



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

LINDA LINGLE
GOVERNOR OF HAWAII
CHIYOME LEINAALA FUKINO, M.D.
DIRECTOR OF HEALTH
RONALD E. TERRY
ADMINISTRATOR

1177 Alakea St. #402, Honolulu, HI 96813 Phone: 587-0788 Fax: 587-0783 www.shpda.org

October 6, 2008

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Scott Halliday
President
National Medical Development, Inc.
11100 N.E. 8th Street, Suite 500
Bellevue, WA 98004

Dear Mr. Halliday:

The State Health Planning and Development Agency has evaluated Maui Diagnostic Imaging, LLC's Certificate of Need application #08-01A for the replacement of its existing MRI scanner with a 3T unit and for the establishment of an additional MRI unit at 75 Kupuohi Street, Suite 101, Lahaina, Hawaii, at a total capital cost of \$3,300,000.

Pursuant to Title 11, Chapter 186 of the Hawaii Administrative Rules (HAR), the Agency has determined that:

- (a) The proposal is eligible for administrative review as it meets the criteria in HAR 11-186-99.1(b)(6), i.e.: "any proposal which is determined by the agency not to have a significant impact on the health care system" and HAR 11-186-99.1(b)(5), i.e.: "an additional location of an existing service or facility."
- (b) The applicant, Maui Diagnostic Imaging, LLC, has proven by a preponderance of the evidence that its proposal meets the Certificate of Need criteria in Section 11-186-15, HAR.
- (c) There is no compelling public interest which will be served by requiring the application to go through the standard review process.

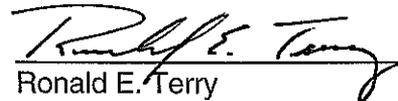
As required under Section 323D-43(b), Hawai'i Revised Statutes (HRS), the Agency finds that:

1. There is a public need for this proposal.
2. The cost of this proposal will not be unreasonable in light of the benefits it will provide and its impact on health care costs.

Accordingly, the State Health Planning and Development Agency hereby APPROVES and ISSUES a Certificate of Need to Maui Diagnostic Imaging, LLC for the proposal described in Certificate of Need application #08-01A. The maximum capital expenditure allowed under this approval is \$3,300,000.

#08-01A, Administrative Review Decision
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Please be advised that pursuant to Section 323D-47, HRS, any person may, for good cause shown, request in writing a public hearing for reconsideration of the Agency's decision within ten working days from the date of this decision. Accordingly, if no person makes such a timely request for reconsideration, this decision shall become final immediately after the deadline for making such a request has expired.

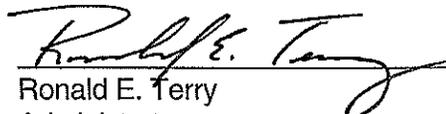

Ronald E. Terry
Administrator

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the attached Administrative Review Decision was duly served upon the applicant by sending it by certified mail, return receipt requested, in the United States Postal Service addressed as follows on October 6, 2008:

Scott Halliday
President
National Medical Development, Inc.
11100 N.E. 8th Street, Suite 500
Bellevue, WA 98004

HAWAII STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY



Ronald E. Terry
Administrator