



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

Certificate of Need Program

3601 C Street, Suite 978
Anchorage, Alaska 99503
Main: 907.334.2464
Fax: 907.334-2220

August 6, 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 July 27, 2015 in which you submitted a request for a determination whether a certificate of need 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 B, 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 2 (two) year lease for 7,827 SF. The request includes the cost of leasehold improvements and the purchase of additional equipment, accessories and services to facilitate the project. The initial project costs are estimated to be \$1,272,817.73. Diagnostic Health Anchorage anticipates completing the project within 120-150 days once a determination is made.

Further information is needed to complete a request for determination. Per the request, leasehold improvements were valued at \$110,400.00. However, the budget submitted by KC Corporation General Contractors for leasehold improvements reflects a total of \$52,520.00. In their letter, KC Corporation General Contractors state this sum is "per room". Can you please provide clarification regarding the scope of leasehold work being performed for the project? Even when multiplying $\$52,520.00 * 2$ (1 room for the MRI, 1 room for the CT) the total is \$105,800.00, not the \$110,400.00 submitted in your request.

Additionally, there are no quotes included in the request for determination for furniture and accessories. Do you have a quote or estimate to support the costs provided? Lastly, can you confirm that the space is Suite A, as stated in the lease? Your letter indicated that the space was located at 1751 E. Gardner Way, Suite B.

The Department requests that you submit the requested information no later than 20 days from the date of this letter.

Diagnostic Health Anchorage
September 1, 2015
Page 2

If you have any questions, please do not hesitate to contact me.

Regards,

Alexandria Hicks, CON Coordinator