

STATE OF ALASKA

SEAN PARNELL, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES
DIVISION OF HEALTH CARE SERVICES
Certificate on Need Program

P.O. BOX 110660
JUNEAU, ALASKA 99811-0660
PHONE: (907) 465-8616
FAX: (907) 465-6861

Certified, Return Receipt Requested

February 22, 2012

Dr. Jeffrey Zuckerman, M. D.
Radiology Interpretation Services, Inc.
P. O Box 70277
Fairbanks, Alaska 99707

Dear Dr. Zuckerman:

Thank you for your letter of January 13, 2012 letter and subsequent information regarding a determination of whether a certificate of need (CON) is required for construction of an independent diagnostic testing facility (IDTF), as defined in AS 18.07.111, of approximately 1,000 square feet with a Magnetic Resonance Imaging (MRI) unit in Fairbanks. It is anticipated to be operating by June 2012.

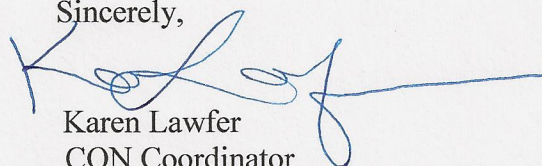
While the proposed construction of an IDTF is reviewable by the CON program under AS 18.07, I have, after review of the cost estimates provided, determined that a CON is not required based on the following information:

1. A certified cost estimate for the project was provided by David A Whitmore Architect, LLC. The total cost estimate provided of \$1,280,414 is below the current threshold that requires submission of a CON application under AS 18.07.
2. Costs used in determining the total cost estimate were the fair market value of a lease in a building that is approximately 35 years old, leasehold improvements, permit and architectural fees which will be paid by Radiology Interpretation Services and a quote for an MRI unit that was received by Hitachi Medical Systems America, Inc.

If the project changes and costs related to the construction of your facility, as outlined in 7 AAC 07.010, total more than the current CON threshold of \$1,350,000 (effective through July 1, 2012), or if there are changes regarding the size of the facility, the equipment, or the scope of service, this office must be notified as a CON may be required.

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

Sincerely,



Karen Lawfer
CON Coordinator