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COMMITTEE REPORT
SENATE

4/20/82

FURTHER: Finance

Date: 4-26-82

Mr. President: HEALTH, EDUCATION &
SOCIAL SERVICES
The Committee on _____ has had SB 891

issuance of g.o. bonds in the amount of \$38,000,000 for cost of construction & improvements to hospital facilities

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS.

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Tom Kelly - No Rec

[Signature]

CHAIRMAN

3.0 SUMMARY OF CORDOVA FACILITY

Cordova Community Hospital is a combined acute care and long-term care facility with 22 beds. It was constructed in 1956 and has served the community for 25 years. The facility is housed in a non-fire rated wood frame structure which is substandard.

Because Cordova is not conveniently close to any of Alaska's major health care facilities, its hospital must provide medical services which are complete enough to meet the needs of Cordova area residents and those of the summertime influx of fishermen and tourists. A long-range plan for the facility through the year 1995 is now being prepared by Edward Freedman Associates, Inc. A planned replacement facility is being programmed and designed by the architectural firm of Skidmore Owings and Merrill.

3.1 Recommendations

A. Immediate Corrections/Recommendations

1. Make immediate non-code related corrections to the 10 kw and 100 kw engine generators, and cap the fuel piping in the existing building. (See Section 12.1 for detailed description).
2. Construct a replacement hospital and long-term care facility on a new site to be selected.

B. Long-Range Recommendations

1. Periodically update the long-range health facilities master plan for Cordova.

3.2 Cost

A. Immediate Corrections (Non-Code)	\$ 4,000
B. Construct replacement facility	\$ <u>12,600,000</u>
TOTAL	\$ 12,604,000

3.0 SUMMARY OF SOUTH PENINSULA FACILITY

South Peninsula General Hospital is a facility in need of additional space. It also has certain general, mechanical and electrical deficiencies which should be corrected to improve its compliance with the provisions of governing codes and standards. A Certificate of Need application was filed by the hospital with the State of Alaska's Office of State Health Planning and Development, Department of Health and Social Services. This application was approved on October 29, 1980. In light of this approval, our recommendations are as follows:

3.1 Recommendations

- A. Make needed corrections to general, mechanical and electrical systems to address code, operational, and energy deficiencies. (Specific corrections are enumerated in Section 12 of this report).
- B. In accordance with the approved Certificate of Need application, proceed with the planned hospital expansion. Conduct a life-cycle analysis of planned unfinished shell space, and of available building alternatives, as the cost of electrical power has risen sharply, adversely affecting building operation costs.

3.2 Costs

A. Immediate Corrections - Code-Related Items

General	\$	39,500
Mechanical		85,700
Electrical		28,000
Sub-total	\$	153,200
Design Contingency		15,300
Contingency		7,700
TOTAL		176,200

B. Other Immediate Recommendations - Non-Code Items

Sub-total	\$	25,000
Design Contingency		2,500
Contingency		1,300
TOTAL	\$	28,800

C. Energy Efficiency Recommendations

Sub-total	\$	24,000
Design Contingency		2,400
Contingency		1,200
TOTAL	\$	<u>27,600</u>

D. Long-Range Recommendations

Addition to existing facility:

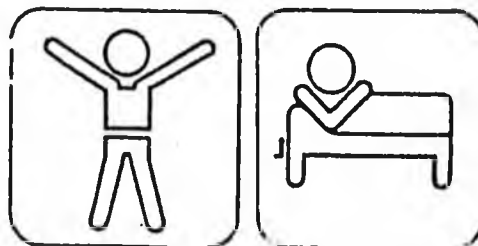
General	\$	2,416,000
Mechanical		1,646,800
Electrical		680,050
Sub-total	\$	<u>4,742,850</u>
Contingency		237,143
TOTAL	\$	<u>4,979,993</u>

The approved Certificate of Need also includes a new addition to the medical office building:

General	\$	1,012,500
Mechanical		684,000
Electrical		423,938
Sub-total	\$	<u>2,120,438</u>
Contingency		106,022
TOTAL	\$	<u>2,226,460</u>

TOTAL IMMEDIATE \$ 232,600

TOTAL LONG-RANGE \$ 7,206,453



3.0 SUMMARY OF PETERSBURG FACILITY

Petersburg General Hospital is a 13-bed acute care center which was constructed in 1953. A 12-bed long-term care wing was subsequently added to it in 1967.

The original building is a one-story wood frame structure that can no longer function cost-effectively as an acute care facility because of its serious code deficiencies and outmoded design. This report recommends that the original building be replaced with a new, larger facility.

The long-term wing is a concrete and steel building. While it will require some remodeling to be brought up to code compliance, it can then continue to function as a long-term health care facility.

A Certificate of Need application filed in January, 1981 was approved by the State's Department of Health and Social Services to remodel the 7850 S.F. long-term facility, and to provide a 17,000 S.F. addition to it for a new acute care center. Since the time when this approval was granted, additional detailed planning has been done by the John Graham Co. of Seattle. This firm is recommending that the hospital addition be approximately 23,700 S.F., and that the facility's beds be increased to a total of 28 (16 long-term, 12 acute). This report and the cost estimates attached to it use 27,150 S.F. as the recommended quantity of space to be built in the new addition.

3.1 Recommendations

- A. Construct a larger replacement facility (27,150 S.F.) to house the hospital's acute care functions.
- B. Remodel/renovate the existing long-term care facilities to bring them up to code requirements, basically maintaining their present long-term-care function.
- C. Minimally remodel the existing acute care hospital building to fit it for use by health-related agencies.

3.2 Summary of Costs

A.	Construct a new 27,150 square foot acute care facility.	\$ 8,552,250
B.	Remodel long-term care wing for continued long-term care use.	675,460
C.	Minimally remodel portion of present acute care space for use by health-related agencies.	<u>57,500</u>
	TOTAL	\$ 9,285,210



3.0 SUMMARY OF WRANGELL FACILITY

Wrangell General Hospital and Long-Term Care Facility is the only health care facility on Wrangell Island. The closest alternative facilities to those in Wrangell are 40 miles away. Wrangell General faces space shortages in most of its treatment, staff and ancillary areas. Its existing building has some building and life safety code violations, many of which are occasioned simply because space is short and storage areas are inadequate. The existing building also has certain mechanical and electrical conditions which violate pertinent codes, and which should be corrected as part of the hospital's planned expansion/remodel, or separately if plans for the expansion/remodel are delayed for any significant period.

3.1 Recommendations

A. Immediate Recommendations

1. Prepare a detailed long-range master plan of health facilities needs in Wrangell.
2. Construct a new addition to house the hospital's acute care functions. (17,500 S.F.)
3. Remodel the existing acute care facility for use as an outpatient facility, and for health-related program offices, and support space for both acute and long-term care buildings. Correct deficiencies noted in Sections 11.1-11.5.
4. Do limited remodeling of the present long-term care wing, correcting code-related and other deficiencies to make it function well with the new addition.
5. If plans for the remodel/addition are delayed for any significant period, make code-related and other general, mechanical, and electrical corrections to the existing facility. (These items are enumerated in Section 12.1.)

B. Long-Range Recommendations

1. Periodically update the long-range master plan for health care facilities in Wrangell as needed to remain abreast of significant changes affecting the validity of such a plan.

3.2 Costs

A. Immediate Recommendations

1. Long-range master plan \$ 70,000

2. Construct 17,500 S.F.
addition for acute care
use.

General	\$ 2,625,000
Mechanical	1,837,500
Electrical	<u>787,500</u>

Sub-total	\$5,250,000
Contingency	<u>262,500</u>

TOTAL \$5,512,500

3. Remodel existing
hospital for out-
patient area, health
related agencies
and support space.
(9,400 S.F.)

General	\$ 752,000
Mechanical	582,800
Electrical	<u>291,400</u>

Sub-total	1,626,200
Contingency	<u>81,310</u>

TOTAL \$1,707,510

4. Limited remodel of
existing long-term
care facility:

General	\$315,900
Mechanical	251,100
Electrical	<u>129,600</u>

Subtotal	696,600
Contingency	<u>34,830</u>

TOTAL \$731,430

5. Correct code and other deficiencies in existing long-term care building if remodel/addition plan delayed significantly.

General	\$ -0-
Mechanical	28,000
Electrical	<u>6,300</u>

Sub-total	\$34,300
Contingency	1,715
Design Contingency	<u>3,430</u>
TOTAL	

\$ 39,445

TOTAL, ITEMS 1,2,3,4

\$8,021,440

TOTAL, ITEMS 1,2,3,5

\$7,329,455

B. Long-Range Recommendations

1. Update long-range master plan periodically

Not costed



3.0 SUMMARY OF KODIAK ISLAND FACILITY

Kodiak Island Borough Hospital is a relatively new facility which unfortunately is already too small and which needs major remodeling in all areas -- architectural, mechanical and electrical, in order to function efficiently. Nearly every space in the facility needs to be reworked and rearranged. Its slab-on-grade construction will make the necessary plumbing and mechanical alterations expensive, and interior layout must be reconfigured at substantial expense. The facility has a number of code deficiencies and unacceptable operational conditions which should be rectified immediately.

3.1 Recommendations

Make immediate code deficiency corrections to the building. (The corrective actions to be taken immediately are enumerated in Section 12.1 of this report.)

Two viable alternatives will overcome the serious problems in this facility:

1. Develop a complete replacement facility, using the existing building for other purposes; or
2. Remodel the existing facility and build an addition.

These two alternatives appear to be very close in benefits and costs. We recommend detailed master planning to assure that the direction elected will provide for proper results. In summary, these two options are as follows:

1. Construct a replacement facility for the hospital portion of Kodiak Island Borough Hospital. According to our estimates, such a new facility would occupy 36,624 square feet of space. This figure was arrived at as described in Section 12.2 of this report, and is a combination of the existing hospital space plus needs as enumerated in the hospital's long-range plan.
2. Remodel the existing facility and construct an 8,464 square foot addition. This figure is based on needs articulated by the hospital's Long-range Planning Committee, and includes space for circulation and services.

3.2 Costs

A. Corrections - Code Related

General	\$	32,000	
Mechanical		184,300	
Electrical		<u>95,700</u>	
Sub-total			\$ 312,000
Design Contingency			31,200
Contingency			<u>15,600</u>
TOTAL			\$ 358,800

B. Corrections - Non-Code

General	\$	<u>17,000</u>	
Sub-total			\$ 17,000
Design Contingency			1,700
Contingency			<u>850</u>
TOTAL			\$ 19,550

C. Energy Efficiency Recommendations

General & Mechanical	\$	<u>5,500</u>	
Sub-total			\$ 5,500
Contingency			<u>550</u>
TOTAL			\$ <u>6,050</u>
TOTAL OF CORRECTIONS			\$ <u><u>384,400</u></u>

D. Recommendation Costs

Option 1. Replacement Hospital Construction
(36,624 square feet)

General	\$ 5,328,900	
Mechanical	3,845,700	
Electrical	<u>1,648,100</u>	
Sub-total		\$10,822,700
Congingency		<u>541,200</u>
TOTAL FOR REPLACEMENT HOSPITAL		\$11,363,900

Remodel of Existing Facility
For Other Use.

General	\$ 2,133,000	
Mechanical	1,706,400	
Electrical	<u>900,600</u>	
Sub-total		\$ 4,740,000
Contingency		<u>237,000</u>
TOTAL TO REMODEL EXISTING FACILITY		\$ 4,977,000
TOTAL, OPTION I		<u>\$16,340,900</u>

Option 2. Remodel Existing Facility as
Hospital (31,600 square feet).

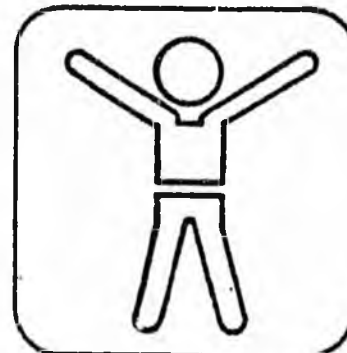
General	\$ 3,384,360	
Mechanical	3,586,600	
Electrical	<u>1,914,960</u>	
Sub-total		\$ 8,885,920
Contingency		<u>444,300</u>
TOTAL FOR REMODEL		\$ 9,330,220

Construct Addition to Existing
(13,924 square feet).

General	\$ 2,127,300	
Mechanical	1,535,300	
Electrical	<u>658,000</u>	
Sub-total		\$ 4,320,600
Contingency		<u>216,000</u>
TOTAL FOR ADDITION		\$ 4,536,600

TOTAL, OPTION 2 \$14,245,700*

*Phasing costs not included above will have to be added to Option 2, (but not Option 1). Such costs will make these options very comparable in price. The above also includes costs for corrections which are necessary to keep the existing building in use.



WRANGELL GENERAL HOSPITAL
and
LONG TERM CARE FACILITY
P.O. Box 80
Wrangell, Alaska 99929

Wrangell General Hospital and Long Term Care Facility's short and long range plans to provide the health care needs of our community have sited the need for the following:

Remodeling parts of 1975 Long Term Care Facility to meet unmet needs for storage, activities, dining, and update physical therapy department.

Remodeling and/or replacement of 1967 Hospital building to correct present structural problems of ventilation, plumbing, insulation, electrical "nurse call system", sanitation, heating system, and address energy conservation and cost containment principles. Enlarge, in order to provide space for items needed to comply with Life Safety Codes, proper storage of all equipment and supplies, install new time and cost saving equipment provide area for Public Health, Alcohol, Mental Health and Hearing Clinics, which also are in need of updated, enlarged clinic area. Incorporate birthing room concept, and addition of Ultra Sound service.

Request a State Grant for 7-10 million to fund this project. Planning money to be advanced by 1982 with construction to take place in 1983.

VISITING MASONS WELCOME

*JUSTICE
F. A. P. HILL
5/21/81*

STATE OF ALASKA

PUBLIC NOTICE

The State Health Planning and Development Agency, Department of Health and Social Services, has received and analyzed an application from Wrangell General Hospital for a Certificate of Need to renovate and expand. In determining its findings and recommendation for approval of the application, the State Health Planning and Development Agency gave serious consideration to the findings and recommendations submitted by Southeast Alaska Health Systems Agency.

After review of all findings and recommendations of the State Health Planning and Development Agency, the findings and recommendations submitted by Southeast Alaska Health Systems Agency, the record of any public meeting held and consideration of federal laws and regulations and the current state health plan, the application submitted is hereby approved and the Certificate of Need granted as follows:

In accordance with the provisions of AS 18.07.031—18.07.111, and 7 AAC 07.010—030, it has been determined that Wrangell General Hospital has met the applicable criteria and findings set forth in sections 123.409 and 123.410 of 42 CFR to the satisfaction of Southeast Alaska Health Systems Agency and the State Health Planning and Development Agency.

A Certificate of Need for the renovation and expansion of the hospital is hereby granted. The maximum capital expenditure for the renovation and expansion which is approved under this Certificate of Need is \$6,870,000.

Published August 11, 1981

AO-06-NP-011

AID

WRANGELL GENERAL HOSPITAL

and

LONG TERM CARE FACILITY

P.O. Box 80

Wrangell, Alaska 99929

January 3, 1981

*This
Letter sent to All
Parties we hope to obtain
help from.*

Dear

I wish, at this time, to advise you regarding some of the long range plans and goals set by the Board for Wrangell General Hospital and Long Term Care Facility, and ask for your comments and letter of support, if possible, to attach to the "Certificate of Need" we are preparing.

Ackley, Jensen Architects, Inc. in Juneau have been hired to do the preliminary work of conceptual design options, the construction costs and the relative operation and maintenance cost of each and assist in the preparation of a "Certificate of Need" for remodeling and/or expanding the facility.

Following are the areas under consideration and those noting the need of upgrading:

Items written up in the Department of Health and Social Services survey for Certification and Licensure as being in non compliance:

- Laundry too small and does not have correct area for dirty and clean linen
- Operating room floor conductivity testing not working
- No shower provisions for outpatient surgery patients
- Ventilation system does not provide 90% efficiency filter system for critical care areas (O.R., O.B., Nursery)
- Electrical bed in C.C.U. is not type which is safe for electrically susceptible patients.
- Dishwasher leaks and does not maintain proper water temperatures
- Need for office area and added freezer in dietary department
- No proper dressing rooms, showers, for nurses and doctors opening directly into surgery
- Inadequate storage all areas.

Items noted in State Architects Survey done November, 1980, all of above items plus:

- Improper storage X-ray film files (in waiting room)
- Lack of space for medical records and security measures
- Inadequate employee parking
- No area for maintenance and repairs of equipment
- No garage for Van used to transport patients and supplies
- Lack of space for meetings, inservice training and office space
- No standby water supply and present city water is not filtered, causing problems with machinery due to "muskeg" content

Noted in State Energy Audit done:

- Replacement of light fixtures with lower energy users
- Improper insulation
- Old poor operating furnaces and boiler, that do not have any energy saving devices

- Need to have other types of fuel possibilities investigated, i.e. (electricity, wood, sawdust, etc)

Increased work area and equipment needs for Laboratory noted by Pathologist Consultant: i.e.

- Addition of Coagulation Timer (Fibrometer), Clinical incubator, Photometer, Chloride meter, Channel analyzer, Coulter Counter-S, and CO₂ Incubator, plus additional refrigeration space.

Radiologist Consultant noted need of ultrasound machine and area to install it and area for viewing X-ray film and dictation equipment.

American Sterilizer Company inspection noted need for improved ventilation in Central Supply room and proper venting of Ethelene Oxide Sterilization equipment to outside of building

State Fire Marshall noted poor storage of oxygen supplies, combustible items and inadequate storage in all areas.

Areas noted by the Hospital staff to help working conditions and improve level of care to the patients:

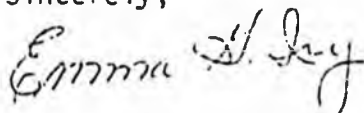
- Increase dining room area
- New nurse call system - updated and add to Physical Therapy, X-ray department and other areas not connected. (Hospital portion of call system is 12 years old obsolete and new parts can not be obtained)
- Upgrade C.C.U. - add telemetry "holder monitor"
- Up-date O.B. suite by removing one wall and locating special equipment behind folding doors so birthing concept can be utilized as much as possible
- Add small room for use as barber/beauty shop
- Add treatment room for care of patients; i.e. dressing, special treatments, burn care, etc. to relieve congestion of E.R. and better sanitation methods
- Enlarge day room and add folding doors to provide area for Activities, Recreation and Crafts. Larger room needed as 90% of Long Term Care residents are in wheel chairs and all meals are eaten in present room
- Add 4 new private rooms and make other rooms private that are now used as semi-private. No change in bed capacity but would improve utilization of 9 acute care beds by solving patient mix problem
- Enlarge employee locker area
- Enlarge office space and obtain needed equipment, i.e. Microfiche reader printer, copy machine, computer module to tie into present city owned computer, etc

Investigate possible Health Center Concept with addition of office space for other health related organizations in town - Clinic space, soundproof hearing testing module, etc. Hospice services for terminal cases. Space for accomodation of mental patients on temporary basis.

Funding for the project we hope to obtain through legislation from the State.

Please let me hear from you by the 15th of January, in the enclosed stamped self addressed envelope.

Sincerely,



Emma G. Ivy, R.N.
Administrator
EGI/bk - encl

PETERSBURG GENERAL HOSPITAL

- NEED:
- Certificate of Need granted August of 1981
 - building is 25 years old
 - has been cited repeatedly by State Licensure Section for physical plant violations which can only be corrected by total reconstruction
 - has maintained Licensure only through Federal Emergency Access Hospital Provisions.

Petersburg is a very small jurisdiction. The hospital serves this population as well as a large area outside the municipal boundaries. The need is documented however, the tax base of Petersburg is not sufficient to support the capital expenditure to replace this facility.

Along with Cordova and Wrangell, Petersburg is a highest priority need for replacement and assistance.



Alaska State Legislature

House of Representatives

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

April 22, 1982

Senator Charlie Parr
Pouch V
Juneau, Alaska 99801

Dear Charlie:

This is a request that SB 891 be amended to include:

1. An \$8 million appropriation for replacement of Petersburg Hospital and Long Term Care Facility and
2. A \$9 million appropriation to Wrangell General Hospital for design and construction.

Both of these facilities have received Certificates of Need from the Department of Health and Social Services and rank in the top priorities as determined in a recent Department survey.

Further, they are in small communities and are not able to otherwise finance these critical capital needs. Petersburg has been informed that it could lose its Medicare and Medicaid certification if licensure standards are not soon met.

Sincerely,

Ernie

Rep. E.J. "Ernie" Haugen

EJH/pg

cc: Senator Eliason

Alaska State Legislature

SENATOR
DON GILMAN

Juneau Ph.
(907) 465-4934



HOME ADDRESS
P.O. BOX 630
KENAI, ALASKA 99611
(907) 283-4182

DURING SESSION
POUCH V
JUNEAU, ALASKA 99811

State Senate

April 22, 1982

MEMORANDUM

To: Senator Charlie Parr
From: Senator Don Gilman
Subject: SB 891 (Hospital Bond Bill)

I am requesting the inclusion of the addition to South Peninsula Hospital in Homer. This project will require \$8 million. It will provide the following improvements:

1. Increase acute care bed capacity from 13 to 23 beds;
2. Add 11 long-term care beds to existing four-bed unit;
3. Expand laboratory and medical office space.

As you are aware, certificate of need approval for this project was received in 1981. The design has been completed and the funds would provide for immediate construction.

to their more severe physical and functional deficiencies ranking of all surveyed facilities based upon relative to correct noted deficiencies, the Department assembled the report. This committee consisted of one member of:

- The Alaska Medical Facility Authority;
- The Alaska State Hospital Association
- Southeast Alaska Health Systems Agency, Inc;
- South Central Health Planning and Development, Inc.;
- The Medical Care Advisory Committee, and
- The Statewide Health Coordinating Council.

FROM: REPORT ON RURAL ALASKA
HOSPITALS & NURSING HOMES
INVENTORY AND EVALUATION
SURVEY

BY

DIVISION OF STATE
HEALTH PLANNING AND
DEVELOPMENT.

MARCH 8, 1982

The ranking provided by this committee was based only upon the relative severity of all physical and functional deficiencies found at each facility and did not consider other factors such as facility utilization or population trends: The committee ranking was as follows:

- 1.) Cordova Community Hospital and Long-Term Care Facility
- 2.) Petersburg General Hospital and Long-Term Care Facility
- 3.) Seward General Hospital
- 4.) Kodiak Island Hospital and Long-Term Care Facility
- 6.) Wesleyan Nursing Home
- 7.) Wrangell General Hospital
- 8.) South Peninsula General Hospital and Long-Term Care Facility
- 9.) Ketchikan General Hospital and Island View Manor
- 10.) Central Peninsula General Hospital
- 11.) Bartlett Memorial Hospital
- 12.) Valdez Community Hospital

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF STATE HEALTH PLANNING & DEVELOPMENT
HEALTH FACILITIES CERTIFICATION AND LICENSING

April 30, 1982

SB 891
JAY S. HAMMOND, GOVERNOR

338 Denali St, 222 MacKay Bldg
Anchorage, Alaska 99501

PHONE: (907) 272-0566

Craig S. Slater, Administrator
Petersburg General Hospital
P.O. Box 589
Petersburg, Alaska 99833

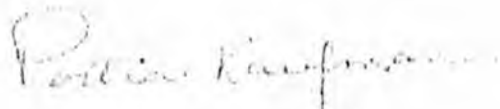
Dear Mr. Slater:

Enclosed are the findings from the Health Standards & Quality monitoring survey of March 25 and 26, 1982. Please respond in the usual manner with your plans for corrective action and dates for completion. Subsequently, mail the report with your signature to this office by May 10, 1982. Thank you for your cooperation.

Am very concerned that your hospital has not received the expected funding from the Legislature. If this does not come through in the last days of the Legislative session, we will need to notify Health Standards & Quality, Health and Human Services. I'm very concerned for the future of the hospital.

I trust you will take appropriate action to encourage support for the project which will retain health care hospital services within the community.

Sincerely,



Portia Kaufmann, Chief
Health Facilities Licensing &
Certification

Enclosures

SENATOR
DON GILMAN

Juneau Ph.
(907) 465-4934

Alaska State Legislature



State Senate

HOME ADDRESS
P.O. BOX 630
KENAI, ALASKA 99611
(907) 283-4182

DURING SESSION
POUCH V
JUNEAU, ALASKA 99811

April 22, 1982

MEMORANDUM

To: Senator Charlie Parr
From: *Don* Senator Don Gilman
Subject: SB 891 (Hospital Bond Bill)

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Official Business

Alaska State Legislature

House of Representatives

Pouch V
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April 22, 1982

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1. An \$8 million appropriation for replacement of Petersburg Hospital and Long Term Care Facility and
2. A \$9 million appropriation to Wrangell General Hospital for design and construction.

Both of these facilities have received Certificates of Need from the Department of Health and Social Services and rank in the top priorities as determined in a recent Department survey.

Further, they are in small communities and are not able to otherwise finance these critical capital needs. Petersburg has been informed that it could lose its Medicare and Medicaid certification if licensure standards are not soon met.

Sincerely,

A handwritten signature in cursive script that reads "Ernie".

Rep. E.J. "Ernie" Haugen

EJH/pg

cc: Senator Eliason

Position Paper

Senate Bill 891

"An Act providing for the issuance of general obligation bonds in the amount of \$38,000,000 for the purpose of paying the cost of construction of and improvements to hospital facilities; and providing for an effective date."

Senate Bill 891 authorizes through the sale of general obligation bonds a "1982 Hospital Facilities Fund" to pay the cost of construction of and improvements to hospital facilities. This bill proposes that the Department of Community and Regional Affairs make a total of \$38 million dollars available to two facilities as follows:

\$20 million to Fairbanks Memorial Hospital

\$18 million for construction of a hospital facility in Kotzebue

The Department has supported some level of state assistance to nonprofit, nonfederal health care facilities, particularly rural facilities in communities which may not have the economic base to support needed upgrading or replacement. Senate Bill 891 poses several serious problems for the Department, as follows:

- 1) Fairbanks Memorial Hospital has submitted a certificate of need application to the Department proposing the construction of a five floor addition to the hospital.

The Senate Budget request identifies \$16.5 million to be available to Fairbanks Hospital. It would therefore appear that Senate Bill 891 is duplicative of funding for this request.

It is the Department's position that some level of support may be appropriate to Fairbanks Memorial Hospital.

- 2) Kotzebue is served by a 31-bed U. S. Public Health Service (Indian Health Service) Hospital which is not licensed by the State of Alaska. It is the Department's understanding that information on the physical plant;condition of IHS hospitals is available from the Alaska Area Native Health Service. The Department has not collected or reviewed such information, since it has no responsibility for determining need or licensing the construction or operation of any federal hospital.

Position Paper
Senate Bill 891
Page 2

The Kotzebue PHS hospital currently provides acute care services to a population which approximates those persons living within the Kobuk Census Area. In 1980 this population consisted of 4831 persons of which 4113 or 85.1% were native and 718 or 14.9% were nonnative. The Northern Alaska Health Resources Assn. (NAHRA) has estimated the 1985 population at 5297 and the 1990 population at 5763 assuming a continuation of the 1970-1980 rate of increase of 19.3%.

In FY 1980 the Kotzebue PHS hospital showed an occupancy rate of 31%. Given the following assumptions:

- 1) current policies regarding provision of services to native and nonnative populations continues;
- 2) the number of beds remain the same;
- 3) the pattern of primary care services utilization in the region remains the same;

it would be reasonable to expect the occupancy to increase in rough correspondence to the population. This would suggest an occupancy of 34% in 1985 and 37% in 1990.

Representatives of the Alaska Area Native Health Service indicate that the Kotzebue facility is one of the newer AANHS facilities in Alaska. It does need modernization and expansion in the outpatient area and the foundation needs some structural work. The AANHS representatives indicate that the facility is not scheduled for replacement, presumably because the needs can be addressed by renovation rather than full scale replacement.

The State Health Plan does not identify the need for an additional hospital in Kotzebue. A thorough needs assessment as part of the certificate of need process is essential to determine:

- . whether a second hospital is needed in Kotzebue
- . if a second hospital is needed, what size hospital and what services are needed
- . the relationship of the proposed facility to the existing federal facility
- . the impact to the health facility revenue sharing fund of an additional hospital eligible for \$250,000 in operating assistance each year

- the impact to the state's Medicaid budget is a nonfederal hospital replaces a federal hospital inasmuch as the federal government provides 100 percent reimbursement for Medicaid eligibles in federal facilities but less than 50 percent for Medicaid eligibles in nonfederal facilities. The remainder is paid for from state general funds.

Recommended by: Phoebe A. Lindsey
Phoebe A. Lindsey, Director
Division of State Health
Planning & Development

Date: April 22, 1982

Approved by: Helen D. Beirne
Helen D. Beirne, Commissioner
Department of Health
& Social Services

Date: 4-23-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

I. REQUEST
 Bill/Resolution No. Senate Bill 891
 Title "An act providing for issuance of general obligation bonds for construction... hospita? facilities.
 Requested by Senate Finance

II. FISCAL DETAIL
 Agency Affected Health & Social Services
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Source)	-0-	-0-	-0-	-0-	-0-	-0-
	-0-	-0-	-0-	-0-	-0-	-0-
	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-
	-0-	-0-	-0-	-0-	-0-	-0-

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

This bill does not change the financing of the Division of State Health Planning and Development.

IV. DATE April 22, 1982 PREPARED BY Phoebe A. Lindsey *pl*
 AGENCY Division of State Health Planning & Dev. *JCC*
 Original: Legislative Finance PHONE 465-3037
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

Hospital Bond Needs

Cordova	\$1 million design, \$13 million construction	\$14 million
Kodiak	\$1 million design, \$10 million construction	\$11 million
Petersburg	\$ 9 million construction	\$ 9 million
South Peninsula	\$ 8 million construction	\$ 8 million
Wrangell	\$1 million design, \$ 8 million construction	<u>\$ 9 million</u>
		\$51 million*

From Department of Health and Social Services Report 3/8/82.

This should cover identified needs into early 1985, at which time new bonds could be sold as a result of a 1984 election.

*These are 1982 figures and may need a 15 - 20% inflation adjustment to increase the total to somewhere between \$58.65 million and \$61.20 million.

Senate Hess Committee CS for SB 891

The amount of \$38,000,000 is changed to \$50,000,000 in:

The title of the bill
Page 1, line 14
page 2, line 20
page 2, line 22

Sec. 3. The amount of \$8,000,000 is appropriated from the "1982 Hospital Facilities Fund" to the Department of Health and Social Services for the construction of a hospital in Petersburg.

Sec. 4. The amount of \$14,000,000 is appropriated from the "1982 Hospital Facilities Fund" to the Department of Health and Social Services for the design and construction of a hospital in Cordova.

Sec. 5. The amount of \$8,000,000 is appropriated from the "1982 Hospital Facilities Fund" to the Department of Health and Social Services for the construction of a hospital in Homer.

Sec. 6. The amount of \$9,000,000 is appropriated from the "1982 Hospital Facilities Fund" to the Department of Health and Social Services for the design and construction of a hospital in Wrangell.

Sec. 7. The amount of \$11,000,000 is appropriated from the "1982 Hospital Facilities Fund" to the Department of Health and Social Services for the design and construction of a hospital in Kodiak.

Renumber other sections.



Official Business

Alaska State Legislature

Senate

Committee on

Health, Education & Social Services

Charlie Parr, Chairman
Terry Stimson, Vice-Chairman
Vic Fischer
Tim Kelly
Mike Colletta

Pouch V
State Capitol
Juneau, Alaska 99811

465-4907
465-4908

April 26, 1982

LETTER OF INTENT

ON

COMMITTEE SUBSTITUTE (HESS) For SB 891

It is the intent of the Health, Education and Social Services Committee, in passing out CS for Senate Bill No. 891, that:

If the total amount of general obligation bonds for the "1982 Hospital Facilities Fund" is reduced, the following priority listing be observed.

1. Petersburg - \$8 million for construction
2. Cordova - \$1 million for design, \$13 million for construction
3. Homer - \$8 million for construction
4. Wrangell - \$1 million for design
5. Wrangell - \$8 million for construction
6. Kodiak - \$1 million for design
7. Kodiak - \$10 million for construction

Senator Charles H. Parr
Chairman

FIRE/LIFE SAFETY CODE	WOODEN STRUCTURE CAN'T MEET CODE	ACUTE CARE SECTION BUILT BY LOCAL VOLUNTEERS BEYOND RESTORATION		PATIENTS IN THE HALL BECAUSE OF LACK OF SPACE	SIGNIFICANT VENTILATION, ELECTRICAL, STORAGE PROBLEMS
PROBLEMS	HIGH COST OF TRANSPORTATION OF SUPPLIES AND FOR EQUIPMENT REPAIR. COST REPORTING FOR MEDICARE MEDICAID UNREASONABLE FOR SMALL FACILITY. NO INPATIENT MENTAL HEALTH	C.O.N. COMPLETE BUT FUNDS NOT AVAILABLE LOW VOLUME AND INADEQUATE SERVICES BELOW MINIMAL OPERATING BUDGET. LIMITED MENTAL HEALTH/ALCOHOL-DRUG SERVICES	TOO SMALL TO MEET COMMUNITY DEMANDS. COST OF C.O.N. FOR SMALL FACILITY. NO FACILITY OR STAFF FOR MENTAL HEALTH AND DRUG ALCOHOL ABUSE	REVENUE SHARING FUNDS ESSENTIAL NO MENTAL HEALTH OUTPATIENT OR INPATIENT	INADEQUATE PHYSICAL STRUCTURE. NEEDS SANITATION IMPROVEMENTS AND WEATHERIZATION NO FACILITIES OR STAFF FOR MENTAL HEALTH OR ALCOHOL AND DRUG ABUSE
ACUTE CARE BUDGET	(L.T.C. COMBINED)	(L.T.C. COMBINED)			
REVENUE	1,142,963	824,535	1,909,617	1,772,000	840,488 (incl. REV. SHAR)
EXPENDITURE	1,207,615	1,055,081	1,969,508	1,924,341	870,488
CAPITAL EQUIPMENT	109,128	7,000	130,000 (INCL. L.T.C.)	302,598	
LONG TERM CARE BUDGET					
REVENUE			464,644	163,000	392,266
EXPENDITURE			560,179	168,000	395,974
LOCAL SUPPORT	26,000	NONE	NONE	350,000	G.O. BOND FOR L.T.C. (\$720,000 REMAINING) LOCAL DRIVE 10,000/yr.
HOSPITAL INFORMATION SOURCE: SENATE H.E.S.S. COMMITTEE 1981 INTERIM QUESTIONNAIRES.					

7 TDA PETERSBURG ALASKA 306 04-23 235P AST

REP ERNIE HAUGEN

JUNEAU

2783

THE PETERSBURG GENERAL HOSPITAL AND LONG TERM CARE FACILITY HAS BEEN INFORMED FOR THE SECOND YEAR THAT ITS HOUSE BILL REQUEST FOR 8 MILLION FOR CONSTRUCTION FUNDS HAS NOT BEEN APPROVED. OVER TWO YEARS AGO THE HOSPITAL WAS GRANTED 1.5 MILLION TO BEGIN SITE ACQUISITION AND WORKING DRAWINGS, ALL OF WHICH WILL BE COMPLETED THIS MAY. CERTIFICATE OF NEED AND LICENSING REGULATIONS HAVE BEEN MET AND THE HOSPITAL HAS RECEIVED APPROVAL BY THE STATE AND THE SOUTHEAST HEALTH SYSTEM AGENCY FOR THIS PROJECT.

COMMISSIONER BEIRNE DEPARTMENT OF HEALTH AND HUMAN SERVICES, HER REPORTING AGENCIES, INCLUDING PLANNING, CERTIFICATION AND LICENSING OFFICES, THE ALASKA STATE HOSPITAL ASSOCIATION, SOUTHEAST HEALTH SYSTEMS AGENCY AND THE CITY OF PETERSBURG HAVE GONE ON RECORD SUPPORTING THIS PUBLIC PROJECT AS THE HIGHEST HOSPITAL PRIORITY IN THE STATE. ON SEPTEMBER 4 1982, MRS PORTIA KAUFMANS OFFICE OF HEALTH FACILITIES CERTIFICATION AND LICENSING DETERMINE THAT PETERSBURG GENERAL HOSPITAL NO LONGER MEETS ALL THE REQUIREMENTS FOR PARTICIPATION AS PROVIDER OF SERVICES IN THE HEALTH INSURANCE PROGRAM FOR THE AGED AND DISABLED (MEDICARE) ESTABLISHED UNDER TITLE XVIII OF THE SOCIAL SECURITY ACT. TWENTY MAJOR PHYSICAL PLANT NON COMPLIANT CITATIONS WERE LISTED. THE HOSPITAL WAS PLACED ON SPECIAL CERTIFICATION UNTIL MARCH 1982. THIS CERTIFICATION IS NONRENEWABLE UNLESS THE HOSPITAL CAN SHOW EVIDENCE OF AVAILABLE FUNDS TO REPLACE ITS PHYSICAL PLANT. THE HOSPITAL AND ITS COMMUNITY AS DONE EVERYTHING POSSIBLE TO MEET REGULATIONS AND HOLD DOWN COSTS. IN FACT, PETERSBURG GENERAL HOSPITAL OLD BUILDING WAS BUILT BY VOLUNTEER EFFORTS OF ITS CITIZENS BUT CAN NO LONGER MEET FEDERAL AND STATE REGULATIONS. THE CITY OF PETERSBURG AND KAKE AND SURROUNDING AREAS PETITION YOU TO CONSIDER ADDING OUR REQUEST FOR 8 MILLION DOLLARS IN YOUR GOVERNORS BUDGET FOR OUR HOSPITAL. WE WILL BE GRATEFUL IF YOU CAN BE OF ASSISTANCE TO US TO PREVENT THE CLOSING OF THE HOSPITAL. SINCERELY,

CRAG S. SLATER, ADMINISTRATOR

26
5/8 1982

3.0 SUMMARY OF CORDOVA FACILITY

Cordova Community Hospital is a combined acute care and long-term care facility with 22 beds. It was constructed in 1956 and has served the community for 25 years. The facility is housed in a non-fire rated wood frame structure which is substandard.

Because Cordova is not conveniently close to any of Alaska's major health care facilities, its hospital must provide medical services which are complete enough to meet the needs of Cordova area residents and those of the summertime influx of fishermen and tourists. A long-range plan for the facility through the year 1995 is now being prepared by Edward Freedman Associates, Inc. A planned replacement facility is being programmed and designed by the architectural firm of Skidmore Owings and Merrill.

3.1 Recommendations

A. Immediate Corrections/Recommendations

1. Make immediate non-code related corrections to the 10 kw and 100 kw engine generators, and cap the fuel piping in the existing building. (See Section 12.1 for detailed description).
2. Construct a replacement hospital and long-term care facility on a new site to be selected.

B. Long-Range Recommendations

1. Periodically update the long-range health facilities master plan for Cordova.

3.2 Cost

A. Immediate Corrections (Non-Code)	\$	4,000
B. Construct replacement facility	\$	<u>12,600,000</u>
TOTAL	\$	12,604,000

3.0 SUMMARY OF SOUTH PENINSULA FACILITY

South Peninsula General Hospital is a facility in need of additional space. It also has certain general, mechanical and electrical deficiencies which should be corrected to improve its compliance with the provisions of governing codes and standards. A Certificate of Need application was filed by the hospital with the State of Alaska's Office of State Health Planning and Development, Department of Health and Social Services. This application was approved on October 29, 1980. In light of this approval, our recommendations are as follows:

3.1 Recommendations

- A. Make needed corrections to general, mechanical and electrical systems to address code, operational, and energy deficiencies. (Specific corrections are enumerated in Section 12 of this report).
- B. In accordance with the approved Certificate of Need application, proceed with the planned hospital expansion. Conduct a life-cycle analysis of planned unfinished shell space, and of available building alternatives, as the cost of electrical power has risen sharply, adversely affecting building operation costs.

3.2 Costs

A. Immediate Corrections - Code-Related Items

General	\$	39,500
Mechanical		85,700
Electrical		28,000
Sub-total	\$	153,200
Design Contingency		15,300
Contingency		7,700
TOTAL		176,200

B. Other Immediate Recommendations - Non-Code Items

Sub-total	\$	25,000
Design Contingency		2,500
Contingency		1,300
TOTAL	\$	28,800

C. Energy Efficiency Recommendations

Sub-total	\$	24,000
Design Contingency		2,400
Contingency		1,200
TOTAL	\$	<u>27,600</u>

D. Long-Range Recommendations

Addition to existing facility:

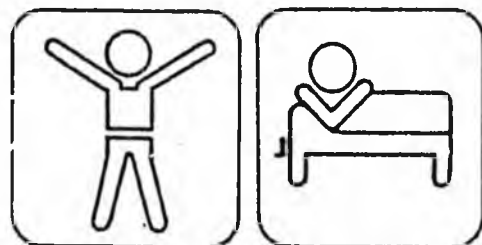
General	\$	2,416,000
Mechanical		1,646,800
Electrical		680,050
Sub-total	\$	<u>4,742,850</u>
Contingency		237,143
TOTAL	\$	<u>4,979,993</u>

The approved Certificate of Need also includes a new addition to the medical office building:

General	\$	1,012,500
Mechanical		684,000
Electrical		423,938
Sub-total	\$	<u>2,120,438</u>
Contingency		106,022
TOTAL	\$	<u>2,226,460</u>

TOTAL IMMEDIATE \$ 232,600

TOTAL LONG-RANGE \$ 7,206,453



3.0 SUMMARY OF PETERSBURG FACILITY

Petersburg General Hospital is a 13-bed acute care center which was constructed in 1953. A 12-bed long-term care wing was subsequently added to it in 1967.

The original building is a one-story wood frame structure that can no longer function cost-effectively as an acute care facility because of its serious code deficiencies and outmoded design. This report recommends that the original building be replaced with a new, larger facility.

The long-term wing is a concrete and steel building. While it will require some remodeling to be brought up to code compliance, it can then continue to function as a long-term health care facility.

A Certificate of Need application filed in January, 1981 was approved by the State's Department of Health and Social Services to remodel the 7850 S.F. long-term facility, and to provide a 17,000 S.F. addition to it for a new acute care center. Since the time when this approval was granted, additional detailed planning has been done by the John Graham Co. of Seattle. This firm is recommending that the hospital addition be approximately 23,700 S.F., and that the facility's beds be increased to a total of 28 (16 long-term, 12 acute). This report and the cost estimates attached to it use 27,150 S.F. as the recommended quantity of space to be built in the new addition.

3.1 Recommendations

- A. Construct a larger replacement facility (27,150 S.F.) to house the hospital's acute care functions.
- B. Remodel/renovate the existing long-term care facilities to bring them up to code requirements, basically maintaining their present long-term-care function.
- C. Minimally remodel the existing acute care hospital building to fit it for use by health-related agencies.

3.2 Summary of Costs

A.	Construct a new 27,150 square foot acute care facility.	\$ 8,552,250
B.	Remodel long-term care wing for continued long-term care use.	675,460
C.	Minimally remodel portion of present acute care space for use by health-related agencies.	<u>57,500</u>
	TOTAL	\$ 9,285,210



3.0 SUMMARY OF WRANGELL FACILITY

Wrangell General Hospital and Long-Term Care Facility is the only health care facility on Wrangell Island. The closest alternative facilities to those in Wrangell are 40 miles away. Wrangell General faces space shortages in most of its treatment, surgical and ancillary areas. Its existing building has some building and life safety code violations, many of which are occasioned simply because space is short and storage areas are inadequate. The existing building also has certain mechanical and electrical conditions which violate pertinent codes, and which should be corrected as part of the hospital's planned expansion/remodel, or separately if plans for the expansion/remodel are delayed for any significant period.

3.1 Recommendations

A. Immediate Recommendations

1. Prepare a detailed long-range master plan of health facilities needs in Wrangell.
2. Construct a new addition to house the hospital's acute care functions.
(17,500 S.F.)
3. Remodel the existing acute care facility for use as an outpatient facility, and for health-related program offices, and support space for both acute and long-term care buildings. Correct deficiencies noted in Sections 11.1-11.5.
4. Do limited remodeling of the present long-term care wing, correcting code-related and other deficiencies to make it function well with the new addition.
5. If plans for the remodel/addition are delayed for any significant period, make code-related and other general, mechanical, and electrical corrections to the existing facility. (These items are enumerated in Section 12.1.)

B. Long-Range Recommendations

1. Periodically update the long-range master plan for health care facilities in Wrangell as needed to remain abreast of significant changes affecting the validity of such a plan.

3.2 Costs

A. Immediate Recommendations

1.	Long-range master plan		\$ 70,000
2.	Construct 17,500 S.F. addition for acute care use.		
	General	\$ 2,625,000	
	Mechanical	1,837,500	
	Electrical	787,500	
		<hr/>	
	Sub-total	\$5,250,000	
	Contingency	262,500	
	TOTAL	<hr/>	\$5,512,500
3.	Remodel existing hospital for out- patient area, health related agencies and support space. (9,400 S.F.)		
	General	\$ 752,000	
	Mechanical	582,800	
	Electrical	291,400	
		<hr/>	
	Sub-total	1,626,200	
	Contingency	81,310	
	TOTAL	<hr/>	\$1,707,510
4.	Limited remodel of existing long-term care facility:		
	General	\$315,900	
	Mechanical	251,100	
	Electrical	129,600	
		<hr/>	
	Subtotal	696,600	
	Contingency	34,830	
	TOTAL	<hr/>	\$731,430

5. Correct code and other deficiencies in existing long-term care building if remodel/addition plan delayed significantly.

General	\$ -0-
Mechanical	28,000
Electrical	<u>6,300</u>

Sub-total	\$34,300
Contingency	1,715
Design Contingency	<u>3,430</u>
TOTAL	

\$ 39,445

TOTAL, ITEMS 1,2,3,4

\$8,021,440

TOTAL, ITEMS 1,2,3,5

\$7,329,455

B. Long-Range Recommendations

1. Update long-range master plan periodically

Not costed



3.0 SUMMARY OF KODIAK ISLAND FACILITY

Kodiak Island Borough Hospital is a relatively new facility which unfortunately is already too small and which needs major remodeling in all areas -- architectural, mechanical and electrical, in order to function efficiently. Nearly every space in the facility needs to be reworked and rearranged. Its slab-on-grade construction will make the necessary plumbing and mechanical alterations expensive, and interior layout must be reconfigured at substantial expense. The facility has a number of code deficiencies and unacceptable operational conditions which should be rectified immediately.

3.1 Recommendations

Make immediate code deficiency corrections to the building. (The corrective actions to be taken immediately are enumerated in Section 12.1 of this report.)

Two viable alternatives will overcome the serious problems in this facility:

1. Develop a complete replacement facility, using the existing building for other purposes; or
2. Remodel the existing facility and build an addition.

These two alternatives appear to be very close in benefits and costs. We recommend detailed master planning to assure that the direction elected will provide for proper results. In summary, these two options are as follows:

1. Construct a replacement facility for the hospital portion of Kodiak Island Borough Hospital. According to our estimates, such a new facility would occupy 36,624 square feet of space. This figure was arrived at as described in Section 12.2 of this report, and is a combination of the existing hospital space plus needs as enumerated in the hospital's long-range plan.
2. Remodel the existing facility and construct an 8,464 square foot addition. This figure is based on needs articulated by the hospital's Long-range Planning Committee, and includes space for circulation and services.

3.2 Costs

A. Corrections - Code Related

General	\$	32,000	
Mechanical		184,300	
Electrical		<u>95,700</u>	
Sub-total			\$ 312,000
Design Contingency			31,200
Contingency			<u>15,600</u>
TOTAL	\$		358,800

B. Corrections - Non-Code

General	\$	<u>17,000</u>	
Sub-total			\$ 17,000
Design Contingency			1,700
Contingency			<u>850</u>
TOTAL	\$		19,550

C. Energy Efficiency Recommendations

General & Mechanical	\$	<u>5,500</u>	
Sub-total			\$ 5,500
Contingency			<u>550</u>
TOTAL	\$		<u>6,050</u>
TOTAL OF CORRECTIONS	\$		<u><u>384,400</u></u>

D. Recommendation Costs

Option 1. Replacement Hospital Construction
(36,624 square feet)

General	\$ 5,328,900	
Mechanical	3,845,700	
Electrical	<u>1,648,100</u>	
Sub-total		\$10,822,700
Congingency		<u>541,200</u>

TOTAL FOR REPLACEMENT HOSPITAL \$11,363,900

Remodel of Existing Facility
For Other Use.

General	\$ 2,133,000	
Mechanical	1,706,400	
Electrical	<u>900,600</u>	
Sub-total		\$ 4,740,000
Contingency		<u>237,000</u>

TOTAL TO REMODEL EXISTING FACILITY \$ 4,977,000

TOTAL, OPTION I \$16,340,900

Option 2. Remodel Existing Facility as
Hospital (31,600 square feet).

General	\$ 3,384,360	
Mechanical	3,586,600	
Electrical	<u>1,914,960</u>	
Sub-total		\$ 8,885,920
Contingency		<u>444,300</u>
TOTAL FOR REMODEL		\$ 9,330,220

Construct Addition to Existing
(13,924 square feet).

General	\$ 2,127,300	
Mechanical	1,535,300	
Electrical	<u>658,000</u>	
Sub-total		\$ 4,320,600
Contingency		<u>216,000</u>
TOTAL FOR ADDITION		\$ 4,536,600
TOTAL, OPTION 2		<u>\$14,245,700*</u>

*Phasing costs not included above will have to be added to Option 2, (but not Option 1). Such costs will make these options very comparable in price. The above also includes costs for corrections which are necessary to keep the existing building in use.



WRANGELL GENERAL HOSPITAL
and
LONG TERM CARE FACILITY
P.O. Box 80
Wrangell, Alaska 99929

Wrangell General Hospital and Long Term Care Facility's short and long range plans to provide the health care needs of our community have sited the need for the following:

Remodeling parts of 1975 Long Term Care Facility to meet unmet needs for storage, activities, dining, and update physical therapy department.

Remodeling and/or replacement of 1967 Hospital building to correct present structural problems of ventilation, plumbing, insulation, electrical "nurse call system", sanitation, heating system, and address energy conservation and cost containment principles. Enlarge, in order to provide space for items needed to comply with Life Safety Codes, proper storage of all equipment and supplies, install new time and cost saving equipment provide area for Public Health, Alcohol, Mental Health and Hearing Clinics, which also are in need of updated, enlarged clinic area. Incorporate birthing room concept, and addition of Ultra Sound service.

Request a State Grant for 7-10 million to fund this project. Planning money to be advanced by 1982 with construction to take place in 1983.

VISITING MASONS WELCOME

Jul 20/81
8/21/81

STATE OF ALASKA

PUBLIC NOTICE

The State Health Planning and Development Agency, Department of Health and Social Services, has received and analyzed an application from Wrangell General Hospital for a Certificate of Need to renovate and expand. In determining its findings and recommendation for approval of the application, the State Health Planning and Development Agency gave serious consideration to the findings and recommendations submitted by Southeast Alaska Health Systems Agency.

After review of all findings and recommendations of the State Health Planning and Development Agency, the findings and recommendations submitted by Southeast Alaska Health Systems Agency, the record of any public meeting held and consideration of federal laws and regulations and the current state health plan, the application submitted is hereby approved and the Certificate of Need granted as follows:

In accordance with the provisions of AS 18.07.031—18.07.111, and 7 AAC 07.010—030, it has been determined that Wrangell General Hospital has met the applicable criteria and findings set forth in sections 123.409 and 123.410 of 42 CFR to the satisfaction of Southeast Alaska Health Systems Agency and the State Health Planning and Development Agency.

A Certificate of Need for the renovation and expansion of the hospital is hereby granted. The maximum capital expenditure for the renovation and expansion which is approved under this Certificate of Need is \$6,870,000.

Public August 21, 1981

AO-06-HP-011

AID

WRANGELL GENERAL HOSPITAL

and

LONG TERM CARE FACILITY

P.O. Box 80

Wrangell, Alaska 99929

January 3, 1981

*This
Letter Sent to All
Doctors we hope to obtain
help from.*

Dear

I wish, at this time, to advise you regarding some of the long range plans and goals set by the Board for Wrangell General Hospital and Long Term Care Facility, and ask for your comments and letter of support, if possible, to attach to the "Certificate of Need" we are preparing.

Ackley, Jensen Architects, Inc. in Juneau have been hired to do the preliminary work of conceptual design options, the construction costs and the relative operation and maintenance cost of each and assist in the preparation of a "Certificate of Need" for remodeling and/or expanding the facility.

Following are the areas under consideration and those noting the need of upgrading:

Items written up in the Department of Health and Social Services survey for Certification and Licensure as being in non compliance:

- Laundry to small and does not have correct area for dirty and clean linen
- Operating room floor conductivity testing not working
- No shower provisions for outpatient surgery patients
- Ventilation system does not provide 90% efficiency filter system for critical care areas (O.R., O.B., Nursery)
- Electrical bed in C.C.U. is not type which is safe for electrically susceptible patients.
- Dishwasher leaks and does not maintain proper water temperatures
- Need for office area and added freezer in dietary department
- No proper dressing rooms, showers, for nurses and doctors opening directly into surgery
- Inadequate storage all areas.

Items noted in State Architects Survey done November, 1980, all of above items plus:

- Improper storage X-ray film files (in waiting room)
- Lack of space for medical records and security measures
- Inadequate employee parking
- No area for maintenance and repairs of equipment
- No garage for Van used to transport patients and supplies
- Lack of space for meetings, inservice training and office space
- No standby water supply and present city water is not filtered, causing problems with machinery due to "muskeg" content

Noted in State Energy Audit done:

- Replacement of light fixtures with lower energy users
- Improper insulation
- Old poor operating furnaces and boiler, that do not have any energy saving devices

- Need to have other types of fuel possibilities investigated, i.e. (electricity, wood, sawdust, etc)

Increased work area and equipment needs for Laboratory noted by Pathologist Consultant: i.e.

- Addition of Coagulation Timer (Fibrometer), Clinical incubator, Photometer, Chloride meter, Channel analyzer, Coulter Counter-S, and CO₂ Incubator, plus additional refrigeration space.

Radiologist Consultant noted need of ultrasound machine and area to install it and area for viewing X-ray film and dictation equipment.

American Sterilizer Company inspection noted need for improved ventilation in Central Supply room and proper venting of Ethelene Oxide Sterilization equipment to outside of building

State Fire Marshall noted poor storage of oxygen supplies, combustible items and inadequate storage in all areas.

Areas noted by the Hospital staff to help working conditions and improve level of care to the patients:

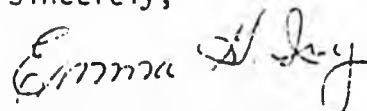
- Increase dining room area
- New nurse call system - updated and add to Physical Therapy, X-ray department and other areas not connected. (Hospital portion of call system is 12 years old obsolete and new parts can not be obtained)
- Upgrade C.C.U. - add telemetry "holder monitor"
- Up-date O.B. suite by removing one wall and locating special equipment behind folding doors so birthing concept can be utilized as much as possible
- Add small room for use as barber/beauty shop
- Add treatment room for care of patients; i.e. dressing, special treatments, burn care, etc. to relieve congestion of E.R. and better sanitation methods
- Enlarge day room and add folding doors to provide area for Activities, Recreation and Crafts. Larger room needed as 90% of Long Term Care residents are in wheel chairs and all meals are eaten in present room
- Add 4 new private rooms and make other rooms private that are now used as semi-private. No change in bed capacity but would improve utilization of 9 acute care beds by solving patient mix problem
- Enlarge employee locker area
- Enlarge office space and obtain needed equipment, i.e. Microfiche reader printer, copy machine, computer module to tie into present city owned computer, etc

Investigate possible Health Center Concept with addition of office space for other health related organizations in town - Clinic space, soundproof hearing testing module, etc. Hospice services for terminal cases. Space for accomodation of mental patients on temporary basis.

Funding for the project we hope to obtain through legislation from the State.

Please let me hear from you by the 15th of January, in the enclosed stamped self addressed envelope.

Sincerely,



Emma G. Ivy, R.N.
Administrator
EGI/bk - encl

PETERSBURG GENERAL HOSPITAL

- NEED:
- Certificate of Need granted August of 1981
 - building is 25 years old
 - has been cited repeatedly by State Licensure Section for physical plant violations which can only be corrected by total reconstruction
 - has maintained Licensure only through Federal Emergency Access Hospital Provisions.

Petersburg is a very small jurisdiction. The hospital serves this population as well as a large area outside the municipal boundaries. The need is documented however, the tax base of Petersburg is not sufficient to support the capital expenditure to replace this facility.

Along with Cordova and Wrangell, Petersburg is a highest priority need for replacement and assistance.

to their more severe physical and functional deficiencies ranking of all surveyed facilities based upon relative to correct noted deficiencies, the Department assembled the report. This committee consisted of one member of:

- The Alaska Medical Facility Authority;
- The Alaska State Hospital Association
- Southeast Alaska Health Systems Agency, Inc.;
- South Central Health Planning and Development, Inc.;
- The Medical Care Advisory Committee, and
- The Statewide Health Coordinating Council.

REPORT ON RURAL ALASKA
HOSPITALS & NURSING HOMES
INVENTORY AND EVALUATION
SURVEY

BY

DIVISION OF STATE
HEALTH PLANNING AND
DEVELOPMENT.

MARCH 8, 1982

The ranking provided by this committee was based only upon the relative severity of all physical and functional deficiencies found at each facility and did not consider other factors such as facility utilization or population trends: The committee ranking was as follows:

- 1.) Cordova Community Hospital and Long-Term Care Facility
- 2.) Petersburg General Hospital and Long-Term Care Facility
- 3.) Seward General Hospital
- 4.) Kodiak Island Hospital and Long-Term Care Facility
- 6.) Wesleyan Nursing Home
- 7.) Wrangell General Hospital
- 8.) South Peninsula General Hospital and Long-Term Care Facility
- 9.) Ketchikan General Hospital and Island View Manor
- 10.) Central Peninsula General Hospital
- 11.) Bartlett Memorial Hospital
- 12.) Valdez Community Hospital

	CORDOVA	DETERSBURG	KODIAK	S. PENINSULA	WIRANBELL
FIRE/LIFE SAFETY CODE	WOODEN STRUCTURE CAN'T MEET CODE	ACUTE CARE SECTION BUILT BY LOCAL VOLUNTEERS BEYOND RESTORATION		PATIENTS IN THE HALL BECAUSE OF LACK OF SPACE	SIGNIFICANT VENTILATION, ELECTRICAL, STORAGE PROBLEMS
PROBLEMS	HIGH COST OF TRANSPORTATION OF SUPPLIES AND FOR EQUIPMENT REPAIR. COST REPORTING FOR MEDICARE/MEDICAID UNREASONABLE FOR SMALL FACILITY. NO INPATIENT MENTAL HEALTH	C.O.N. COMPLETE BUT FUNDS NOT AVAILABLE LOW VOLUME AND INADEQUATE SERVICES BELOW MINIMAL OPERATING BUDGET. LIMITED MENTAL HEALTH/ALCOHOL-DRUG SERVICES	TOO SMALL TO MEET COMMUNITY DEMANDS. COST OF C.O.N. FOR SMALL FACILITY. NO FACILITY OR STAFF FOR MENTAL HEALTH AND DRUG ALCOHOL ABUSE	REVENUE SHARING FUNDS ESSENTIAL NO MENTAL HEALTH OUTPATIENT OR INPATIENT	INADEQUATE PHYSICAL STRUCTURE. NEEDS SANITATION IMPROVEMENTS AND WEATHERIZATION NO FACILITIES OR STAFF FOR MENTAL HEALTH OR ALCOHOL AND DRUG ABUSE
ACUTE CARE BUDGET	(L.T.C. COMBINED)	(L.T.C. COMBINED)			
REVENUE	1,142,963	824,535	1,909,617	1,772,000	840,488 (INCL. REV. SHAR)
EXPENDITURE	1,207,615	1,055,081	1,969,508	1,924,341	870,488
CAPITAL EQUIPMENT	109,128	7,000	130,000 (INCL. L.T.C.)	302,598	
LONG TERM-CARE BUDGET					
REVENUE			464,644	163,000	392,266
EXPENDITURE			560,179	168,000	395,974
LOCAL SUPPORT	26,000	NONE	NONE	350,000	G.O. BOND FOR L.T.C. (\$720,000 REMAINING) LOCAL DRIVE 10,000/YR.
			HOSPITAL INFORMATION SOURCE: SENATE H.E.S.S. COMMITTEE 1981 INTERIM QUESTIONNAIRES.		