

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

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

May 4, 2006

Certified, Return Receipt Requested

Mr. Norman Stephens
Chief Executive Officer
Mat-Su Regional Medical Center
P.O. Box 1687
Palmer, AK 99645

Dear Mr. Stephens,

Thank you for your letter of March 21, 2006 requesting a determination regarding a requirement of Providence Health System in Alaska to obtain a certificate of need for the new facility you have described as a diagnostic imaging center to be located in the Matanuska-Susitna Valley.

I have previously provided you with copies of my inquiries to Providence Health System in Alaska and subsequently to Imaging Associates of Providence, L.L.C. regarding the nature of this project. Based on the enclosed responses received to my requests and verification by department staff of the Medicaid and Medicare enrollment status of Imaging Associates of Providence, L.L.C. I have concluded that the new Mat-Su facility will be constituted as an office of private physicians in group practice and therefore in accordance with AS 18.07.111(8) is not considered a "health care facility" for the purposes of the certificate of need program. Thus, I have determined that a certificate of need is not required for this project.

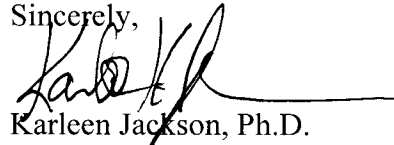
You may request reconsideration of this determination by contacting:

David Pierce, MPH
Certificate of Need Coordinator
Health Planning & Systems Development Unit
Office of the Commissioner
Department of Health and Social Services
P.O. Box 110601, Juneau, AK, 99811-0601
Phone: 907-465-3001, Fax: 907-465-6861
E-mail: david_pierce@health.state.ak.us

Mr. Norman Stephens, CEO
Mat-Su Regional Medical Center
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A request for reconsideration must be postmarked no later than June 3, 2006 and must be made in accordance with 7 AAC 07.033.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karleen Jackson', with a long horizontal line extending to the right.

Karleen Jackson, Ph.D.
Commissioner

Enclosures

cc: Chakri Inampudi, M.D.
Imaging Associates of Providence, L.L.C.

Mr. Al Parrish, CEO
Providence Health System of Alaska

Stacie Kraly, Chief Assistant Attorney General
Department of Law

Ms. Pat Carr, Chief
Office of the Commissioner/
Health Planning & Systems Development