

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

APPROVED BY THE REGENTS OF
JUN 17 2004

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
East Ann Arbor Computed Tomography and Magnetic Resonance Imaging Expansion Project

Action

Requested: Approval of Project and Authorization to Appoint an Architect

Background:

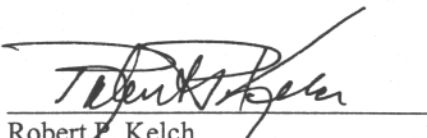
Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) studies have grown significantly over the past five years, as they have increasingly become routine diagnostic services in support of patient care. In response to the demand, University of Michigan Hospitals and Health Centers (UMHHC) provide these services continuously throughout the day; however, patients continue to experience long wait times. In order to meet the ongoing demand for CT and MRI services, UMHHC proposes to construct and install an additional CT scanner and an additional MRI scanner at the East Ann Arbor properties.

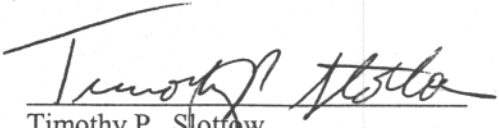
A 6,700 gross square foot addition will be constructed on the north side of the existing MRI facility to create two exam rooms, an image reading room, and related support space. The facility will have one floor with rooftop screening for mechanical equipment. The need for an estimated 40 additional parking spaces will be accommodated by expanding on-site surface parking planned for the East Ann Arbor properties. Certificates of Need are required for this project.

The estimated cost of the project is \$7,200,000, including \$3,500,000 for equipment. Funding will be provided from Hospitals and Health Centers' resources. Initially, the project may be financed by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The architectural firm of Albert Kahn Associates will design the project. Construction is scheduled to be completed in Fall 2006.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers East Ann Arbor CT/MRI Expansion project as described and commissioning Albert Kahn Associates for its design.

Respectfully submitted,


Robert P. Kelch
Executive Vice President for
Medical Affairs


Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

June 2004