mike Powers, CEO Fairbanks Memorial Hospital 1650 Cowles Street Fairbanks, Alaska 99701-5998

Dear Mr. Powers:

Thank you for the letter dated November 15, 2007 requesting a determination whether a certificate of need is required under for Fairbanks Memorial Hospital/Denali Center to purchase, install and operate a PET/CT scanner.

In your letter you state that 1,100 square feet of space will be renovated in the hospital and a PET/CT scanner purchased at a total cost of \$3.2 million. Based on this information, I agree with your assessment that a Certificate of Need is required for the project because under AS 18.07.031 (a)(1), the project is for a health care facility, and the cost of the project is above the \$1.15 million threshold that triggers the requirement to submit a Certificate of Need application.

Any person substantially affected by this decision may request reconsideration of this determination. A request for reconsideration must be postmarked no later than 4:30 P.M. December 27, 2007 and must be made in accordance with 7 AAC 07.033.

Please contact David Pierce, Certificate of Need Coordinator, at (907) 465-3001 or david.pierce@alaska.gov if you have any questions.

Sincerely,

Karleen K. Jackson, Ph.D.

Commissioner

cc: Robert Gould, CFO & Operations, Fairbanks Memorial Hospital
Bill Streur, Deputy Commissioner, Dept. of Health and Social Services
Dr. Jay Butler, Chief Medical Officer, Dept. of Health and Social Services
Jane Urbanovsky, Certification & Licensing Chief, Division of Public Health
Stacie Kraly, Chief Assistant Attorney General, Dept. of Law
David Pierce, Certificate of Need Coordinator, Dept. of Health and Social Services