



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

LINDA LINGLE
GOVERNOR OF HAWAII
CHIYOME L. FUKINO, M.D.
DIRECTOR OF HEALTH
DAVID T. SAKAMOTO, M.D., M.B.A.
ADMINISTRATOR

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

March 30, 2006

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

IN THE MATTER OF)	CERTIFICATE OF NEED
)	APPLICATION
)	NO. 06-01
Leeward Advanced Medical Imaging)	
LLC)	
)	
Applicant)	
_____)	DECISION ON THE MERITS

DECISION ON THE MERITS

The State Health Planning and Development Agency (hereinafter "Agency"), having taken into consideration all of the records pertaining to Certificate of Need Application No. 06-01 on file with the Agency, including the written and oral testimony and exhibits submitted by the applicant and other affected persons, the recommendations of the Oahuwide Certificate of Need Review Committee, the Certificate of Need Review Panel and the Statewide Health Coordinating Council, the Agency hereby makes its Decision on the Merits, including findings of fact, conclusions of law, order, and written notice on Certificate of Need Application No. 06-01.

I

BACKGROUND

1. This is an application for a Certificate of Need ("Cert.") for the establishment of Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) services at 98-1005 Moanalua Road, Aiea, Hawaii, at a capital cost of \$7,060,069.
2. The applicant, Leeward Advanced Medical Imaging, LLC, is a limited liability corporation.

3. The Agency administers the State of Hawaii's Certificate Program, pursuant to Chapter 323D, Hawaii Revised Statutes (HRS), and Title 11, Chapter 186, Hawaii Administrative Rules (HAR).

4. On January 18, 2006, the applicant filed with the Agency a Certificate of Need application for the establishment of Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) services at 98-1005 Moanalua Road, Aiea, Hawaii, at a capital cost of \$7,060,069 (the "Proposal"). On February 3, 2006, the applicant submitted additional information. On February 7, 2006, the application was determined to be complete. For administrative purposes, the Agency designated the application as Cert. #06-01. The applicant filed additional information on February 8, 2006 and February 9, 2006.

5. The period for Agency review of the application commenced on February 8, 2006, the day notice was provided to the public pursuant to 11-186-39 HAR.

6. The application was reviewed by the Oahuwide Certificate of Need Review Committee at a public meeting on February 15, 2006. The Council voted 3 to 1 in favor of recommending conditional approval of the application. The conditions were:

- That the applicant provides additional information regarding the superior functionality of the proposed CT scanner including, without limitation, the functionality of its cardiac imaging capability for use by cardiac surgeons.
- That the applicant provides more detailed revenue and expense projections in order to give a more complete financial picture of its proposal.

7. On February 22, 2006, the applicant provided detailed revenue and expense projections for the proposed project as well as additional information regarding the superior functionality of the proposed CT scanner including information regarding the functionality of its cardiac imaging capability for use by cardiac surgeons.

8. The application was reviewed by the Certificate of Need Review Panel at a public meeting on February 16, 2006. The Panel voted 5 to 1 in favor of recommending approval of the application.

9. The application was reviewed by the Statewide Health Coordinating Council at a public meeting on February 23, 2006. The Council voted 6 to 2 in favor of recommending conditional approval of the application. The conditions were that the applicant provide:

- more financial information regarding Radiology Associates, Inc. the sole owner of the applicant
- a breakdown of the types of scans that the applicant is projecting to perform at the facility
- a breakdown of procedures projected by hour of day as well as a discussion of factors that would impede or aid potential capacity at the proposed facility including physician/staff availability and any existing or future restrictions on operating hours.

10. On March 17, 2006, the applicant provided additional financial information regarding Radiology Associates, Inc., information pertaining to the types of scans that the applicant is projecting to perform at the facility, and information regarding scheduling, physician/staff availability and factors affecting operating hours at the proposed facility.

11. This application was reviewed in accordance with Section 11-186-15, HAR.

12. Pursuant to Section 323D-43(b), HRS:

“(b) No Certificate shall be issued unless the Agency has determined that:

- (1) There is a public need for the facility or service; and
- (2) The cost of the facility or service will not be unreasonable in the light of the benefits it will provide and its impact on health care costs.”

13. Burden of proof. Section 11-186-42, HAR, provides:

“The applicant for a certificate of need or for an exemption from certificate of need requirements shall have the burden of proof, including the burden of producing evidence and the burden of persuasion. The degree or quantum of proof shall be a preponderance of the evidence.”

II

FINDINGS OF FACT

A. **REGARDING THE RELATION OF THE PROPOSAL TO THE STATE HEALTH SERVICES AND FACILITIES PLAN (HAWAII HEALTH PERFORMANCE PLAN) OR "H2P2"**

14. The applicant states that "The proposed imaging services require minimal radiation exposure, and are fast and painless. Indeed, the 64-channel dual tube CT will require only 30 to 57% of the dose of multi-detector CT administered by older equipment. In addition to assisting in timely diagnosis, these services can assisting (sic) physicians in targeting cancer treatment at the specific site of involvement - thereby protecting healthy tissue - and by helping to guide biopsies. Accordingly, the proposed imaging services will meet the objectives of reducing the effects of chronic disease and prolonging health related quality life and reducing morbidity and pain through timely and appropriate treatment..."

15. The applicant states that "The proposed imaging services will also promote cost-effective treatment by reducing the need for many invasive procedures such as exploratory surgery and surgical biopsy and, when such procedures are necessary, permitting them to be done in a more precise manner that minimizes risks and discomfort to patients. Moreover, the proposed imaging center will also provide continuity of care by providing appropriate care to West Oahu residents in an accessible outpatient setting." Page 6 of 8

16. The applicant states that Chapter II, Part G of H2P2 contains the following threshold capacity guidelines for CT and MRI services, respectively:

For a new unit/service, the minimum average annual utilization for all other [CT service] providers in the service area is 3,500 HECTs or 3,000 CT procedures, and the utilization of the new unit/service is projected to meet the minimum utilization rate by the third year of operation.

For expansion of existing units/services, the provider's utilization is at least 5,000 HECTs or 4,500 CT procedures.

CT scanners are staffed to operate a minimum of 40 hours per week, and are accessible for use and usable for medical emergencies 24 hours a day.

For a new unit/service, the minimum average annual utilization for all other [MRI service] providers in the service area is 1,500 procedures, and the utilization of

the new unit/service is projected to meet the minimum utilization rate by the third year of operation.

For expansion of existing units/services, the provider's utilization is at least 2,750 scans per year.

17. The applicant states that "...both SHPDA data for 2003 (the most recent now available) and extrapolations derived from utilization and need projections developed from national statistics regarding CT and MRI use support the development of the proposed imaging services. The existing CT and MRI units not only are all operating at or above the H2P2's threshold level for the initiation of new services, but cannot perform many of the procedures that will be performed at the proposed imaging center. Leeward's projections also show that the new units will meet or exceed the threshold levels of operation no later than their third year of operations."

18. The applicant states that "The statewide values and priorities listed in Chapter III include accountability, comprehensiveness, increased access to cost-effective health care services and supporting locally developed initiatives and decision-making/resource allocation done at the local level, to the greatest degree possible. Additional values and priorities for West Oahu include integration and effectiveness. Priorities for the Waianae Coast area include detection and treatment of heart disease and stroke, and improved access to health care services."

19. The applicant states that "...the proposed imaging services will improve detection and treatment of such conditions as heart disease and stroke, which are health care priorities for the Waianae Coast, as well as cancer and other disabling conditions, which are targeted in Chapters IV through XI of the H2P2."

20. The Agency finds that this criterion has been met.

B. REGARDING NEED AND ACCESSIBILITY CRITERIA

21. The applicant states that Chapter II, Part G of H2P2 contains the following threshold capacity guidelines for CT and MRI services, respectively:

For a new unit/service, the minimum average annual utilization for all other [CT service] providers in the service area is 3,500 HECTs or 3,000 CT procedures, and the utilization of the new unit/service is projected to meet the minimum utilization rate by the third year of operation.

For expansion of existing units/services, the provider's utilization is at least 5,000 HECTs or 4,500 CT procedures.

CT scanners are staffed to operate a minimum of 40 hours per week, and are accessible for use and usable for medical emergencies 24 hours a day.

For a new unit/service, the minimum average annual utilization for all other [MRI service] providers in the service area is 1,500 procedures, and the utilization of the new unit/service is projected to meet the minimum utilization rate by the third year of operation.

For expansion of existing units/services, the provider's utilization is at least 2,750 scans per year.

22. The applicant states that "...both SHPDA data for 2003 (the most recent now available) and extrapolations derived from utilization and need projections developed from national statistics regarding CT and MRI use support the development of the proposed imaging services. The existing CT and MRI units not only are all operating at or above the H2P2's threshold level for the initiation of new services, but cannot perform many of the procedures that will be performed at the proposed imaging center. Leeward's projections also show that the new units will meet or exceed the threshold levels of operation no later than their third year of operations."

23. The applicant states that both CT scanning and MRI utilization on Oahu has increased since 2000 in terms of both the total number of procedures done each year and the number of procedures performed per 1000 population.

24. The applicant states that in 2003, the number of CT and MRI procedures done on Oahu were 120,113 (CT) and 51,902 (MRI) and the number of procedures per 1000 population were 133 procedures/1000 (CT) and 57.4 procedures/1000 (MRI).

25. The applicant states that the number of procedures per 1000 population has increased about 9.4% annually for CT utilization and 9.9% annually for MRI utilization during 2002 and 2003.

26. The applicant projects that, based upon an average 9.4% annual increase in CT utilization and an average 9.9% annual increase in MRI utilization during 2002 and 2003, the utilization per 1000 population will increase to 160 procedures/1000 population for CT and 63 procedures/1000 population for MRI in 2006.

27. The applicant further projects that the 2006 demand for CT and MRI procedures in West Oahu (based on utilizations of 160 procedures/1000 population for CT and 63/1000 MRI) will be 54,192 CT procedures and 21,345 MRI procedures.

28. The applicant states that "Only two facilities, Pali Momi and St. Francis Hospital West, are easily accessible to residents of West Oahu, but they are, of necessity, focused on inpatient, rather than outpatient, care."
29. The applicant states that "...Pali Momi reported performing 8,682 CT procedures and 4,801 MRI procedures during 2003. St. Francis – West reported performing 7,447 CT procedures in 2003, and, in its December 2004 CON application, St. Francis – West represented that it expected to perform 3,340 procedures during 2005...collectively, these two facilities are performing a total of 16,129 CT procedures and 8,141 MRI procedures – less than half of the calculated demand for West Oahu ..."
30. The applicant states that "An additional 38,063 CT procedures and 14,815 more MRI procedures would have to be supplied annually in order to meet the now-unmet demand in the area."
31. The applicant states that "The latest advance in CT scanning – the 64 – channel detector scanner with two tubes simultaneously scanning, which allows both faster scan times and thinner scan slices over a large area - will be used at the proposed imaging center. With the increase in speed of the scan slice with the two tubes heart rate is no longer a factor and there is no need to administer intravenous beta-blockers to slow the heart rate and place the patient at any risk."
32. The applicant states that "With this scanner a patient may have a CT scan of the heart to detect calcium deposits in the coronary arteries (known as a 'calcium score') and thereby assess the risk of underlying atherosclerosis. Patients with an abnormal 'calcium score' may then have a CT coronary angiogram utilizing only an intravenous injection of contrast material into a peripheral vein. The need for diagnostic coronary arteriograms, requiring placement of needles in arteries and catheters directly into heart arteries will, decrease dramatically. SHPDA utilization data indicates that 7,838 cardiac catheterizations were done in 2003... it is estimated that 40% of these cardiac catheterizations - or 3135 procedures – will return negative results. Use of CTA can eliminate the need for these procedures, along with the associated risks to the patients and higher costs."
33. The applicant states that "The Espree MRI unit, which will be in use at the proposed imaging center, is the first 70 cm bore MRI and offers at least 10 cm more vertical space than the low-field vertical field open MRI systems currently in use. The Espree is designed to accommodate patients weighing up to 550 pounds."
34. The applicant states that "Leeward's imaging facility will be available to all patients who need CT or MRI services based upon physician referral and order establishing the medical necessity of the requested procedure. **Services will be**

provided without discrimination based on race, ethnicity, income, religion, gender or any other unlawful category."

35. The Agency finds that the proposal, if modified in accordance with the condition on page 13 of this Decision on the Merits, meets the need and accessibility criteria.

C. REGARDING QUALITY AND LICENSURE CRITERIA

36. The applicant states that "All Radiologists will be licensed by the State of Hawaii and certified by the American Board of Radiology. All technologists will be certified by the American Registry of Radiologic Technologists, be certified as CT or MRI technologists, and have appropriate State licensure.... Radiologists and technologists will be expected to meet or exceed all state and national registry requirements for continuing medical education (CME)."

37. The applicant states that "Services at Leeward will be provided by RAI Radiologists, all of whom are board certified by the American Board of Radiology in Diagnostic Radiology."

38. The applicant states that "RAI has provided radiology services to numerous health care institutions in Hawaii since 1970, including Kahuku Hospital, Kwajalein Hospital, Molokai General Hospital, Queens Medical Center, Waianae Comp and Shriner's Hospital. Several of these hospitals have submitted letter (sic) attesting to the quality of care provided by RAI."

39. The applicant states that "Leeward will also be accredited by and adhere to the Standards of the American College of Radiology."

40. The Agency finds that the quality and licensure criteria have been met.

D. REGARDING THE COST AND FINANCIAL CRITERIA

41. The applicant states that the capital required for the project will be \$933,570 for construction costs, \$4,437,867 for fixed equipment and \$277,082 for movable equipment and that the project will be financed by Siemens Medical Financial Services and Siemens Medical Solution USA, Inc.

42. The applicant states that "The operating revenue for the first year of operation is projected at \$860,312 and operating expenses for the same period are projected at \$1,640,379, resulting in an operating loss of \$780,066 in Year One. By the third year of operation, operating revenue is expected to increase to

\$2,787,596, with total expenses projected at \$2,483,122, resulting in net income of \$304,474."

43. The applicant states that "With this scanner a patient may have a CT scan of the heart to detect calcium deposits in the coronary arteries (known as a 'calcium score') and thereby assess the risk of underlying atherosclerosis. Patients with an abnormal 'calcium score' may then have a CT coronary angiogram utilizing only an intravenous injection of contrast material into a peripheral vein. The need for diagnostic coronary arteriograms, requiring placement of needles in arteries and catheters directly into heart arteries will, decrease dramatically. SHPDA utilization data indicates that 7,838 cardiac catheterizations were done in 2003... it is estimated that 40% of these cardiac catheterizations - or 3135 procedures - will return negative results. Use of CTA can eliminate the need for these procedures, along with the associated risks to the patients and higher costs."

44. The Agency finds that the cost and financial criteria have been met.

E. REGARDING THE RELATIONSHIP OF THE PROPOSAL TO THE EXISTING HEALTH CARE SYSTEM OF THE AREA

45. The applicant states that "...there is a significant disparity between the need for and the availability of imaging service in West Oahu. The project will fill a gap in the health care system by permitting more West Oahu residents to access imaging procedures near their homes."

46. In written testimony dated February 15, 2006, Hawaii Pacific Health states that "Approval of this CON application and allowing providers to fragment care and pull profitable services out of the integrated acute care setting will have a severe negative impact on the viability of existing area hospitals... Further, approval will significantly compromise the hospitals' ability to provide the most critical service needs to our community... Sensitivity analysis based on KMCPM losing 75% of the applicants projected volumes suggest a further net revenue loss of \$2.93 million."

47. The said written testimony did not contain Hawaii Pacific Health's methodology for determining its projected loss of volume nor did it state over what period of time its projected net revenue loss would occur.

48. The applicant states that "Because the proposed imaging services are to be located in Pearl Ridge Shopping Center, there may initially be a slight decrease in the volume of procedures being performed at Pali Momi and St. Francis Hospital West. However, as these facilities' own utilization reports demonstrate, West Oahu's current need for CT and MRI services are not being

met currently, and a substantial number of West Oahu residents must travel to imaging centers located in downtown Honolulu in order to obtain needed health care. Thus, it is likely that many of the patients who seek out services at the proposed imaging facility will do so as an alternative to travel to Honolulu. Moreover, given the expected growth in utilization of CT and MRI as more procedures are approved for payment by third party insurers and technological advances lead to the development of even more applications for this equipment and the state-of-the-art features of the equipment that is to be used at the proposed imaging center, it is anticipated that much of the imaging done at the proposed imaging center will be of types that cannot be performed with the equipment now in use at other imaging centers on Oahu - including those at St. Francis West and Pali Momi. Accordingly, any reduction in volume at either hospital will be minor and of short duration, inasmuch as utilization at both facilities are well in excess of the minimum threshold for initiation of new services that is set out in the H2P2."

49. The Island of Oahu has two existing outpatient MRI facilities: Yeoh and Muranaka's open MRI services at 1481 King Street (established November 2002) and Straub Clinic & Hospital's (formerly Honolulu Open Medical Imaging) open MRI services at 1010 South King Street (established August 2003), both in Honolulu.

50. The SHPDA utilization reports show the following MRI utilization for the hospitals neighboring the two existing outpatient MRI facilities from 2002-2004, inclusive:

2002 - (Queen's 11,063 procedures for 3 scanners) (Straub 5,238 procedures) Kapiolani (1,953 procedures).

2003 - (Queen's 13,492 procedures for 3 scanners) (Straub 4,754 procedures) Kapiolani (1,686 procedures)

2004 - (Queen's 14,453 procedures for 3 scanners) (Straub 5,511 procedures) Kapiolani (2,009 procedures).

51. Based upon the SHPDA utilization data, the Agency finds that, with *two* new outpatient MRI services operating in 2003, the existing neighboring hospitals either continued to show an increase in MRI utilization from the previous year (Queen's +21.9%) or a modest decrease in utilization from the previous year. (Straub -9.2%) Kapiolani (-13.7%)

52. The Agency further finds that, in 2004 (the first full calendar year of operation for the Straub Clinic & Hospital outpatient MRI facility), the neighboring

hospitals all showed an increase in the number of MRI procedures from the previous year: (Queen's +7.1%) (Straub +15.9%) Kapiolani (+19.2%)

53. A similar analysis of CT scanning is not available as the existing outpatient CT providers on Oahu were established prior to CT utilization data being collected by SHPDA, however, there is no evidence to suggest that, on Oahu, the impact on neighboring hospitals' CT utilizations by a new outpatient CT provider, would not be similar to that of a new outpatient MRI provider.

54. The Agency finds that the historical SHPDA utilization data does not show that, on Oahu, the establishment of an outpatient imaging facility will have a severe negative impact on the viability of the neighboring hospitals.

55. The Agency finds that Hawaii Pacific Health has not established that the proposal will have a severe negative impact on the existing healthcare system of the area.

56. In written testimonies dated February 13, 2006, St. Francis Medical Center-West states "MRI (and CT) Technologists are in short supply throughout the State of Hawaii. There are no advanced MRI (or CT) technology schools in Hawaii to support existing MRI (and CT) staffing needs, let alone the development of new MRI (and CT) sites that will dilute MRI (and CT) service and further exaggerate MRI (and CT) staff shortages. Reduced available MRI (and CT) Technologists along with diluting procedure volumes due to approving this CON will have a huge negative impact on existing MRI (and CT) service providers located here in the Leeward, Central and West Oahu area."

57. The applicant states that "RAI now employs one CT technologist, who will be assigned to the proposed imaging center. Accordingly, only one other technologist position remains to be filled. The Radiology Technology program at Kapiolani Community College ('KCC') on Oahu graduates 20 new technologists each year. Additionally, KCC's new Radiology Technology program at the Hilo Campus graduated its first class of 13 students this year and will continue to add a similar number of newly trained professionals to Hawaii's pool of Radiology Technologists each year. Leeward is confident that it will be able to fill its remaining technologist position from this pool of qualified individuals. RAI has also contacted a mainland recruiting firm that is prepared to place both permanent and traveling Radiology Technologists at the new imaging center if local recruiting efforts are not successful."

58. The Agency finds that the staffing for the technologists positions are available for this proposal with the exception of one position for which the applicant proposes to recruit.

59. The Agency finds that the the applicant's proposed recruitment of one technologist position (MRI or CT technologist) will not have a significant negative impact on the existing MRI and CT providers in the area.

60. The Agency finds that that the applicant has met these criteria.

F. REGARDING THE AVAILABILTY OF RESOURCES

61. The applicant states that the capital required for the project will be \$933,570 for construction costs, \$4,437,867 for fixed equipment and \$277,082 for movable equipment and that the project will be financed by Siemens Medical Financial Services and Siemens Medical Solution USA, Inc.

62. The applicant states that "RAI now employs one CT technologist, who will be assigned to the proposed imaging center. Accordingly, only one other technologist position remains to be filled. The Radiology Technology program at Kapiolani Community College ('KCC') on Oahu graduates 20 new technologists each year. Additionally, KCC's new Radiology Technology program at the Hilo Campus graduated its first class of 13 students this year and will continue to add a similar number of newly trained professionals to Hawaii's pool of Radiology Technologists each year. Leeward is confident that it will be able to fill its remaining technologist position from this pool of qualified individuals. RAI has also contacted a mainland recruiting firm that is prepared to place both permanent and traveling Radiology Technologists at the new imaging center if local recruiting efforts are not successful."

63. The Agency finds that the applicant has met this criterion.

III

CONCLUSIONS OF LAW

Having taken into consideration all of the records pertaining to Certificate of Need Application No. 06-01 on file with the Agency, including the written and oral testimony and exhibits submitted by the applicant and other affected persons, the recommendations of the Oahuwide Certificate of Need Review Committee, the Certificate of Need Review Panel and the Statewide Health Coordinating Council and based upon the findings of fact contained herein, the Agency concludes as follows:

1. The applicant has failed to show by a preponderance of the evidence that its proposal, as it is currently written, meets the certificate of need criterion in Section 11-186-15(a) (1) HAR.
2. The applicant's proposal, if it were modified as specified in the Order below, would meet the criterion.

Conditional Certification

ORDER

Pursuant to the findings of fact and conclusions of law contained herein, IT IS HEREBY DECIDED AND ORDERED THAT:

The State Health Planning and Development Agency hereby APPROVES and ISSUES a CONDITIONAL certificate of need to Leeward Advanced Medical Imaging, LLC for the proposal described in Certificate Application No. 06-01. The condition is that the applicant shall:

- Document and provide assurances of implementation of policies to provide access to individuals unable to pay consistent with charity care levels provided by neighboring hospitals commencing in Year 3 of its Proposal and continuing yearly thereafter. The amount of the applicant's annual revenue utilized to finance charity care shall be at least equal to or greater than the average percentage of total patient revenue, other than Medicare and Medicaid, that the neighboring hospitals utilized to provide charity care in the last available reporting year. For the purpose of this paragraph, the neighboring hospitals are Pali Momi Medical Center and St. Francis Medical Center-West.

This modification is required for the application to successfully meet the criteria in Section 11-186-15 HAR.

As provided under Section 323D-46, HRS and Section 11-186-77 HAR, the Agency establishes Noon, April 28, 2006 as the date by which the applicant must certify, in writing, that it accepts this condition and that its application is thereby modified accordingly, otherwise this application shall be deemed to be DENIED as provided under Section 11-186-77 HAR.

The maximum capital expenditure allowed under this conditional approval is \$7,060,069.

WRITTEN NOTICE

Please read carefully the written notice below. It contains material that may affect the Decision on the Merits. The written notice is required by Section 11-186-70 of the Agency's Certificate of Need Program rules.

The decision on the merits is not a final decision of the Agency when it is filed. Any person may request a public hearing for reconsideration of the decision pursuant to Section 11-186-82 HAR. The decision shall become final if no person makes a timely request for a public hearing for reconsideration of the decision. If there is a timely request for a public hearing for reconsideration of the decision and after the Agency's final action on the reconsideration, the decision shall become final.

(Note, pursuant to Chapter 323D-47, Hawaii Revised Statutes, a request for reconsideration shall be received by the Agency within ten working days of the state agency decision.)

DATED: March 30, 2006
Honolulu, Hawaii

HAWAII STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

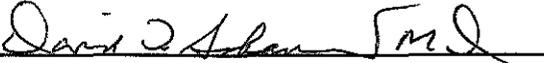

David T. Sakamoto, M.D.
Administrator

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the attached Decision on the Merits, including findings of fact, conclusions of law, order, and written notice, 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 March 30, 2006.

Jeffrey Yu, M.D.
Manager
Leeward Advanced Medical Imaging, LLC
500 Ala Moana Boulevard, Tower 4, Suite 510
Honolulu, HI 96813

HAWAII STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY



David T. Sakamoto, M.D.
Administrator