

HB

291

HOUSE BILL 291

"An Act providing for the issuance of general obligation bonds in the amount of \$6,500,000 for the purpose of paying the cost of constructing and equipping hospitals and health and family care centers; and providing for an effective date."

The Department of Health and Social Services has analyzed the projects enumerated in House Bill 291 individually, as set forth below. Although the Department recommends deleting entirely some of the projects proposed, it also recommends increasing other appropriations to provide adequate funds for constructing and equipping the facilities deemed necessary. The amended total, as proposed by the Department, would be \$7,670,000.

In addition, the Department recommends deleting the reference to the "Department of Public Works" in line 24, page 1. The justification for this recommendation may be found in the Department's position paper on House Bill 290.

1. Fairbanks Health and Family Service Center (\$300,000):

This project should be deleted as a discussion with the Fairbanks City Manager indicates that the City funded and has completed the needed addition to the health center.

2. Cordova Health and Family Service Center (\$300,000):

This project should be deleted as the City of Cordova has recently modernized its hospital and included space for a health and family service center within the facility.

3. Sitka Community Hospital (\$3,000,000):

The original estimate for this project was \$8,000,000. Funding to be as follows:

Federal Funds	\$	700,000
State Bond Funds		4,970,000
Local Funds		<u>2,330,000</u>
Total	\$	8,000,000

The Department does not have federal funds available for this project. Although Congress did appropriate some construction funds for the 1977 fiscal year, the funds are being held by the Department of Health, Education and Welfare and their release appears doubtful. Should the funds be released, the amount the State would receive is also unknown, but indications are that Alaska would not receive its total \$1,000,000 entitlement. If the federal funds are not allocated to the States, the total funds needed for the Sitka project would be \$5,670,000. It is recommended there should be further

communications with representatives of the community regarding this project. It has been reported to the Department that the community is not interested in replacement of the hospital at this time.

4. Nenana Health and Family Service Center (\$200,000):

As the City of Nenana is located on a main highway and the distance to the nearest medical facility is approximately 60 miles, the Department strongly supports the construction of this facility. In view of its location on the highway and the emergencies that will be encountered, the Department recommends that the estimated construction cost be increased to \$300,000 to provide the needed facility plus equipment.

5. Tok Health and Family Service Center (\$200,000):

This is a community owned facility staffed by the Tanana Valley Physicians Clinic in Fairbanks. Utilization of the clinic is steadily increasing due to Alcan highway traffic and increased utilization by patients from surrounding villages. The U.S. Coast Guard has moved twenty-five personnel and families to Tok who will depend on the clinic for medical care. The existing clinic building is inadequate for the volume of medical care being handled and adequate space is not available for emergencies and treatment of serious multiple injuries. The Department recognizes the importance of medical care being readily available to the residents of the Tok area, but is concerned about establishing a precedence by the State providing facilities for private profit-making organizations.

6. Bethel Health and Social Services Facility (\$1,000,000):

This project should be deleted as a new public health center has recently been completed and a prematernal home now under construction is nearing completion.

7. Ketchikan General Hospital and Island View Manor Nursing Home Wing (\$1,500,000):

The Department is currently working with the City of Ketchikan Hospital personnel and the project architect in developing plans for the modernization of this facility. Funds amounting to \$1,000,000 were appropriated by Chapter 132 SLA 1974 for modernization of the nursing home wing. No funds were appropriated for modernization of the hospital although modernization would increase efficiency and improve patient care. The Department strongly supports the increase in funds for this project.

Subject to the above changes, the Department supports House Bill 291.

Recommended by: Franklin Swartz
Coordinator, Office of Planning
and Research

3/16/77
Date

Approved by: Lis M. Jund
Commissioner, Department of Health
and Social Services

3/16/1977
Date