

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
6820 HOUSE HEALTH EDUCATION & SOCIAL SERVICES

or otherwise, of alimony and the equitable distribution issues in this considerable marital estate.

The complaint for divorce was filed on February 16, 1987 by the husband, Richard Leventhal. While the parties each sought custody of the two minor children, both teenage girls, ages 16 and 13, have in fact, been living with their father for most of the time since the separation. Mrs. Leventhal is residing in the marital home and was awarded \$2500 a week *pendente lite* support. All discovery is complete, per court order of March 20, 1989. The parties express no hope of settlement of the economic issues without proceeding to trial.

Because of extreme calendar congestion, this case has not been reached for trial, there being a considerable number of older cases awaiting trial. Plaintiff is now requesting a bifurcation so that he may be granted an uncontested divorce, reserving the trial of the economic issues to a date to be set by the court, or alternatively, to list the case *peremptorily*.

As of the date oral argument was heard on the motion for bifurcation, this court had 626 dissolution cases on its individual calendar. Without even considering financial plenary hearings, "Holder hearings," true custody and visitation trials, reversals and remands from the Appellate Division, the burden created by the over-crowded calendar is evident. Plaintiff is number 51 of 109 on a special list of cases which have been reached for trial after they were two years or older. Needless to say, all parties placed on that list are also anxious to go to trial, to have their matters resolved, and to bring their lives back to normalcy.

[1,2] Generally, the rationale behind the use of the procedural device of bifurcation is *judicial economy*. The decision to bifurcate should be made only after balancing the advantages and disadvantages and determining that there would be a greater benefit to the court with bifurcation than without. 27A C.J.S., *Divorce*, § 209(b). The purpose is not to ensure the absolute necessity of a second proceeding, as would be the case here, but rather reduce the probability of multiple litigation.

Thus, in a tort action, bifurcation would be proper. Once the issue of liability is resolved, a trial on damages may not be necessary. The decision whether liability should be bifurcated from the issue of damages is within the sound discretion of the court. R. 4:38-2(b) provides that liability and damage claims may be, in effect, bifurcated, "whenever the court finds that a substantial savings of time would result from trial on the issue of liability in the first instance..." If this language were somehow deemed to apply to a divorce case, the court would be compelled to find that initially trying the dissolution (liability) aspect would probably afford the referred to time-savings by eliminating or substantially reducing time needed for the financial (damages) issues. *Pressler, Current N.J. Court Rules, Comment R. 4:38-2(b)* (1989); *Ventura v. Ford Motor Corp.*, 180 N.J.Super. 45, 433 A.2d 801 (App.Div. 1981); *Cotton v. Travaline*, 179 N.J.Super. 362, 432 A.2d 122 (App.Div.1981); *Radigan v. Innisbrook Resort and Golf Club*, 150 N.J.Super. 427, 375 A.2d 1229 (App.Div. 1977). However, in a matrimonial action, as the one presently before the court, where the economic issues are vast and complicated, a trial on the dissolution, no matter how short, will do absolutely nothing to simplify or reduce the prospect of further proceedings. Plaintiff alleges that there is no possibility of a settlement, so the effect of trying the issues separately would only serve to prolong and exacerbate this litigation. The bifurcation would have no benefit to the already over-burdened court calendar. Its sole effect would be to personally benefit plaintiff in his desire to remarry without addressing his responsibility to reach a final disposition of all other issues involved.

The State of New Jersey has no specific provision, either by statute or court rule, for bifurcation, where a judge may grant a divorce and defer consideration of the other issues in a matrimonial case. The Supreme Court Committee on Matrimonial Litigation, Interim Report (July 20, 1979) set forth its policy on bifurcation. The report noted the existing controversy regarding

the procedure and the delays inherent in its use. The committee's recommendations encouraged a court rule or directive on bifurcation, but in its absence stated that bifurcation be granted "only in unusual and extenuating circumstances," and then only with the approval of the assignment judge. *Id.* at 24. The actual decision as to the merits of bifurcation of 17 this case has been deferred to this trial court by the assignment judge.

Other jurisdictions have faced similar questions. The New York courts have held that the use of bifurcation in a matrimonial action will not eliminate a further trial on economic issues and that the chance of resolution is best met in one trial of all the interrelated factors. *Finkel v. Finkel*, 120 Misc.2d 936, 466 N.Y.S.2d 906 (Sup.Ct. 1983). Some of the factors the *Finkel* court considered, in deciding the practicality of bifurcation, were the reduction of hardship, the speed of a just determination and help in clarifying various issues. Without the furtherance of those factors, a court should not grant bifurcation.

Here, the actual divorce itself will be uncontested, so the trial of the dissolution issue would be perfunctory and not protracted. However, it is readily apparent that the second trial on the economic issues would be long and controversial including testimony of a multitude of expert witnesses. Therefore, bifurcation would do nothing to hasten the resolution of the overall matter and would put defendant-wife in a position whereby plaintiff has his divorce but continues to control the pursestrings through the exclusive operation of the single largest marital asset, his business venture. New York agrees that, when there are complex financial issues, a settlement or easy answer may be less likely once the dissolution is granted. *Fiorella v. Fiorella*, 132 A.D.2d 643, 513 N.Y.S.2d 17 (App. Div.1987), app. den. 70 N.Y.2d 796, 522 N.Y.S.2d 113, 516 N.E.2d 1226 (1987).

In *Glazer v. Glazer*, 394 So.2d 140 (Fla. Ct.App.1981) a Florida court held that a split procedure may be used only if it is clearly necessary in the best interests of the parties and the children, following the

prior state court ruling in *Claughton v. Claugton*, 393 So.2d 1061 (Fla.Sup.Ct. 1980). The *Glazer* court emphasized that only in exceptional circumstances should a trial court exercise its discretion to grant bifurcation. Specifically, Florida holds that the "convenience of one of the parties for 18 early remarriage" does not justify the issue of bifurcation. *Claughton*, supra at 1062. The major reason noted by plaintiff to justify the bifurcation of the present action is that he desires to marry the woman with whom he is living. However, deciding the divorce without addressing the extensive financial matters would yield a benefit to absolutely no one but plaintiff.

It must be remembered that the bifurcation procedure is condoned not only when the parties benefit by the clarification of the issues, but the court, too, profits through the easing of its calendar. It is evident that by giving plaintiff preferential treatment afforded no other litigant in a similar bind, neither the court nor its calendar will be served in any way. To grant this relief to plaintiff because of his superior financial status would do tremendous damage to the image of justice in this State.

Pennsylvania permits bifurcation pursuant to its Divorce Code and Rules of Civil Procedure. 23 Pa.Stat. Ann. § 401(b) (Purdon 1955); Pa.R.C.P.1920.52(c) (West 1989). The separation of the divorce from the other issues is at the discretion of the court *as long as it is by agreement of the parties*. *Jawork v. Jawork*, 378 Pa.Super. 89, 548 A.2d 290, 292 (Super.Ct.1988). Here, defendant has not agreed to a separate trial on the divorce, so that plaintiff's unilateral request should not be given particular weight.

In spite of a speedy divorce, the delay of the resolution of economic issues may have a negative effect on the parties' lives, since the entire matter is not reconciled. The Pennsylvania Legislature gives no mandate to a trial court to bifurcate but permits the relief only after carefully reviewing the facts and determining that there would be more to gain through bifurcation than not. *See Mackey v. Mackey*, 376 Pa.Super. 146,

645 A.2d 362 (Super.Ct.1988); *Leese v. Leese*, 369 Pa.Super. 104, 534 A.2d 1101 (Super.Ct.1987); *Mosier v. Mosier*, 359 Pa.Super. 187, 518 A.2d 843 (Super.Ct.1986); *Wolk v. Wolk*, 318 Pa.Super. 311, 464 A.2d 1359 (1983). Overall, in spite of ¹³⁷⁶the explicit authority gleaned from the legislature, the courts in Pennsylvania are cautioned not to grant the use of this procedural device without a finding that the consequences of bifurcation would be highly beneficial. The exclusive benefits of a bifurcation in this case would clearly inure to plaintiff while the court would still have the burden of the second trial and defendant, the uncertainty of her economic future. Neither the court nor defendant would receive any actual or perceived gain.

California, through its Family Law Act, as interpreted by the judicial council rules, has also authorized a trial court to bifurcate dissolution from other issues to be litigated, but the decision still remains squarely within the court's discretion. Bifurcation is granted only when there is no hope of reconciliation and it is found to be in the best interests of all parties. Cal.Civ. Code § 4000 *et seq.* (West 1983); *In re Marriage of Lusk*, 150 Cal.Rptr. 63, 86 Cal.App.3d 228 (Ct.App.1979); *Gionis v. Superior Court*, 202 Cal.App.3d 786, 248 Ca.Rptr. 741 (Ct.App.1988).

There is no doubt that even without the express authorization of the Legislature, New Jersey courts may decide whether it is in the best interests of the parties to permit a separate trial of ancillary matters after a divorce has been granted. Realistically, under New Jersey divorce practice as it exists today, the actual divorce appears to be ancillary to the financial issues. The court should decide whether the facts present circumstances which meet the criteria of the Pashman report's "unusual and extenuating circumstances" test. Here, the motion for bifurcation reaches the court after numerous, but unsuccessful, attempts to settle the financial issues. The *pendente lite* questions of support and maintenance have been a constant source of this court's time. Although discovery is closed by court order, the cooperation of plaintiff is still necessary to assure that the

marital assets are fairly valued and the interests of defendant are protected as to equitable distribution.

¹³⁷⁷There remains the real danger that once divorce is granted, there will be much less incentive for plaintiff to finalize any other issues. This court cannot find any factor other than plaintiff's personal desire to remarry which, with due respect for plaintiff's sincerity in wishing to move forward with his life, does not reach the standards necessary to employ any special or preferential procedures on his behalf. Every argument propounded by plaintiff to buttress his claim for bifurcation applies with equal force to hundreds of cases pending before this court. If plaintiff is entitled to bifurcation, so are the others. To permit this would be to wreak havoc upon the efficient administration of the divorce calendar. Everyone would be divorced without any basic financial issues finalized, leaving all with hopelessly confused life factors.

Plaintiff contends that the custodial dispute between the parties should trigger bifurcation. While New Jersey generally discourages bifurcation, the State's concern with the best interests of the children provides that a custody hearing be permitted prior to the final hearing of the whole action where the court finds that custody is a genuine and substantial issue. R. 5:8-6. Here, the Leventhal children have been residing with their father since the separation almost three years ago, although the ultimate resolution is yet to be reached. While not stipulated, it appears that, because of the ages of the children, their expressed preferences and their residence with plaintiff, there will be no real, genuine or substantial issue of custody. Since the physical custodial arrangement is not of an emergent nature, there is no reason to separate the adjudication of this issue from the balance of the case. Additionally, settling the custody issue will do nothing to further plaintiff's main impetus for this motion—the ability to remarry. Thus, granting a separate custody trial would not serve to give the relief desired.

This court finds that it would not be in the best interests of the parties or the

children to bifurcate the divorce from the other issues because the effect would be to complicate, prolong, or otherwise aggravate an already difficult case. It would be ¹³⁷⁸inequitable to give this litigant preferential treatment by trying his divorce before other parties who also wish to be free to get on with their lives.

The granting of bifurcation would not serve the purpose of eliminating any trial time whatsoever, but would merely permit plaintiff to continue to be in control of the marital assets without the incentive to resolve all other issues. A pending remarriage would inevitably create further barriers. There are absolutely no facts presented which are unusual or extenuating. For the reasons stated herein, the motion for bifurcation is denied.



239 N.J.Super. 378

¹³⁷⁸Lori ROTH, Donald Litt, Barbara Eidelsberg, Diane Bauer, Daniel M. Litt, Sherry Lackritz, Frederick Litt, Dr. Lawrence Eden, and Joseph E. Gassib, Plaintiffs,

v.

RUTHERFORD RENT BOARD, Eleanor Bocker, Agnes Morris, Anna Hunter, Martha Kellerman, Frances Kasperski, Samuel Bloomfield, Elizabeth Cronin, Catherine Rogers, Albert Van der Veen, Mrs. John Kilroy, Regina Cunningham, Eleanor Noonan, Thomas Griffen, Julia Buhtanic, Angelo De Marco, Emily Hanson, Pearl Fecanin, Alfred Barbera, Edward Noff, Olive MacIntyre, Robert MacFadden, Catherine Brown, Grenville Lloyd, Loretta Dommeleers, Gracé Broder, Laura Ferucci, David Minor, Lillian Heinrich, Joan Sink, Lillian Bruder, Mrs. John Soltis, Mrs. Matthew Albonese, a/k/a Jane Albonese, Patricia Murphy, William Barrett, Christine Sudol, Margaret Xigues, William Bidwell, Eleanor Cinquegrama, Laurina⁵⁷⁹

Day, Dorothy Raabe, Lottie Miller, Betty Balogh, Gertrude Kohn, Minerva Blom, Ruth Clancy, Mrs. David Greenstein, Maria Shine, Mr. and Mrs. Patrick J. O'Byrne, Dorothy Hahn, Kap Yi Pak, Martha Doyle, Ludmilla Szayna, Mr. and Mrs. Arthur Hauck, Defendants.

Superior Court of New Jersey,
Law Division, Berger County.

Decided May 31, 1989.

Landlords brought action against rent board and protected tenants to challenge 17% limitation on increase in property tax surcharge imposed on tenants. The Superior Court, Law Division, Bergen County, Harris, J.S.C., held that 17% limitation on property tax surcharge was invalid.

Decision of rent board reversed.

1. Landlord and Tenant ⇄200.68

Rent board must do more than merely set forth its conclusions; it must articulate basis for arriving at conclusions and make factual findings upon which conclusions rely.

2. Landlord and Tenant ⇄356

Rent board's failure to articulate rationale for 17% limitation on increase in tax surcharge by landlords for condominiums and cooperative apartments did not require remand, where board exceeded its powers, and where decision was purely legal.

3. Landlord and Tenant ⇄356

Rent board had no authority to impose 17% limitation on increase in landlords' tax surcharges on tenants, had no power under rent control ordinance to initiate investigation, and improperly imposed burden of proof upon landlords for condominiums³⁸⁰ and cooperative apartments; no contested case was initiated by aggrieved tenant.

4. Landlord and Tenant ⇄200.52

Municipality has power to decide whether to permit landlords to impose tax surcharge on tenants, and failure to permit surcharge is not fatal so long as entire

WALTER J. HICKEL
GOVERNOR



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STATE OF ALASKA
OFFICE OF THE GOVERNOR

ALASKA WOMEN'S COMMISSION
3601 C STREET - SUITE 742
ANCHORAGE, ALASKA 99503

April, 1991

TO: Representative Pat Carney
HESS Committee

FROM: Glenne Ralls
Alaska Womens Commission

Re: House Bill 146

The Women's Commission has had the opportunity to review House Bill 146, "An Act prohibiting a court reserving property division issues for a later decision when granting certain judgements unless agreed by the parties; and providing for an effective date." We believe granting a final decree of divorce separate from financial matters reduces the incentive to finalize a divorce, particularly for the party with more money. The party who stands to lose assets (usually men) in an economic distribution may delay settlement in the hope that the dependent party will eventually agree to accept less in order to have the issue finally resolved.

In a bifurcated divorce proceedings, the party with fewer assets has lost the protection afforded by statute to a spouse and yet has not gained the protection of a valid property settlement agreement. Property owned at the time of divorce may have diminished, increased or disappeared by the time of economic distribution.

In the event of the death of either party, as an ex-spouse without the protection of a valid property settlement agreement; the surviving party or heirs would have difficulty claiming beneficiary status under any life insurance policy.

We believe it is unfair to reserve the issue of property division for a later time unless agreed to by each party.

BACK UP

CS FOR HOUSE BILL NO. 146 ()

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES BARNES, Brown, Ulmer, Koponen, M.A. Miller

A BILL

FOR AN ACT ENTITLED

1 "An Act prohibiting a court from reserving property division and child custody issues for
2 a later decision when granting certain judgments unless agreed to by the parties; and
3 providing for an effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * Section 1. AS 25.24.150 is amended by adding a new subsection to read:

6 (f) If the issue of child custody is before the court at the time it issues a judgment under
7 AS 25.24.160, the court shall concurrently issue a judgment for custody under this section unless
8 each party expressly agrees on the record to let the court delay the custody decision for a later
9 time.

10 * Sec. 2. AS 25.24.160 is amended by adding a new subsection to read:

11 (c) Notwithstanding (a) of this section, if one of the parties to an action for divorce or
12 action declaring a marriage void expressly submits to the court the issue of property division and
13 has not withdrawn that issue from the court before judgment, the court shall provide in the
14 judgment for the division of property and may not reserve the issue of property division for a

1 later time unless expressly agreed to by each party after notice of the court's intent to reserve the
2 issue.

3 * Sec. 3. AS 25.24.150(f) and 25.24.160(c), added by secs. 1 - 2 of this Act, apply to actions for
4 divorce and actions declaring a marriage void for which judgment has not been entered before the
5 effective date of this Act.

6 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Bill No. HB 148

Revision Date: _____ Department Affected: Alaska Court System
 Title: An Act prohibiting a court from reserving BRU: Trial Courts
property division issues for a later decision... Components: _____
 Sponsor: Barnes
 Requestor: HESS COMPONENT SERIAL NO. 000 | 000 000 | 768

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 02 | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS & CLAIMS | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|---------|--|--|--|--|--|--|
| REVENUE | | | | | | |
|---------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|-----|-----|-----|-----|-----|-----|
| GENERAL FUNDS | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

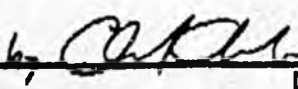
POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)
 No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel  Phone: 264-8228
 Division: Alaska Court System Date: 09/28/91

Approved by: Arthur H. Snowden, II, Administrative Director  Date: 09/28/91
 Agency: Alaska Court System

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

HB

149

STATE OF ALASKA
House of Representatives
District 27

Representative Cliff Davidson
Chairman
House Resources Committee



Box V, Juneau, AK 99811
(907) 465-2487
Box 746, Kodiak, AK 99615
(907) 486-8250

TO: Representative Georgianna Lincoln, Co-Chairman
House Health & Social Services Committee

FROM: Representative Cliff Davidson

DATE: March 18, 1991

SUBJECT: House Bill 149, "An Act making appropriation for grants to certain hospitals for hospital construction and renovation; and providing for an effective date."

Please consider scheduling House Bill 149, which makes appropriations for grants to certain hospitals, at your earliest convenience.

House Bill 149 is an appropriation bill which would fund the remaining three projects prioritized in the 1982 "Inventory and Evaluation Survey" prepared by the Department of Health and Social Services. In the survey, fifteen hospitals were evaluated and ranked by a committee made up of the Alaska Medical Facility Authority, the Alaska State Hospital Assn., the S.E. Alaska Health Systems Agency, Inc., South Central Health Planning and Development, Inc., the Medical Care Advisory Committee and the Statewide Health Coordinating Council. Priority ranking was based on the relative severity of all physical and functional deficiencies found at each facility. Kodiak, Ketchikan and Seward were ranked in the top ten but to date have not been funded.

If you have any questions about this legislation, please call my staff member, Stephanie Love, at 465-2487.

Thank you for your consideration of this request.

SPONSOR STATEMENT

STATE OF ALASKA
House of Representatives
District 27

Representative Cliff Davidson
Chairman
House Resources Committee



Box V, Juneau, AK 99811
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BILL BACKGROUND

HOUSE BILL 149

HB 149 would appropriate \$36,917,116 to replace, renovate and/or equip the current general hospitals in Kodiak, Ketchikan and Seward.

In 1982, at the request of the legislature, the Department of Health and Social Services developed a prioritized capital funding plan to fund all non-federal level III hospitals and nursing homes in the state. The plan was based on intensive inventory and condition surveys of each facility. Fifteen separate facilities were surveyed and incorporated into the plan.

Ketchikan General Hospital was ranked 5th of 15; Kodiak Hospital ranked 6th and Seward ranked 8th. To date, all higher ranked facilities have received significant funding. Of the lower ranked facilities, only Weslyn Nursing Home in Seward; St. Ann's Nursing Home in Juneau and Valdez Community Hospital (in a wing of Harborview Developmental Center) have not received significant funding.

Of the three facilities in this bill, all have Certificates of Need. Kodiak received it's C.O.N. February 28, 1991 for \$18,200,000. Ketchikan received it's C.O.N. June 15, 1990 for \$19,300,300 and Seward received it's C.O.N. September 9, 1989 for \$9,500,000.

HB149 Background

FUNDING REQUEST COMPARISON

| HOSPITAL PROJECT | 1990 REQUEST | 1991 REQUEST | Local Match | Total Project Costs | C.O.N. REQUEST |
|-----------------------------------|--------------------------------|----------------------------|--------------------|----------------------------|-----------------------|
| | General Obligation Bond | State Grant Request | | | |
| Kodlak General Hospital | \$14,500,000 | \$14,250,000 | \$4,750,000 | \$19,000,000 | \$18,167,340 |
| Seward General Hospital | \$10,700,000 | \$8,603,438 | \$2,867,813 | \$11,471,251 | \$9,500,000 |
| Ketchikan General Hospital | \$16,200,000 | \$14,063,678 | \$4,687,893 | \$18,751,571 | \$19,300,000 |

Funding Request Comparison

Note:

The allowable inflation rate under the C.O.N. is 15%

1989 inflation rate 4%

1990 inflation rate 5%

State agencies are using a 10% inflation rate for 1991 & 1992, 7% inflation rate for 1993

*Request under SB 319

**Request under SB 111 communities must match 25% with a limit of 5% of in-kind funds

h

HOUSE BILL 149
Sponsored by Representative Cliff Davidson

GOOD MORNING MADAME CHAIR, COMMITTEE MEMBERS - THANK YOU FOR SCHEDULING HOUSE BILL 149 FOR A HEARING THIS MORNING.

ARTICLE 7, SECTION 9 OF OUR ALASKA CONSTITUTION MANDATES THAT THE LEGISLATURE SHALL PROVIDE FOR PROMOTION AND PROTECTION OF PUBLIC HEALTH AND THE PUBLIC WELFARE.

I INTRODUCED HOUSE BILL 149 TO ADDRESS A CONCERN AND BASIC HUMAN RIGHT OF ALL ALASKANS -- ACCESS TO ADEQUATE AND BASIC HEALTH CARE. BUT WHEN IT COMES TO BASIC HEALTH CARE FACILITIES -- OUTSIDE OUR THREE LARGEST URBAN AREAS -- WE, THE LEGISLATURE, FACE A SHAMEFUL RECORD OF NEGLECT. WE ARE OUT OF COMPLIANCE WITH ALASKA CONSTITUTIONAL MANDATE.

ECONOMIC PROSPERITY AND WISE USE OF OUR STATE'S ABUNDANT RESOURCES DEPEND ON A HEALTHY POPULATION WITH ACCESS TO BASIC HEALTH CARE FACILITIES WHICH ADDRESS LOCAL HEALTH CARE NEEDS. PHYSICAL PLANTS IN A NUMBER OF ALASKA'S HOSPITALS AND NURSING HOMES HAVE BEEN ALLOWED TO DETERIORATE WHILE OTHER STATE PRIORITIES HAVE BEEN ADDRESSED. IT IS MY UNDERSTANDING THAT THE LAST TIME WE BUILT A HOSPITAL WAS 6 YEARS AGO, SPENDING APPROXIMATELY \$2 MILLION. THE 1990 CENSUS SHOWS AN INCREASE IN POPULATION IN RURAL AREAS. WE HAVE ADDRESSED NEEDS FOR PRIORITY SCHOOL CONSTRUCTION, NOW IS THE TIME TO DO THE SAME FOR HEALTH

CARE FACILITIES. THE SLOW DOWN AND DELAY IN THE FEDERALLY FUNDED ALASKA NATIVE HOSPITAL IN ANCHORAGE PUTS EVEN MORE RURAL ALASKAN AT RISK. WE NEED A PROCESS TO GET THE JOB OF HEALTH CARE DONE.

THE PROCESS USED TO IDENTIFY PRIORITY NEEDS FOR HEALTH CARE HAS BEEN A LONG AND THOROUGH ONE. IT GOES BACK TO A STUDY AUTHORIZED AND FUNDED BY THE 1981 LEGISLATURE. FIFTEEN RURAL HOSPITALS AND NURSING HOMES THROUGHOUT ALASKA WERE FOUND TO BE IN A DETERIORATED CONDITION. IT WAS DETERMINED ALSO THAT THESE FACILITIES HAD MANY HEALTH AND BUILDING CODE VIOLATIONS. THEY EXPERIENCED FUNCTIONAL FAILURES AS WELL.

THE LIST OF NEGLECTED HOSPITAL FACILITIES WERE GIVEN A PRIORITY RANKING WHICH WAS BASED ON THE SEVERITY OF ALL PHYSICAL AND FUNCTIONAL DEFICIENCIES FOUND AT EACH FACILITY. THE LIST DID NOT CONSIDER OTHER FACTORS SUCH AS FACILITY UTILIZATION OR POPULATION TRENDS. A DECADE LATER (IN 1991), ONLY SEVEN OF THE 15 FACILITIES IDENTIFIED HAVE COMPLETED MAJOR RENOVATION OR RECONSTRUCTION PROJECTS. FIVE ARE CO-LOCATED FACILITIES. THIS MEANS BOTH ACUTE CARE SERVICES AND LONG-TERM CARE SERVICES ARE COMBINED IN ONE FACILITY. IN SOME CASES, LOCAL COMMUNITIES PROVIDED THEIR OWN FUNDING WHEN THE LEGISLATURE CUT ALLOCATIONS IN THESE AREAS. HOUSE BILL 149 REQUIRES EACH COMMUNITY TO PROVIDE A FINANCIAL CONTRIBUTION. UP TO FIVE PERCENT OF THAT CONTRIBUTION MAY BE IN KIND.

TEN YEARS IS A LONG TIME TO WAIT TO ADDRESS IDENTIFIED DEFICIENCIES WHICH CAN ONLY BE CORRECTED BY MAJOR RENOVATION. HOUSE BILL 149 WOULD MOVE US TOWARD A MORE ADEQUATE STATEWIDE NETWORK OF HEALTH CARE FACILITIES.

THERE IS NOTHING MORE WORTHY NOR IMPORTANT OF OUR ATTENTION AND OUR RESOURCES THAN THE PUBLIC HEALTH AND THE PUBLIC WELFARE. ALASKA'S ECONOMIC HEALTH AND SOCIAL HEALTH DEPEND ON OUR ABILITY TO NURTURE A HEALTHY AND PRODUCTIVE POPULATION.

THEREFORE, I URGE YOUR SUPPORT OF HOUSE BILL 149.

3-27-91

To the Juneau LIO from Lorna in Kodiak.

3 Pages were just sent from the Kodiak Island Hospital Administrator this is his testimony to be entered into the record of the House HESS t/c scheduled for this mornings t/c at 7:30 am. T/C 91-03-127.

He thought Kodiak was included as a site to participate in this t/c this morning.

His name is Jansen Blanton, 1915 E. Rezanof - Kodiak 99615, 486-3281.

C-106

House H.E.S.S. Committee 3-27-91

Mr. Chairman, Members of the Committee

Thank you for the opportunity to speak to you concerning the need for a new health care facility for Kodiak Island. The present facility needs to be replaced based on the assessment of the physical plant.

- * The facility is twenty-five years old. At the time it was constructed, 90% of services were delivered to inpatients. Today, less than 50% of services are delivered to inpatients. In 1986, the facility served 2,238 outpatients. In 1990, we served 8,758 outpatients. Medical services and people's needs have changed -- the facility has not.**
- * The facility is "bursting at the seams". We had to locate the new C.T. scanner in a separate outside building due to space and electrical service deficiencies. We have temporarily converted patient rooms to meet office space needs. Storage space is being utilized offsite to meet current needs. Medical equipment is stored in the library.**

Radiology space was taken for Emergency Room space.

The Pharmacy and the doctors have to share a room and the mammography and ultrasound patients have to alternate since both machines are in the same room. This crowding interferes with medical services to patients and causes safety concerns for both patients and staff.

- * The last inspection by the fire marshal resulted in 66 deficiencies from the Federal government under Handicapped Codes and four Life Safety Code deficiencies which cannot be corrected without major structural changes to the building. The major mechanical equipment is twenty-five years old and requires constant repairs and modifications to stay operable. The Borough is currently planning to replace a defective hot water system. Asbestos has been identified as insulating material in the boiler room and will have to be removed thus necessitating another large expense and service disruption.**

- * **The construction of the new facility will allow for expanded critical care, obstetric, and operating room services, expanded emergency and outpatient services areas and will meet Federal regulatory codes. In addition, the new facility will allow Kodiak Island Hospital & Care Center to continue providing quality health care services and meet the demands of today's medical care. The new facility will help keep jobs in the community, keep health care spending local and help us expand to meet the future needs of the community we serve.**

Jensen A. Blanton
Interim Administrator

Introduced by: Mayor Selby
Date: 11/01/90
Adopted: 11/01/90

KODIAK ISLAND BOROUGH
RESOLUTION NO. 90-67

A RESOLUTION ESTABLISHING A JOINT CITY/BOROUGH FISCAL YEAR
OF 1992 CAPITAL PROJECT PRIORITY LIST

WHEREAS, the City Council adopted the City of Kodiak's capital improvement priorities by Resolution No. 33-90 on September 27, 1990; and

WHEREAS, the Borough Assembly adopted the Kodiak Island Borough's capital improvement priorities by Resolution No. 90-60 on October 4, 1990; and

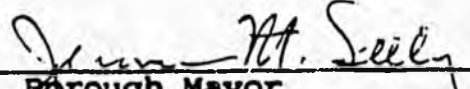
WHEREAS, the City Council and the Kodiak Island Borough Assembly have developed a merged list to present to the Seventeenth Alaska Legislature for funding consideration;

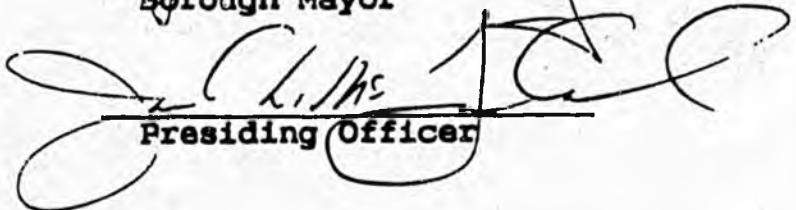
NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly in conjunction with the Council of the City of Kodiak, Alaska, the following priorities are hereby adopted for fiscal year 1992 capital improvement projects:

- | | | |
|----|---|---------------|
| 1. | Hospital Construction | \$ 15,000,000 |
| 2. | Mill Bay Road Construction | 5,000,000 |
| 3. | Water System Filtration Plant Construction | 7,000,000 |
| 4. | New Elementary School | 8,200,000 |
| 5. | St. Paul Harbor Inner Harbor Construction | 1,200,000 |
| 6. | Near Island Roads and Utilities | 2,500,000 |
| 7. | Resurfacing Rezanof Drive | 4,500,000 |

PASSED AND APPROVED THIS 1st DAY OF NOVEMBER, 1990.

KODIAK ISLAND BOROUGH


Borough Mayor


Presiding Officer

ATTEST:


Borough Clerk

CITY OF KODIAK
RESOLUTION NUMBER 38-90

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK ESTABLISHING A JOINT CITY/BOROUGH FISCAL YEAR 1992 CAPITAL PROJECT PRIORITY LIST

WHEREAS, the City Council adopted the City of Kodiak's prioritized Capital Improvements Program by Resolution Number 33-90, on September 27, 1990; and

WHEREAS, the Borough Assembly will adopt the Kodiak Island Borough's capital improvement priorities by Resolution Number 90-60-R, on October 4, 1990; and

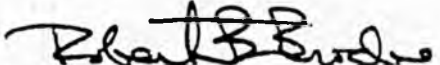
WHEREAS, the City Council and the Kodiak Island Borough Assembly have developed a merged list to present to the First Session of the Seventeenth Alaska Legislature for funding consideration,

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Kodiak, Alaska, in conjunction with the Kodiak Island Borough Assembly, does hereby adopt the following priorities for the fiscal year 1992 capital improvement projects:

- | | |
|--|--------------|
| 1. Hospital construction | \$14,000,000 |
| 2. Mill Bay Road reconstruction | 5,000,000 |
| 3. Water System Filtration Plant construction | 7,000,000 |
| 4. New elementary school | 8,200,000 |
| 5. St. Paul Harbor inner harbor reconstruction | 1,200,000 |
| 6. Near Island roads and utilities | 2,500,000 |
| 7. Resurfacing Rezanof Drive | 4,500,000 |

PASSED AND APPROVED this 25th day of October, 1990.

CITY OF KODIAK


MAYOR

ATTEST:


CITY CLERK



Alaska State Legislature

c-106

Please enter into the record my testimony to the ~~House of Representatives~~
 committee name
 committee on HB 149, dated 3/27/91
 bill/subject

Thank you for the opportunity to offer testimony on this important Bill.

Although my interest in improving health care in Kodiak, I have a concern that Alaska has not paid sufficient attention to health care needs all over the State - Seward and Ketchikan are also in need of assistance.

We have paid good attention to the needs in Education around the state and it is high time to raise the health care to our citizens.

I would like to see Alaska "above average" in health care - rather than way "below average". Please support this HB 149. Thank you

Signed: Lorne White Lorne White
 Testifier

Representing (Optional)
Box 1661 Kodiak
 Address
480-4791
 Phone No.

HOUSE COMMITTEE REPORT

(7)
Date Referred: February 20, 1991

FURTHER REFERRALS:

Finance

Date of Committee Action: 3/27/91

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 149

HOUSE BILL NO. 149

APPROP: MUNICIPAL GRANTS FOR HOSPITALS

"An Act making appropriations for grants to certain hospitals for hospital construction and renovation; and providing for an effective date."

- RECOMMENDATIONS: [] the same title
 be replaced with _____ [] a new title
 [] have attached amendments(s)
 [] do pass
 [] do not pass
 [] no recommendations
 [] individual recommendations
 [] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[] fiscal impact _____

[] fiscal note(s) _____

[] zero fiscal note _____

[] zero fiscal note(s) _____

SIGNING DO PASS:

(LINCOLN) SIGNING OTHER RECOMMENDATIONS:

| | Check appropriate column: | Do Not Pass | No Rec | Amend |
|-------------------------------|---------------------------|-------------|-------------------------------------|-------|
| <i>[Signature]</i> | | | | |
| <i>[Signature]</i> (CARNEY) | | | | |
| <i>[Signature]</i> (GONZALES) | | | | |
| <i>[Signature]</i> | | | | |
| <i>[Signature]</i> (HANLEY) | | | <input checked="" type="checkbox"/> | |
| Mary Miller | | | | |
| Cheri Davis | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

[Signature]
CO-Chairman's Signature

DRAFT

Table 3.1 - 1990 ALASKA HOSPITAL SURVEY
SPECIALIZED CARE FACILITIES
INVENTORY

| Area | Facility | Period Reported | Administrator | Ownership | Operator |
|---------------------|------------------------------|----------------------|----------------------|-----------------|-----------------------------|
| SOUTHEAST | | | | | |
| | Juneau Recovery Unit | 01/01/89 to 12/31/89 | Steve Hamilton | Municipal | City and Borough of Juneau |
| SOUTHCENTRAL | | | | | |
| | Charter North Hospital | 10/01/88 to 09/30/89 | Kathy Cronen | Private | Charter Medical Corporation |
| | North Star Hospital | 01/01/89 to 12/31/89 | Stephen D. Berkshire | Private | Samissa Healthcare Inc. |
| | Alaska Psychiatric Institute | 07/01/89 to 06/30/90 | Alvin D. Finneseth | State of Alaska | State of Alaska |

Table 4.1 - 1990 ALASKA HOSPITAL SURVEY
LONG TERM CARE FACILITIES
INVENTORY

| Area | Facility | Period Reported | Administrator | Ownership | Operator |
|---------------------|-------------------------------|----------------------|---------------------|-----------------|-------------------------------|
| SOUTHEAST | | | | | |
| | Island View Manor | 07/01/88 to 06/30/89 | Ed Mahn | Municipal | Sisters of St. Joseph |
| | Juneau Pioneer's Home | 01/01/89 to 12/31/89 | Daniel J. Meddleton | State of Alaska | State of Alaska |
| | Ketchikan Pioneer's Home | 07/01/89 to 07/01/90 | Roslyn Reeder | State of Alaska | State of Alaska |
| | Petersburg General Hospital | 07/01/88 to 06/30/89 | Gary Grandy | Municipal | Local Government |
| | St. Ann's Nursing Home | 01/01/89 to 12/31/89 | Grant Asay | Private | St. Ann's Nursing Inc. |
| | Sitka Pioneer's Home | 07/01/89 to 06/30/90 | Julia A. Smith | State of Alaska | State of Alaska |
| | Wrangell General Hospital | 01/01/89 to 12/31/89 | John Vowell | Municipal | Local Government |
| SOUTHCENTRAL | | | | | |
| 171 | Anchorage Pioneer's Home | 01/01/89 to 12/31/89 | Stan Soth | State of Alaska | State of Alaska |
| | Arlene Home | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Cordova Community Hospital | 07/01/88 to 06/30/89 | Edward Zeine | Municipal | Local Government |
| | Mary Conrad Center | 01/01/89 to 12/31/89 | Joan Fisher | Private | Sisters of Providence |
| | Forest Park Cottage | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Harborview Developmental Ctr. | 01/01/89 to 12/31/89 | Patrick J. Londo | State of Alaska | State of Alaska |
| | Heritage Place | 01/01/89 to 12/31/89 | Dennis Murray | Private | Lutheran Health Systems |
| | Hope Park Cottage | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Juliana Home | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Kodiak Island Hospital | 01/01/89 to 12/31/89 | Norm Campeau | Municipal | Lutheran Health Systems |
| | Ocean Park Cottage | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Our Lady of Compassion | 01/01/89 to 12/31/89 | Tom Boling | Private | Sisters of Providence |
| | Palmer Pioneer's Home | 01/01/89 to 12/31/89 | Gary L. Sheridan | State of Alaska | State of Alaska |
| | *Sourdough Place | 01/01/89 to 12/31/89 | Patrick J. Londo | State of Alaska | State of Alaska |
| | South Peninsula Hospital | 07/01/88 to 06/30/89 | Mike Herring | Private | South Peninsula Hospital Inc. |
| | Wesleyan Nursing Home | 01/01/89 to 12/31/89 | Richard W. Jones | Private | United Methodist Church |
| ORTH | | | | | |
| | Denali Center | 01/01/89 to 12/31/89 | Mark Bertilrud | Private | Lutheran Health Systems |
| | Fairbanks Pioneer's Home | 07/01/89 to 06/30/90 | Eileen Montano | State of Alaska | State of Alaska |
| | Kotzebue Senior Center Care | 08/04/89 to 12/31/90 | Nancy Farrington | Private | Non-Profit Native Corporation |
| | Quyaana Care Center | 10/01/88 to 09/30/89 | Diane Rabb | Private | Private |

*Sourdough Place is the nursing home portion of Harborview Developmental Center

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

DRAFT

Table 3.1 - 1990 ALASKA HOSPITAL SURVEY
SPECIALIZED CARE FACILITIES
INVENTORY

| Area | Facility | Period Reported | Administrator | Ownership | Operator |
|--------------|------------------------------|----------------------|----------------------|-----------------|-----------------------------|
| SOUTHEAST | | | | | |
| | Juneau Recovery Unit | 01/01/89 to 12/31/89 | Steve Hamilton | Municipal | City and Borough of Juneau |
| SOUTHCENTRAL | | | | | |
| | Charter North Hospital | 10/01/88 to 09/30/89 | Kathy Cronen | Private | Charter Medical Corporation |
| | North Star Hospital | 01/01/89 to 12/31/89 | Stephen D. Berkshire | Private | Samissa Healthcare Inc. |
| | Alaska Psychiatric Institute | 07/01/89 to 06/30/90 | Alvin D. Finneseth | State of Alaska | State of Alaska |

DRAFT

Table 2.1 1990 ALASKA HOSPITAL SURVEY
ACUTE CARE FACILITIES
INVENTORY

| Area | Facility | Period Reported | Administrator | Ownership | Operator |
|---------------------|--------------------------------|----------------------|-------------------------|-----------|--------------------------------|
| SOUTHEAST | | | | | |
| | Bartlett Memorial Hospital | 07/01/88 to 06/30/89 | Robert F. Valliant | Municipal | Quorum Health Resources, Inc. |
| | Ketchikan General Hospital | 07/01/88 to 06/30/89 | Ed Mahn | Municipal | Sisters of St. Joseph |
| | Mt. Edgecumbe/SEARHC | 10/01/88 to 09/30/89 | Arthur C. Willman | Federal | SEARHC |
| | Petersburg General Hospital | 01/01/89 to 12/31/89 | Gary Grandy | Municipal | City of Petersburg |
| | Sitka Community Hospital | 01/01/89 to 12/31/89 | Anna Walker | Municipal | City & Borough of Sitka |
| | Wrangell General Hospital | 11/01/89 to 12/31/89 | John Vowell | Municipal | City of Wrangell |
| SOUTHCENTRAL | | | | | |
| | Alaska Native Medical Center | 01/01/89 to 12/31/89 | Richard Handsager, M.D. | Federal | Public Health Service |
| | Branch Naval Hospital, Adak | 01/01/89 to 12/31/89 | CDR. Lee W. Tomkins | Federal | Federal, U.S. Navy |
| | Bristol Bay/Kanakanak Hospital | 01/01/89 to 12/31/89 | Jay Toth | Federal | Public Health Service |
| | Central Peninsula Hospital | 01/01/89 to 12/31/89 | Michael J. Lockwood | Municipal | Lutheran Health Systems |
| | Cordova Community Hospital | 01/01/89 to 12/31/89 | Edward Zeine | Municipal | City of Cordova |
| | Humana/Alaska Hospital | 01/01/89 to 12/31/89 | Charles P. Stokes | Private | Humana Inc., Louisville, KY. |
| | Kodiak Island Hospital | 01/01/89 to 12/31/89 | Norm Campeau | Private | Lutheran Health Systems |
| | Providence Hospital | 01/01/89 to 12/31/89 | Sister Dona Taylor | Private | Sisters of Providence, Seattle |
| | Seward General | 01/01/89 to 12/31/89 | Diane Rabb | Municipal | City of Seward |
| | South Peninsula Hospital | 01/01/89 to 12/31/89 | Ralph Paulding | Private | Corporation |
| | Valdez Community Hospital | 01/01/89 to 12/31/89 | Dan Mohler | Private | Private |
| | Valley Hospital | 01/01/89 to 12/31/89 | James G. Walsh | Private | Corporation |
| | Yukon-Kuskokwim Delta | 01/01/89 to 12/31/89 | Delbert Nutter | Federal | Public Health Service |
| | Elmendorf A.F.B. Hospital | 10/01/88 to 09/30/89 | Col. Mervin Avants | Federal | U.S. Air Force |
| NORTH | | | | | |
| | Bassett Army Hospital | 10/01/88 to 09/30/89 | Lt. William Cahill | Federal | U.S. Army |
| | Barrow PHS/ANH Hospital | 07/01/89 to 06/30/90 | Violet M. Nageak | Federal | Public Health Service |
| | Fairbanks Memorial Hospital | 01/01/89 to 12/31/89 | James Gingerich | Private | Lutheran Health Systems |
| | Kotzebue PHS/ANS Hospital | 01/01/89 to 12/31/89 | Frank Williams | Federal | Public Health Service |
| | Horton Sound Region | 10/01/88 to 09/30/89 | Wallace N. Boyd | Private | Horton Sound Health Corp. |

Table 4.1 - 1990 ALASKA HOSPITAL SURVEY
LONG TERM CARE FACILITIES
INVENTORY

| Area | Facility | Period Reported | Administrator | Ownership | Operator |
|---------------------|-------------------------------|----------------------|---------------------|-----------------|-------------------------------|
| SOUTHEAST | | | | | |
| | Island View Manor | 07/01/88 to 06/30/89 | Ed Mahn | Municipal | Sisters of St. Joseph |
| | Juneau Pioneer's Home | 01/01/89 to 12/31/89 | Daniel J. Heddleton | State of Alaska | State of Alaska |
| | Ketchikan Pioneer's Home | 07/01/89 to 07/01/90 | Roslyn Reeder | State of Alaska | State of Alaska |
| | Petersburg General Hospital | 07/01/88 to 06/30/89 | Gary Grandy | Municipal | Local Government |
| | St. Ann's Nursing Home | 01/01/89 to 12/31/89 | Grant Asay | Private | St. Ann's Nursing Inc. |
| | Sitka Pioneer's Home | 07/01/89 to 06/30/90 | Julia A. Smith | State of Alaska | State of Alaska |
| | Wrangell General Hospital | 01/01/89 to 12/31/89 | John Vowell | Municipal | Local Government |
| SOUTHCENTRAL | | | | | |
| | Anchorage Pioneer's Home | 01/01/89 to 12/31/89 | Stan Soth | State of Alaska | State of Alaska |
| | Arlene Home | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| 171 | Cordova Community Hospital | 07/01/88 to 06/30/89 | Edward Zeine | Municipal | Local Government |
| | Mary Conrad Center | 01/01/89 to 12/31/89 | Joan Fisher | Private | Sisters of Providence |
| | Forest Park Cottage | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Harborview Developmental Ctr. | 01/01/89 to 12/31/89 | Patrick J. Londo | State of Alaska | State of Alaska |
| | Heritage Place | 01/01/89 to 12/31/89 | Dennis Murray | Private | Lutheran Health Systems |
| | Hope Park Cottage | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Juliana Home | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Kodiak Island Hospital | 01/01/89 to 12/31/89 | Norm Campeau | Municipal | Lutheran Health Systems |
| | Ocean Park Cottage | 01/01/89 to 12/31/89 | Stephen P. Lesko | Private | Private |
| | Our Lady of Compassion | 01/01/89 to 12/31/89 | Tom Boling | Private | Sisters of Providence |
| | Palmer Pioneer's Home | 01/01/89 to 12/31/89 | Gary L. Sheridan | State of Alaska | State of Alaska |
| * | Sourdough Place | 01/01/89 to 12/31/89 | Patrick J. Londo | State of Alaska | State of Alaska |
| | South Peninsula Hospital | 07/01/88 to 06/30/89 | Hike Herring | Private | South Peninsula Hospital Inc. |
| | Wesleyan Nursing Home | 01/01/89 to 12/31/89 | Richard W. Jones | Private | United Methodist Church |
| ORTH | | | | | |
| | Denali Center | 01/01/89 to 12/31/89 | Mark Bertilrud | Private | Lutheran Health Systems |
| | Fairbanks Pioneer's Home | 07/01/89 to 06/30/90 | Eileen Montano | State of Alaska | State of Alaska |
| | Kotzebue Senior Center Care | 08/04/89 to 12/31/90 | Nancy Farrington | Private | Non-Profit Native Corporation |
| | Quyaana Care Center | 10/01/88 to 09/30/89 | Diane Rabb | Private | Private |

*Sourdough Place is the nursing home portion of Harborview Developmental Center

Table 4.6 - 1990 ALASKA HOSPITAL SURVEY
LONG TERM CARE FACILITIES
BED DISTRIBUTION BY HEALTH SERVICE AREA

DRAFT

| FACILITIES | NURSING CARE BEDS | | RESIDENTIAL BEDS | TOTAL BEDS | MEDICARE | | MEDICAID | |
|-------------------------------|-------------------|---------------|------------------|------------------|----------|---------------|----------|---------------|
| | LICENSED | SETUP&STAFFED | SET UP & STAFFED | SET UP & STAFFED | LICENSED | SETUP&STAFFED | LICENSED | SETUP&STAFFED |
| SOUTHEAST | | | | | | | | |
| Island View Manor | 46 | 46 | 0 | 46 | 8 | 8 | 46 | 46 |
| Juneau Pioneer's Home | 32 | 34 | 20 | 54 | 0 | 0 | 0 | 0 |
| Ketchikan Pioneer's Home | 30 | 30 | 19 | 49 | 0 | 0 | 0 | 0 |
| Petersburg General Hospital | 14 | 14 | 0 | 14 | 14 | 14 | 14 | 14 |
| St. Ann's Nursing Home | 45 | 45 | 0 | 45 | 0 | 0 | 45 | 45 |
| * Sitka Pioneer's Home | 45 | 41 | 86 | 127 | 0 | 0 | 0 | 0 |
| Wrangell General Hospital | 14 | 14 | 0 | 14 | 14 | 14 | 14 | 14 |
| SOUTHCENTRAL | | | | | | | | |
| ** Anchorage Pioneer's Home | 92 | 94 | 134 | 228 | 0 | 0 | 0 | 0 |
| Arlene Home | 5 | 5 | 0 | 5 | 0 | 0 | 5 | 5 |
| Cordova Community Hospital | 10 | 10 | 0 | 10 | 0 | 0 | 10 | 10 |
| Mary Conrad Center | 66 | 66 | 24 | 90 | 0 | 0 | 66 | 66 |
| Forest Park Cottage | 10 | 10 | 0 | 10 | 0 | 0 | 10 | 10 |
| Harborview Developmental Ctr. | 64 | 64 | 0 | 64 | 0 | 0 | 64 | 64 |
| Heritage Place | 45 | 45 | 0 | 45 | 45 | 45 | 45 | 45 |
| Hope Park Cottage | 10 | 10 | 0 | 10 | 0 | 0 | 10 | 10 |
| Juliana Home | 5 | 5 | 0 | 5 | 0 | 0 | 5 | 5 |
| Kodiak Island Hospital | 19 | 19 | 0 | 19 | 0 | 0 | 19 | 19 |
| Ocean Park Cottage | 10 | 10 | 0 | 10 | 0 | 0 | 10 | 10 |
| Our Lady of Compassion | 224 | 224 | 0 | 224 | 16 | 16 | 224 | 224 |
| Palmer Pioneer's Home | 55 | 55 | 37 | 92 | 0 | 0 | 0 | 0 |
| Sourdough Place | 16 | 16 | 0 | 16 | 0 | 0 | 16 | 16 |
| South Peninsula Hospital | 18 | 18 | 0 | 18 | 0 | 0 | 18 | 18 |
| Wesleyan Nursing Home | 66 | 66 | 0 | 66 | 0 | 0 | 66 | 66 |
| NORTH | | | | | | | | |
| Denali Center | 101 | 101 | 0 | 101 | 101 | 101 | 101 | 101 |
| Fairbanks Pioneer's Home | 54 | 48 | 56 | 104 | 0 | 0 | 0 | 0 |
| Kotzebue Senior Center Care | 9 | 9 | 0 | 9 | 9 | 9 | 9 | 9 |
| Quyaana Care Center | 15 | 15 | 0 | 15 | 0 | 0 | 15 | 15 |

* NOTE: The number of nursing care beds at the Sitka Pioneer's Home was reduced from 41 to 29 in October 1989.

** NOTE: The number of nursing care beds set up and staffed at the State Pioneer's Homes includes infirmary beds.

Table 3.4 - 1990 ALASKA HOSPITAL SURVEY
SPECIALIZED CARE FACILITIES
BED DISTRIBUTION - LICENSED

DRAFT

SOUTHEAST

| FACILITY | ACUTE CARE | | | | | | | INTENSIVE CARE | | | | | NEWBORN CARE | | | OTHER | | | |
|----------------------|--------------------|-----------------|-------------------|------------------|-----------------|-------|--------|----------------|---------|------|-------|--------|-----------------|---------|--------|-------|------|----------|----------|
| | GENERAL MEDICAL | PEDIA- TRICS | PSYCHI- ATRICS | SUBSTNC ABUSE | OBSET- TRICS | OTHER | TOTALS | ADULT | CARDIAC | BURN | OTHER | TOTALS | NEONATAL ICU | NEWBORN | TOTALS | SWING | CARE | MEDICARE | MEDICAID |
| Juneau Recovery Unit | | | | 15 | | | 15 | | | | | 0 | | 0 | | | | 0 | 0 |

Table 3.4 - 1990 ALASKA HOSPITAL SURVEY
(cont.)
SPECIALIZED CARE FACILITIES
BED DISTRIBUTION - LICENSED

SOUTHCENTRAL

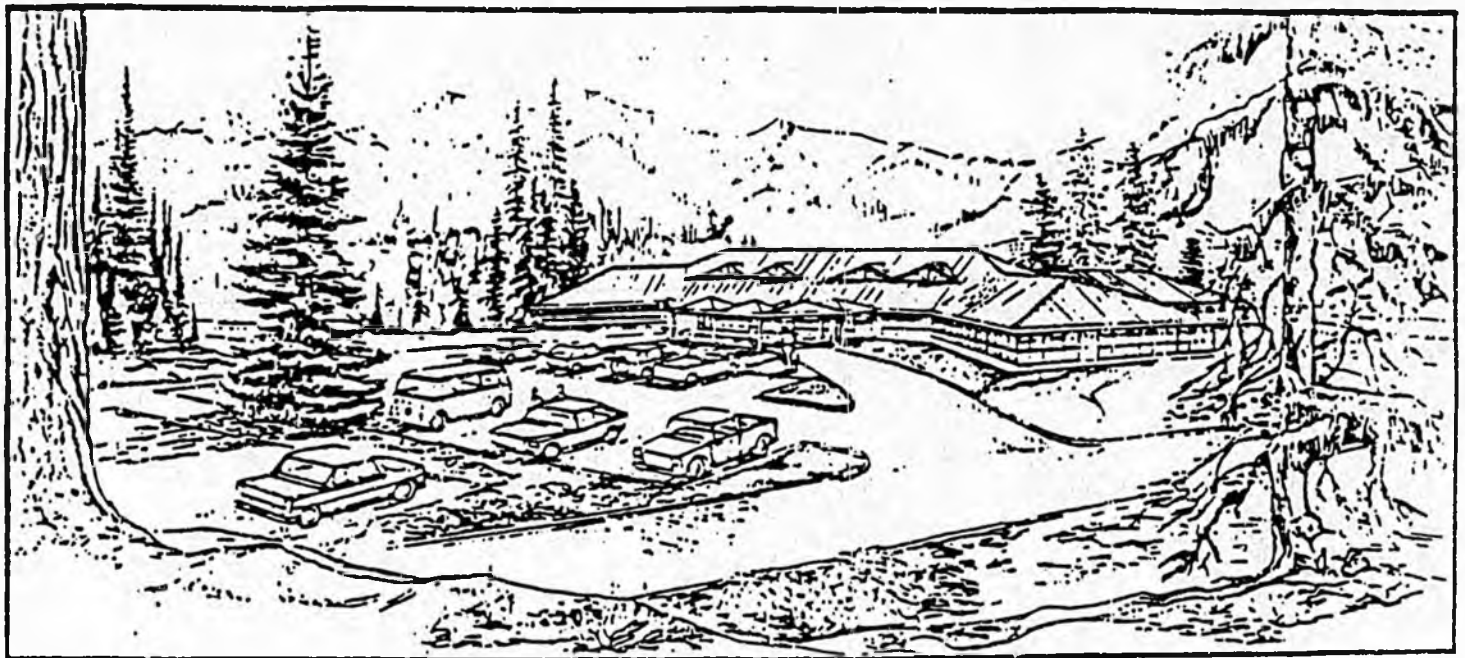
| FACILITY | ACUTE CARE | | | | | | | INTENSIVE CARE | | | | | NEWBORN CARE | | | OTHER | | | |
|------------------------------|--------------------|-----------------|-------------------|------------------|-----------------|-------|--------|----------------|---------|------|-------|--------|-----------------|---------|--------|-------|------|----------|----------|
| | GENERAL MEDICAL | PEDIA- TRICS | PSYCHI- ATRICS | SUBSTNC ABUSE | OBSET- TRICS | OTHER | TOTALS | ADULT | CARDIAC | BURN | OTHER | TOTALS | NEONATAL ICU | NEWBORN | TOTALS | SWING | CARE | MEDICARE | MEDICAID |
| Charter North Hospital | | | 70 | 10 | | | 80 | | | | | 0 | | 0 | | | | 80 | 80 |
| North Star Hospital | | | 34 | | | | 34 | | | | | 0 | | 0 | | | | 34 | 34 |
| Alaska Psychiatric Institute | | | 160 | | | | 160 | | | | | 0 | | 0 | | | | 160 | 160 |

Table 2.5A
 1990 Alaska Hospital Survey
 Acute Care Facilities Utilization Summary

| | Acute Care Beds | Total Discharge | Total Patient Days | Average Daily Census (# of Patients) | Average Length of Stay (# of Days) | Occupancy Rate (Percent) |
|-------------------------------------|--------------------|--------------------|-----------------------|--|--|--------------------------------|
| Anchorage ANS/PHS Hospital | 170 | 4473 | 32744 | 89.7 | 7.32 | 52.8% |
| Bassett ARMY Hospital | 69 | 1383 | 4336 | 11.9 | 3.14 | 17.2% |
| Barrow PHS/ANS Hospital | 14 | 510 | 1600 | 4.4 | 3.14 | 31.3% |
| Bartlett Memorial Hospital | 51 | 2979 | 9859 | 27.0 | 3.31 | 53.0% |
| Branch Naval Hospital Adak | 15 | 523 | 1375 | 3.8 | 2.63 | 25.1% |
| Bristol Bay PHS/ANS Hospital | 15 | 468 | 1336 | 3.7 | 2.85 | 24.4% |
| Central Peninsula Hospital | 46 | 2674 | 9344 | 25.6 | 3.49 | 55.7% |
| Cordova Community Hospital | 13 | 226 | 630 | 1.7 | 2.79 | 13.3% |
| Elmendorf AFB Hospital | 75 | 5387 | 23147 | 63.4 | 4.30 | 84.6% |
| Fairbanks Memorial Hospital | 177 | 6905 | 25073 | 68.7 | 3.63 | 38.8% |
| Humana/Alaska | 238 | 7534 | 34583 | 94.7 | 4.59 | 39.8% |
| Ketchikan General Hospital | 46 | 1726 | 5288 | 14.5 | 3.06 | 31.5% |
| Kodiak Island Hospital | 25 | 1505 | 4369 | 12.0 | 2.90 | 47.9% |
| Kotzebue PHS/ANS Hospital | 31 | 761 | 2263 | 6.2 | 2.97 | 20.0% |
| Mt. Edgecumbe/SEARCH | 78 | 2037 | 14246 | 39.0 | 6.99 | 50.0% |
| Horton Sound Regional Hospital | 19 | 673 | 1741 | 4.8 | 2.59 | 25.1% |
| Petersburg General Hospital | 11 | 140 | 469 | 1.3 | 3.35 | 11.7% |
| Providence Hospital | 365 | 14219 | 87477 | 239.7 | 6.15 | 65.7% |
| Seward General Hospital | 32 | 392 | 1216 | 3.3 | 3.10 | 10.4% |
| Sitka Community Hospital | 24 | 727 | 2641 | 7.2 | 3.63 | 30.1% |
| South Peninsula Hospital | 20 | 778 | 2530 | 6.9 | 3.25 | 34.7% |
| Valdez Community Hospital | 15 | 257 | 733 | 2.0 | 2.85 | 13.4% |
| Valley Hospital | 36 | 229 | 1308 | 3.6 | 5.71 | 10.0% |
| Wrangell General Hospital | 9 | 128 | 307 | 0.8 | 2.40 | 9.3% |
| Yukon-Kuskokwim Delta PHS/ANS Hosp. | 51 | 1928 | 6676 | 18.3 | 3.46 | 35.9% |

THE FOLLOWING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

**KODIAK ISLAND (BOROUGH) HOSPITAL
AND CARE CENTER**



REPLACEMENT FACILITY PROPOSAL

KODIAK ISLAND (BOROUGH) HOSPITAL AND CARE CENTER

HISTORICAL PERSPECTIVE

Kodiak Island (Borough) Hospital and Care Center has been trying for nine years to achieve funding for a badly needed modern health care facility. The State of Alaska has not funded rural health care facility construction for the past seven years.

During this nine years, several studies have been completed. They have studied the needs of the Borough, the present facilities, the need for either remodeling/additions to the present facility, or a replacement facility; the projected health care needs of Kodiak Island Borough; and the respective costs of remodeling/additions versus a replacement facility.

In 1982, the State of Alaska contracted with ECI-Hyers, Architects and Planners, to study the existing need in the state. Their conclusions were that replacement of the present facility would be the most cost effective methods of providing needed health care.

In 1985, Mills, John & Rigdon Architects determined that the most prudent method of providing the needed health care was a replacement facility. Their findings were that the present facility's problems in the areas of asbestos control, mechanical systems, air handling systems, traffic flow, earthquake protection and multiple code violations made a replacement facility the only choice.

In May of 1986, the Health System Agency came to the conclusion as the two previous studies: replacement is the only cost effective and realistic approach to the problems of health care delivery in Kodiak Island Borough.

The present facility has 66 deficiencies under Federal Codes, 19 deficiencies under the Handicapped Code, 4 major deficiencies under Life Safety Code, and it does not meet the state requirements for earthquake protection.

When the hospital was built in 1968, it met the medical needs of that time. Then, we had 2,300 outpatient visits a year; now, we have over 9,000. Then, we had about 10 patients a day in the hospital; now, we have over 15 a day. Then, we had one x-ray machine; now, we need three machines and our CT Scanner is going to have to be put in a building outside the hospital because there is no room inside. Then, we had three laboratory machines performing 1,500 tests a year; now, we have five state-of-the-art machines performing over 9,000 tests. But we are still in the same building with the same 22-year-old mechanical, ventilation and electrical system.

The State of Alaska appropriated \$200,000 to Kodiak Island Borough for planning of a new facility. Kodiak Island Hospital and Care Center has donated over \$2,000,000 to the Borough for site acquisition, architect's drawings and specifications, and site preparation. There are currently plans, specifications and documents ready for construction. Due to a lack of funding, the Certificate of Need which was granted, and extended twice in anticipating of funding, has expired. The Certificate of Need has been resubmitted to the State for review.

The Kodiak Island Borough and the City of Kodiak have both made the replacement of the present hospital with a new facility their number one priority again this year.

To date, the Kodiak Island Borough and Hospital have spent \$1,813,962.00 in preparation for the new hospital. There is over \$1,000,000 in reserves dedicated for the construction of the new hospital. We are currently researching the possibility of a fund developing program to further assist ourselves and the state in providing the necessary health care for our borough.

Over the nine years of waiting, we have spent large sums of money studying the problem and developing the most economical solution and the plans and specifications to implement the replacement facility. The delays have increased the cost of construction, through inflation and increasing technology, from \$11,500,000 in 1982 to \$19 million in 1991. These are costs that are directly born by the hospital, borough, citizens and State of Alaska.

KODIAK ISLAND (BOROUGH) HOSPITAL AND CARE CENTER

WHY IS A NEW HOSPITAL NEEDED?

1. REPLACEMENT VERSUS REMODELING

In 1982, the State of Alaska said this facility should be replaced in 1985-1986. They recommended \$10,000,000 be appropriated for the project. It wasn't. We are still waiting.

Long range studies done in 1982, March, 1985 and May, 1986 have been completed regarding the future needs of the Kodiak Island (Borough) Hospital and Care Center.

The most definitive studies were the 1982 and March, 1985 studies.

The 1982 study, completed by ECI-Hyers, Architects and Planners, for the State of Alaska, looked at the problems, potentials and costs of replacing and remodeling/adding on. Their final costs in 1982 dollars, was:

- * Build replacement \$11,363,900.00
- * Remodel/add-on \$14,245,700.00

The 1985 study, done by Mills, John & Rigdon, Architects, determined the best plan was replacement. They felt that due to the present hospitals problems in the areas of asbestos control, mechanical system and air handling deficiencies and facility traffic flow problems, remodeling of the present building was cost prohibitive. They estimated a new facility would cost, in 1985 dollars, \$16,500,000.00.

The May, 1986 study, done by South Central Health Planning and Development, Inc., came to the same conclusions; building a replacement facility would be more cost effective than remodeling and adding on. They estimated the cost of remodeling/adding on at \$300.00 per square foot, minimum, and building at \$200.00 per square foot, in 1986 dollars.

There are currently drawings, specifications and bidding documents completed. With some modifications and code compliance changes, we could be ready to build.

To date, the Borough and Hospital have spent:

| | |
|-------------------------|-------------------|
| Site Acquisition | \$ 495,000.00 |
| Architect/Engineer Fees | 890,262.00 |
| Site Preparation | <u>428,700.00</u> |
| | \$1,813,962.00 |

This demonstrates the level of commitment that has been made by the Kodiak Island Borough Assemblies and the Kodiak Island Hospital Advisory Board.

2. **OUTDATED DESIGN**

We cannot attract professionals, health care workers, physicians, due to our antiquated, crowded and "boxed in" building. The hospital was built in 1968. Then, over 90% of the patients were in-patients. Today, less than 50% of our total patients are in-patients. In 1986, we had 2,238 emergency and out-patients. This year, we will have over 9,000. The way medicine is practiced has changed greatly in 22 years; the building hasn't.

The C.T. Scanner is having to be put in a trailer in the back parking lot; there is no room for it here in the facility.

3. **SPACE CONSTRAINTS AND DEFICIENCIES**

We are "bursting at the seams". Currently, storage is being rented/purchased in three separate off-site locations and two Conex containers at the hospital. There is no room for storage at the hospital.

The present building has 66 deficiencies from the Federal government, deficiencies under Handicapped Codes and four deficiencies from Life Safety Codes that cannot be corrected without major structural changes to the building.

4. **AGING AND FAILING PHYSICAL PLANT**

We are facing a deadline with the State Fire Marshal. We must spend in excess of \$50,000 in the next 90 days to stay open.

The boilers, autoclaves, air handling systems, dishwasher and vacuum/oxygen systems here are all 22 years old. They require constant repairs and modifications just to keep them operating.

A new hospital is the Number One Capital Project for the Borough and the City.

KODIAK ISLAND HOSPITAL REPLACEMENT

COST ESTIMATE

| | |
|--|------------------|
| 1. New Construction | \$ 14,000,000 |
| 2. Site Work | 484,500 |
| 3. Site Acquisition | 495,000 |
| 4. Landscaping | 250,000 |
| 5. Mechanical Balancing | 40,000 |
| 6. Movable Equipment | 450,000 |
| 7. Architectural/Engineering Fees | 1,200,000 |
| 8. Site Survey/Soils & Materials Testing | 50,000 |
| 9. Special Inspections | 42,000 |
| 10. Administrative Expense | 250,000 |
| 11. Contingency | <u>1,738,500</u> |

TOTAL PROJECT COST (1991) \$ 19,000,000

LOCAL FUNDING \$ 4,000,000

BALANCE REQUESTED FROM STATE OF ALASKA \$ 15,000,000

CERTIFICATE OF NEED

KODIAK ISLAND HOSPITAL & CARE CENTER ORDER OF THE COMMISSIONER

In accordance with provisions of A.S. 18.07.031-111 and 7 AAC 07.010-130, it has been determined that the Kodiak Island Hospital and Care Center application for replacement has met the applicable criteria and findings to the satisfaction of the State Health Planning and Development Agency, Alaska Department of Health and Social Services.

The Certificate of Need authorizes a maximum capital expenditure of \$18,200,000 for the project, with the bed capacity remaining at 25 acute care beds and 19 long term care beds.

The activities approved under this Certificate of Need shall be completed within a reasonable period of time, but must be completed no later than September 30, 1995.



Walter J. Hickel, Governor

By:

Handwritten signature of Theodore A. Mala.

Theodore A. Mala, MD, MPH
Commissioner
Dept. of Health & Social
Services

Date:

28 February 1991

| | | |
|--|----------------|---|
| Post-It™ brand fax transmittal memo 7671 | # of pages | 1 |
| To | RON GARZINI | |
| From | RAY CAMARDELLA | |
| Co. | K.I.B. | |
| Phone | 486-5736 | |
| Fax | 486-5001 | |

WHY IS A NEW HOSPITAL NEEDED?

FOUR MAIN REASONS:

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The C.T. Scanner is having to be put in a trailer in the back parking lot; there is no room for it here in the facility.

- 3.a. This building has asbestos throughout it. Before we could remodel, that would have to be removed.
- b. We are facing a deadline with the State Fire Marshal. We must spend in excess of \$50,000 in the next 90 days to stay open.
- c. The boilers, autoclaves, air handling systems, dishwasher and vacuum/oxygen systems here are all 22 years old. They require constant repairs and modifications just to keep them operating.

A new hospital is the Number One Capital Project for the Borough and the City.

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| | \$1,813,962.00 |

This demonstrates the level of commitment that has been made by the Kodiak Island Borough Assemblies and the Kodiak Island Hospital Advisory Board.

| | <u>1982</u> | <u>1985</u> | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> | <u>PROJ. 1995</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------|
| Borough Population | 12,714 | 13,748 | 13,952 | 14,208 | 14,897 | 15,585 | 16,869 | 21,142 |
| Average Hospital Patient Day | 11.3 | 8.1 | 9.4 | 10.1 | 11.1 | 10.8 | 11.8 | 14.9 |
| Average Care Center Resident Day | 16.5 | 16.6 | 16.1 | 18.5 | 17.8 | 18.1 | 17.6 | 22.0 |
| Births | 229 | 252 | 280 | 273 | 284 | 258 | 289 | 369 |
| Emergency Patients | N/A | N/A | 2,238 | 2,136 | 3,586 | 4,229 | 4,530 | 5,677 |
| Out-Patients | N/A | N/A | N/A | N/A | N/A | N/A | 5,004 | 6,272 |
| Surgeries | 273 | 273 | 284 | 294 | 299 | 285 | 248 | 563 |

Look at what has happened to the costs in eight years:

1982 Estimate \$11,363,900

1985 Estimate \$16,500,000

1989 Estimate \$19,058,352

That is a 68% increase in seven years, almost 10% per year. What will the cost be in 1995? \$30,000,000.00?

The following improvements are necessary to comply with minimum federal standards and to enhance the quality and efficiency of health care delivery for Kodiak residents:

- Asbestos free environment
- Dedicated Outpatient surgery areas
- Expanded and better-equipped Critical Care facilities
- Better isolation and infection control
- More efficient arrangement of patient care departments, with provision for future expansion or renovation.
- Expanded examination and treatment facilities
- Larger Delivery, Labor and Birthing rooms
- A new Delivery Room with rapid C-Section capability
- Improved access for the handicapped
- An adequate dining and recreation area for elderly residents of the Care Center
- Larger operating and recovery areas in surgery
- Immediate external access to Emergency Services
- Expanded facilities for Emergency Services, including dedicated hypothermia treatment facilities
- Improved seismic bracing
- Compliance with air-handling, heating and electrical system codes
- Separation of the psychiatric holding area from acute care patient rooms
- Enlarged Radiology, Pathology, Physical Therapy, Pharmacy and other diagnostic, treatment and support areas
- Provision for delivering emergency patients to the hospital directly by helicopter

**Kodiak
Area
Native
Association**



RECEIVED FEB 20 1991

102 Center Avenue
Kodiak, Alaska 99615
Phone (907) 486-5725

February 18, 1991

Office of the Governor
Walter Hickel, Governor
Third Floor, State Capitol
P.O. Box A
Juneau, AK 99811

REC

FEB 20 91

KODIAK ISLAND BOROUGH
MAYOR'S OFFICE

Dear Governor Hickel:

On behalf of Kodiak Area Native Association (KANA) and the villages it serves (Akhiok, Karluk, Larsen Bay, Old Harbor, Ouzinkie and Port Lions), we would like to express our strong support for the creation of the new Kodiak Island Borough Hospital. The present twenty-two (22) year-old hospital really is totally inadequate. Particularly in the areas of outpatient and support services which our Native villagers rely upon. For example, the minor surgery and radiology services are so backed-up that villagers might have to spend an extra day in Kodiak at considerable cost and inconvenience.

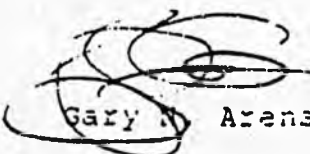
The KANA Board of Directors support the development of a clinic annex with joint funding from KANA health contract funds as a part of the new facility. We are also exploring a long term hospitalization and ancillary care (e.g., lab, x-ray) contract which would help provide secure and stable funding for the new facility.

There is a strong possibility that KANA would enter into a long term lease with the Borough of Kodiak to provide the most convenient and cost effective hospital services. At present, Kodiak Area Native Association, by itself, has about 3,500 active patient charts, to give you an indication of potential work-load from the Native population alone.

We believe that cooperating projects using both federal and state funds for the greatest cost effectiveness deserve to be rewarded with the fullest consideration as priority projects and examples to the state.

I have also taken the liberty of sending a copy of this letter to
Commissioner Ted Mala.

Sincerely,
KODIAK AREA NATIVE ASSOCIATION



Gary A. Aronson, President

cc: Jerome Selby, Borough Mayor
Ted Mala, Commissioner
Jan Blanton, Acting Kodiak Island
Borough Hospital Admin.
KANA Management Team
KANA DH&SS Managers



MAYOR AND CITY COUNCIL
POST OFFICE BOX 1397, KODIAK, ALASKA 99615

TELEPHONE (907) 486-8635
FAX (907) 486-8600

RECEIVED

JAN 16 91

KODIAK ISLAND BOROUGH
MAYOR'S OFFICE

January 15, 1991

To Whom It May Concern::

The City of Kodiak supports the Kodiak Island Borough's efforts to construct a new full-service hospital to serve Kodiak Island residents. On October 25, 1990, the City Council passed Resolution Number 38-90 naming the hospital number one priority on the list of needs of the Kodiak community.

The existing hospital is twenty-three years old and does not address the critical problems of restricted handicapped access, poor traffic flow, poor interdepartmental spatial relationships, and serious structural problems which include inadequate ventilation and an inefficient heating systems. Many of these constitute licensing code violations which can only be corrected by the construction of a new facility.

The site work for the new hospital is complete and construction can begin within a few months upon receipt of funds. Upon completion operating costs are expected to be equal to or less than current costs due to greater design efficiency. The new facility will also attract additional qualified staff to provide support in the growing areas of outpatient services and emergency care.

I urge you to give construction of the Kodiak Island Hospital your consideration for funding during the First Session of the Seventeenth Legislature. Thank you.

Sincerely,

CITY OF KODIAK

ROBERT B. BRODIE
Mayor

RBB/mhd



**KODIAK
CHAMBER
OF COMMERCE**

P.O. Box 1485, Kodiak, Alaska 99615

(907) 486-5557

FAX: (907) 486-7605

January 28, 1991

Mr. Larry Streuber
Chief Planning Division
Division of Administrative Services
Department of Health & Social Services
P.O. Box H-OZ
Juneau, AK 99811

Dear Mr. Streuber,

The Board of Directors of the Kodiak Chamber of Commerce wishes to voice their support for the construction of a new hospital facility in Kodiak. For your information, we have enclosed a copy of a position paper adopted by this body and submitted to the Alaska State Chamber of Commerce for their consideration.

This position paper supports the development of a health care facilities fund to replace, repair and update health care facilities around the state. Most important to the Kodiak Chamber of Commerce is the construction of a new hospital facility in Kodiak. Additionally, the construction of a new hospital is the number one capital improvement project for the Kodiak Island Borough and the City of Kodiak.

The Kodiak Island Borough has already committed \$1.8 million to the design, architectural drawings and specifications, site acquisition and preparation, in anticipation of state funding for construction of the hospital. Presently, the Kodiak Island Borough has over \$1 million set aside in a reserve account as a portion of the local contribution for construction.

Two separate studies conducted in 1982, and 1985, as well as a separate assessment conducted in 1986 all came to the same conclusion; construction of a new facility was to be the most cost effective way to bring modern, efficient health care to the residents of Kodiak Island.

Dedicated to Kodiak's Future

Page 2

In conclusion, if the State of Alaska is earnest in its attempt to broaden and diversify its economic base, attention must be paid to community health care facilities. If the facilities are not available or not in the best condition possible, it is difficult for communities to attract the quality of labor force necessary for companies to justify expansion or relocation to Alaska.

We would urge you to approve the certificate of need for the Kodiak Island Hospital and set in motion the funding necessary to construct a new hospital facility in Kodiak.

Yours in economic prosperity,

A handwritten signature in cursive script that reads "Laura Stohl Bealey". The signature is written in dark ink and is positioned above the typed name.

Laura Stohl Bealey
Vice President

Enclosure

KODIAK CHAMBER OF COMMERCE
ASCC Position Paper - Health Care Funding
Presented: November 1990

The Board of Directors of the Kodiak Chamber of Commerce would ask that the Alaska State Chamber of Commerce adopt a position urging the Alaska State Legislature to develop and fund a Health Facility Capital Project's Bill.

Funding for health care facilities in the State of Alaska has been ignored by the State for the last seven years. The health and welfare of the citizens of the State of Alaska are a primary responsibility of the State, under the Alaska constitution. This lack of funding of health care facilities appears to be a serious disregard of the health and welfare of the citizens of Alaska.

For several years, there has been a need for health care facility upgrades and replacements and the list of needs within the state has grown to a rather significant volume. Hospitals are in serious violation of state codes in several communities throughout the state, particularly in the communities of Ketchikan, Seward, and Kodiak. Several facilities in the other communities need substantial funding in order to upgrade and meet the current codes. Existing facilities can either be renovated or expanded in a manner to meet the current needs and code requirements within those communities. In addition, in the Municipality of Anchorage there is a glaring need for a new State Mental Health facility. This facility has been needed for many years and for various reasons it has never been funded. Now is the time to pull these particular facility needs together and fund them.

We propose that the Alaska Legislature, during its session in 1991, develop and fund a Health Facilities Capital Projects Bill which is adequate to meet the combined needs of these communities and put these services back in a position to deliver quality health care to the citizens of Alaska. Due to the rural nature of the State of Alaska, the great distances and weather which prevents travelling on a frequent occurrence, health care facilities in the State of Alaska must be built to higher standards and be capable of delivering more variety of care than other hospitals in the United States. Continued lack of funding of these facilities may now, and will certainly soon, start resulting in unnecessary loss of life to citizens of the State of Alaska. This is a tragedy that can be prevented simply by upgrading and providing adequate facilities throughout the State of Alaska which will allow high quality health care to be delivered.

Page 2

Additionally, if the State of Alaska is earnest in its attempts to broaden and diversify its economic base, attention must be paid to community health care facilities. If these facilities are not available, or are not in the best shape possible, it is difficult for communities to attract the quality of labor force necessary for company's to justify expansion or relocation to Alaska.

We would urge the Alaska State Chamber of Commerce and other parties to put their support behind successful funding of these facilities and do something positive for the residents of Alaska.

A Chartered Chapter of
The National Council on Alcoholism
Alaska Region, A State Division
of the
National Council on Alcoholism

**Kodiak
Council
on
Alcoholism, Inc.**

Phone (907)486-3535
Post Office Box 497
Kodiak, Alaska 99615

January 3, 1991

and Criminal Justice Liaison Services,
an Alcohol Safety Action Program

Mr. Larry Streuber
Chief, Planning Division
Division of Administrative Services
Department of Health and Social Services
P.O. Box h-02
Juneau, Alaska 99811

Dear Mr. Streuber,

The Kodiak Council on Alcoholism as a state supported community service non-profit organization endorses and supports continued funding for replacement hospital for the Kodiak Island region.

The existing facility has recently been cited as a potentially hazardous environment due to inadequacies of space for storage, outdated equipment and a general state of structural deficiencies.

With the current local hospital facility it is often necessary to transport patients to Anchorage for needed technical and specialized, diagnostic, medical and related care services support. As you may be aware, at times, due to inclement weather conditions on Kodiak, such transport is not always possible. Plans for the new hospital facility would alleviate some of the need for necessary transport of patients to Anchorage due to non-availability of the aforementioned care services in Kodiak.

KCA maintains a close working relationship with the Kodiak Island Hospital. Both agencies have a definitive role in the provision of services for the management of withdrawal from alcohol and other drugs. The hospital in respect to manifest withdrawal symptoms requiring medical care and KCA with respect to withdrawal symptoms not requiring care in a hospital setting. Over the years the Hospital staff and administration have worked with our counseling staff to provide appropriate care for patients admitted with alcohol or other drug related problems. I can only anticipate that a new hospital facility would increase our combined abilities to provide necessary and statutorily required care for individuals incapacitated due to alcohol or other drug misuse or addition.

We are proud of the services to the community provided by the Kodiak Island Hospital and fully recommend the approval of funds to allow these services to improve.

Respectfully,

Thomas H. Goldston
Thomas H. Goldston,
Executive Director

cc:

Joseph M. Smith, KIH Acting Administrator

KIH Advisory Board

Jerome Selby, Mayor KIB

Bob Brodie, Mayor City of Kodiak

Representative Cliff Davidson

Senator Fred Zharoff

January 23, 1991

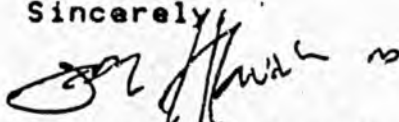
Mr. Larry Streuber
Chief of Planning Division
Division of Administrative Services
Department of Health and Social Services
P.O. Box H-02
Juneau, AK 99811

Dear Mr. Streuber:

I am writing in support of a new replacement hospital for the Kodiak Island Hospital. I have been a physician in Kodiak for five years and have been hearing about the need for replacement since my arrival. Now, as chief of staff, I have had the opportunity to review all previous studies dating back to 1982. It has been evident from repeated studies that it is much more cost effective to build a new facility than to remodel our old facility. Our old facility is well in need of replacement. This has been evidenced by a recent fire marshal review. Much of the patient flow and treatment areas have become very outdated and quite cumbersome.

As evidenced by Kodiak's commitment to this project, approximately two million dollars has been spent towards the site preparation and architecture fees. Again, this letter is in support of building a new Kodiak Island Hospital for the residents in all of southwest Alaska that would benefit from this new facility. I trust that your review of the crisis in the medical care delivery in Alaska and our need for a facility going on almost one decade, will be addressed this year.

Sincerely,



Jon Hlavinka, M.D.
Chief of Medical Staff



Kodiak Island Hospital and Care Center

1915 East Rezanof Drive
Kodiak, Alaska 99615
907-486-3281

January 22, 1991

Mr. Larry Streuber
Chief of Planning Division
Division of Administrative Services
Department of Health and Social Services
P.O. Box H-02
Juneau, Alaska 99811

Re: New Hospital in Kodiak, Alaska

Dear Mr. Streuber:

I would like to make a few comments in support of a new hospital for the Kodiak Island Borough.

I am a board certified radiologist and have been working at the Kodiak Island Hospital for approximately one and one half years. The radiology department provides essential services to this island community, the fishing industry and Coast Guard base in the field of diagnostic radiology, ultrasound and very soon CT scanning. The department is cramped into a cluster of small windowless rooms in the center of the hospital. There is poor ventilation and an acute lack of space. Our busy ultrasound operation has to share one 10x15 foot size room with the mammography department and the office desk for the technologists. This severely hampers the efficiency of the department and causes at times considerable delays in patient examinations if the room is occupied with one procedure. The crowded conditions severely compromise patient's privacy and create often embarrassing situations. Essential new equipment for high quality mammography cannot be installed due to lack of space.

The new CT scanner cannot be housed in the present hospital building and a separate modular building is being constructed across the parking lot, unattached from the present hospital. This will force hospital patients to be wheeled across the parking lot for CT examinations in very inclement weather. The decentralization and lack of space creates situations of very inefficient use of our personnel. It is very difficult to assure adequate patient supervision.

All these deficiencies can only be ameliorated by creating a more efficiently designed and a more spacious department of medical imaging in a new hospital building.

Hans U. Tschersich, M.D.
Radiologist

HUT:mg

HOLMES JOHNSON CLINIC

115 MH Bay Road
Kodiak, Alaska 99615
486-3237

January 23, 1991

Mr. Larry Streuber
Chief, Planning Division
Division of Administrative Services
Department of Health and Social Services
P.O. Box H-02
Juneau, Alaska 99811

Dear Mr. Streuber:

Allow me to introduce myself. I am Dr. Bob Johnson, a board certified family physician, and I have been in practice since 1955 in Kodiak. My father was in practice before me from 1938 to 1955 and I practiced with him until his death in 1964.

My father was one of the progenitors of the Griffin Memorial Hospital which was built by the State. In the late 1960's it became apparent that this 12-bed hospital was inadequate to deal with the increasing patient load and I was a member of the Building Committee of the Kodiak Island Hospital which opened in 1968. The old Griffin Building is serving now as the Kodiak Health Center, Social Services, and Mental Health Center.

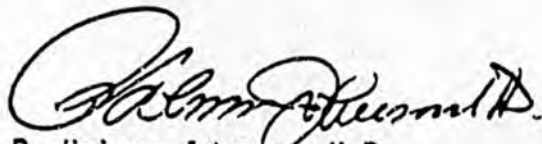
Now, twenty-two years after the Kodiak Island Hospital was built, we are faced again with the problem of its being inadequate to meet the demand of the advancing technology as well as patient care. In addition to this, many aspects of the Hospital do not meet the new building code requirements. Several years ago consultants were called in to analyze whether it would be more cost effective to bring the present Hospital up to date or to build a new one. There were many public hearings and everyone had an opportunity to comment. In the final analysis, it was determined that a new hospital would be more cost efficient and certainly serve the community better.

At that time it looked like funding would be available and indeed enough funding was obtained to complete the engineering drawings and clear the site for the new hospital. Coincidentally and unfortunately, by the time funds were needed for construction, the oil revenues dropped off and there were very few funds available for capital projects. The new hospital has remained on the drawing board for the last several years.

We now are building a separate small building adjacent to the Hospital for a CT Scan which is being installed. We have exceeded our storage capacity. We no longer meet the building codes (as previously mentioned) and our outpatient facilities are sadly lacking. The hospital has been placed in highest priority by both the Borough Assembly and the City Council and we are hoping for partial funding at least during this year.

As the oldest physician in practice and the longest in residence in Kodiak. I have the perspective of having been here before there was a hospital in which to practice and I have grown with the growth of medicine and technology over the ensuing thirty-three years. You may accept the fact that we have outgrown our second hospital and are sadly in need of our new one. Anything you can do to help would be appreciated. Any questions you have would be welcome and you may reach me at the above phone number.

Sincerely.



R. Holmes Johnson, M.D.

gbs

cc: Mr. Norm Campeau, Administrator, Kodiak Island Hospital
Chairman, Advisory Board, Kodiak Island Hospital
Chairman, Kodiak Island Borough Assembly
The Honorable Robert Brodie, Mayor, City of Kodiak
The Honorable Walter Hickel, Governor, State of Alaska



Kodiak Alaska

Telephone

Mr. Larry Streuber
Chief, Planning Division
Division of Administrative Services
Department of Health and Social Services
P.O. Box 4-02
Juneau, AK 99811

January 16, 1991

Dear Mr. Streuber:

The Kodiak Senior Center and the Kodiak Island Hospital interact on a daily basis concerning seniors who are in need of hospital care and those who are already in the hospital. Our staff participates in care conferences at the hospital and usually, we are at the hospital on a daily basis working with seniors and the hospital staff. As Project Director of the Kodiak Senior Center, I feel that I and my staff are qualified with our direct extensive experience with the Kodiak Island Hospital to comment on the need for a new hospital.

The Senior Citizens of Kodiak strongly supports a new hospital for our community. We know that the facility is outdated and in need of a significant amount of work in order to meet fire and safety codes. We fully realize the storage problems, the need for updated equipment and a building that will serve our community and other Southwestern Alaskan communities with expanded care in hypothermia and the use of a new cat scan machine.

The health care system in our state needs to be not only maintained properly but it is imperative that our facilities are kept up to date and replacements built so that Alaskans do not have to go "outside" for basic health care. Taking care of seniors, our staff everyday sees the need for basic health services in our community. With Alaskan senior population growth figures projected to double in the next decade, the state has the responsibility to plan for senior health needs today and not wait for a crisis management situation to develop in the next few years. We are already at the point of needing an overhaul with our health care system and facilities. We feel it is imperative to begin now with that process.

if you have any questions regarding this letter of support, please do not hesitate to phone me.

Sincerely,



Patricia Branson
Project Director



POLICE DEPARTMENT

217 LOWE MILL BAY ROAD KODIAK, ALASKA 99615

TELEPHONE (907) 486-8000

FAX (907) 486-8023

January 15, 1991

Mr. Larry Streuber
Chief, Planning Division
Division of Administrative Services
Department of Health and Social Services
P.O. Box H-02
Juneau, AK 99811

Dear Mr. Streuber:

The purpose of this letter is to inform you that, from a public safety perspective, the continued operation of the Kodiak Island Hospital is crucial to the well-being of the citizens of Kodiak.

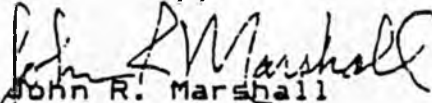
The Kodiak Police Department routinely brings many injured and incapacitated persons to the hospital for treatment each year; if it were not available many of these persons would suffer needlessly or perhaps die. The hospital is, in addition to being a primary emergency care provider, the only in-patient care provider on the Island. It is also an integral part of Kodiak's emergency preparedness unit, and would prove invaluable in the event of a tsunami, earthquake, or other disaster.

A local care facility such as KIH cannot be replaced by medivacs; in many instances the Kodiak weather prohibits flights to or from Anchorage. There is simply no way to replace the services that KIH provides to the communities of Kodiak Island absent the construction of another hospital facility, which is at this time problematical.

I therefore urge you to support the continued operation of the Kodiak Island Hospital despite any design or construction deficiencies which may plague it. These deficiencies, if they exist, are certainly preferable to having no hospital at all.

Thank you for your consideration of this request.

Sincerely,


John R. Marshall
Chief of Police

cc: File
✓ Ms. Kate Fitzgerald, KIH

KODIAK WOMEN'S RESOURCE AND CRISIS CENTER

P.O. BOX 2122, KODIAK, ALASKA 99615
Business Phone: (907) 486-6171 Crisis Line Phone: 486-3625



January 23, 1991

Mr. Larry Streuber, Chief Planning Division
Division of Administrative Services
Dept of Health & Social Services
P.O. Box H-02
Juneau, AK 99811

Dear Mr. Streuber,

This letter is to express the support of the Kodiak Women's Resource & Crisis Center for a Certificate of Need re: the replacement of Kodiak Island Hospital.

The present facility is approximately 30 years old. Standards and codes have changed since the building was originally constructed and a great deal of effort has been invested in attempts to upgrade the premises and to correct problems. In addition, there are patient needs that simply cannot be met within the spacial limitations of the existing structure; the emergency room warrants expansion and there is a great need for a quiet, confidential room for the performance of domestic violence and rape examinations. It has become increasingly evident that a new facility is needed to make adequate services available to the residents of Kodiak Island. Fortunately, a suitable site has been located.

Since the Kodiak Island Hospital is the only such institution within 250 miles and must serve the entire island, it is essential that the residents of our community be accorded immediate access to appropriate medical care.

Please accept this letter of support and give the hospital's needs your serious consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Letitia A. Raub". The signature is fluid and cursive, written over a few lines of text.

Letitia A. Raub
Executive Director
Kodiak Women's Resource & Crisis Center

lar/dv

Barbara J. Cristaldi

1719 Selief Lane
Kodiak, Alaska 99615



March 4, 1991

The Honorable Governor Walter Hickel
State of Alaska
Box A
Juneau, AK 99811

Dear Governor Hickel:

I am resident of Kodiak, Alaska, concerned about the status of funding for a new hospital facility in my community. Prompted by public comments made by Mr. Jim Fisk stating that he speaks for Kodiak in saying that a new hospital is not needed, I would like you to know why I feel to the contrary. (I do not know Mr. Fisk personally, but it is common knowledge that he considers himself your spokesperson.)

As a nine-year resident of Kodiak, my family and I have been treated at the Kodiak Island Hospital on numerous occasions. I have had in-patient as well as out-patient surgery; I have had three additional illnesses that required hospital confinement; and, my family and I have had untold tests, x-rays, and visits to the emergency room. I also had a personal friend (now deceased) who was a resident of the Intermediate Care Facility at the Hospital for many years. Therefore, I believe I can address the Hospital's alarming shortage of space with a degree of credibility.

Kodiak Island Hospital is an excellent example of an institution keeping pace with the growing needs of a busy community -- precisely why space has become such a problem. The variety and sophistication of health care services has dramatically increased in the last nine years; tests, x-rays and surgical procedures that were not possible nine years ago are now being performed on a daily basis. Fewer and fewer people are having to leave the island for their health care. Increased demands for these services have created an urgent and obvious need for more space for equipment, surgical rooms, emergency rooms, storage, and business office activities. Overcrowding has also resulted serious state fire code violations.

Renovation of the existing hospital was studied long and carefully and was rejected for a variety of reasons. The most valid reason, in my estimation, was the inevitable disruption of health care during the renovation period. Already lacking enough space to carry on daily operations, the hospital would be hard pressed to find additional space to relocate patients and services. The ensuing noise and mess created during asbestos removal and renovation would make an undesirable situation intolerable and unsafe. Given our location and the physical dangers of our fishing industry, the disruption of health care services in Kodiak, even temporarily, is frightening.

Without the new facility, no growth will be possible. The concept of "no growth" is not acceptable personally nor should it be for a thriving community. I urge you to support funding for a new hospital facility, and thank you for listening to my concern.

Sincerely,


Barbara J. Cristaldi

cc: Senator Fred Zharoff
Representative Cliff Davidson
Kodiak Island Hospital Board of Directors

KODIAK ISLAND MEDICAL ASSOCIATES

1818 EAST REZANOF DRIVE • KODIAK, ALASKA 99815 • (907) 486-6065 or 486-3177

MARK WITHROW, M.D. • GENERAL PRACTICE
CAROL JUERGENS, M.D. • INTERNAL MEDICINE
BRAD BRINGGOLD, M.D. • FAMILY PRACTICE

K. LOGAN PORTER, M.D. • FAMILY PRACTICE
JON HLAVINKA, M.D. • FAMILY PRACTICE



March 11, 1991

Mr. Larry Streuber
Chief, Planning Division
Division of Administrative Services
Department of Health and Social Services
P.O. Box H-02
Juneau, Alaska 99810

RE: Kodiak Island Hospital

Dear Mr. Streuber:

I have been a physician in Kodiak, Alaska since 1978. The purpose of this letter is to encourage funding for a replacement hospital. The reasons are numerous and I will briefly touch on some of them. Please do not get the wrong idea, the health care delivered in Kodiak is excellent. A new facility is needed to continue this excellent care in a changing medical community.

As you are aware, many procedures formerly done as in-patients are now done as an out-patient procedure. The out-patient procedures in Kodiak Island Hospital are in a post-anesthesia recovery room next to the operating room. This leaves no room for emergency surgeries at the same time as out-patient surgeries.

The very young population of Alaska and Kodiak translates into approximately 350 births a year. We are currently using an old labor room as a birthing room. This current birthing room does not have adequate space when you bring in a Kreiselman baby warmer and the needed equipment in case of emergencies.

Another specific area that requires attention would be a larger critical care unit/ICU. While our patients continue to have myocardial infarctions, a greater need in this community is for trauma patients. Currently the ICU/CCU contains two beds. It is adjacent to the psychiatric holding room. As you can imagine, the noise and disruption from patients in the psychiatric holding room often interferes with a patient's rest and recovery besides the obvious distraction to patients and health care workers.

Our radiology department is currently installing a CT scanner. But because of the variety of codes, the CT scanner is approximately 100 feet away, across an icy parking lot in a separate building. Imagine the scenarios to come taking a head injured patient on a gurney across an icy parking lot in the dark to a separate building to obtain the CT scanner that previously would have to have been done in Anchorage. We are very happy to have our CT scanner. This will provide much better care for our trauma victims and head injury victims, but the necessity to travel outside in Alaska's climate adds another unnecessary risk to patients.

Mr. Larry Streuber
March 11, 1991
Page 2

A critical area for our hospital is the emergency room that needs to be expanded. The young population of fishermen and cannery workers often comes in with serious trauma such as fractures, lacerations, crush injuries, inhalations, near drownings, etcetera. We often have patients in the hallway waiting to be seen while the most critical patients are taken care of in our two bed emergency room.

I do not have much dealings with the business side of the hospital but they are currently working in an adjacent house so their former areas could be used for patient care areas.

The Borough has proceeded with land purchasing and preliminary development of the plot as well as architectural and engineering fees for a total of approximately 1.8 million. I believe this shows the Borough is committed to a new hospital and is willing to help in any way to its completion. I would like to add my endorsement of a new hospital for Kodiak Island.

Sincerely,

MARK WITHROW, M.D.

Mark Withrow, M.D.

MW:re
T/3-11-91

THE PRECEDING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

THE FOLLOWING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

CITY OF SEWARD
CAPITAL PROJECT ASSISTANCE 1991

CATEGORY - COMMUNITY DEVELOPMENT CITY PRIORITY 1

PROJECT TITLE: SEWARD GENERAL HOSPITAL REPLACEMENT

PROJECT COST: NEW HOSPITAL REPLACEMENT \$10,446,250
REMODEL EXISTING BUILDING \$ 1,025,000
TOTAL PROJECT \$11,471,250

ANNUAL O & M COST: NO CHANGE

DESCRIPTION:

This project is to construct a new 20-bed hospital facility to provide long term health care services including space for emergency and trauma, obstetrics, operating room, inpatient care, laboratory, imaging (ultra sound and x-ray), intensive care (coronary) and a clinic. The project also includes remodeling the old, existing hospital building to provide for other outpatient health care providers.

JUSTIFICATION:

A new replacement hospital remains the City's highest priority project for state funding. The existing building was inspected in 1981 and deemed to be in violation of numerous federal, state and local life safety and accessibility codes. The extent of the violations should require the facility to be condemned as an acute care facility. It is not feasible and more costly to correct the deficiencies by repairing or remodeling the existing facility.

In 1989 the state re-evaluated and reissued the Certificate of Need. The most recent cost estimate is \$10,446,250 for a complete facility. The City proposes to contribute 25% of the hospital construction cost, \$2,867,812. The additional cost to remodel the existing hospital for other health services and support activities is \$1,025,000.

It is not feasible, nor recommended, to upgrade the existing hospital building for use as an acute care facility; however, it is very suitable for outpatient services, physicians' offices and examination rooms, training and dormitory space for the Community Health Aid Training Program, and similar activities. The net space in the existing hospital is 22,000 square feet; therefore, there is sufficient space for the above-mentioned services. The cost to remodel the building (\$1,025,000) is estimated to be less than the cost for a new facility to house these services and activities.

The Seward General Hospital is, in effect, a regional health facility, providing services not just to local residents but to outlying areas such as Crown Point, Moose Pass, Bear Creek, the Spring Creek Correctional Facility and the hundreds of seasonal workers and

SEWARD CAPITAL PROJECT

JUSTIFICATION (CONT'D)

thousands of tourists who frequent the area. Its importance is critical to life safety, for without these services and facilities, those in need must await medical transport to Anchorage or Soldotna, and such transportation is dependent upon weather and road conditions.

OPERATING COST: No increase in cost of operations though monies could be saved by utilizing a smaller, better constructed facility.

SOURCE OF FUNDS:

| | |
|--------|---------------------|
| Local: | \$ 2,867,812 |
| State: | <u>\$ 8,603,438</u> |
| Total: | \$11,471,250 |

STAFF: Diane Rabb
Hospital Administrator
224-5205

CAPITAL PROJECT ASSISTANCE 1991

SEWARD GENERAL HOSPITAL REPLACEMENT PROJECT REVISED COST ESTIMATE - 1992 CONSTRUCTION

The cost of the 20 bed Seward General Hospital Replacement Project has been revised to incorporate the most recent cost projections and concepts for the project. The estimated cost of 9.5 million dollars by SHPDA was developed prior to August 1989 based on the economic forecast at that time. Since that time inflation has increased the cost of construction by more than 5% per year and this years inflation may exceed this rate. The movable and installed equipment in the existing hospital has continued to age and replacement will be more costly due to greater capability and more costly technology of new equipment. Much of the equipment dates from prior to 1960's through 1970's and is no longer economical to operate, reliable or capable of providing acceptable service by today's standards. It will be necessary to replace the total equipment packages for surgery, radiology, emergency ambulatory care, dietary, kitchen and laundry. The physicians outpatient clinic building (ambulatory care center) must be replaced by including the facility in the hospital, thus increasing the floor space. The existing building is being closed and a temporary office is being set up in a local mall some distance from x-ray and laboratories serving them. The revised project budget is as follows, based on 1992 construction season.

| | | | |
|-----|--|---|---------------------|
| 1. | Building Construction | | |
| | Hospital and additional space for ambulatory care center | = | \$ 6,941,875 |
| 2. | Site Development | | |
| | Site paving, drainage & landscaping | = | \$ 452,025 |
| 3. | Fixed Equipment | = | \$ 300,000 |
| | Total Construction Cost | = | <u>\$ 7,693,900</u> |
| 4. | Site Surveying, Soils | = | \$ 75,000 |
| 5. | Architects & Engr. @ 7% Construction Cost | = | \$ 538,573 |
| 6. | Other Consultants, @ 2% Construction Cost | = | \$ 153,878 |
| 7. | Administration @ 1 1/2 Construction Cost | = | \$ 115,048 |
| 8. | Building Permits | = | \$ 28,000 |
| 9. | Other Equipment, Movable Equipment | = | \$ 1,072,461 |
| 10. | Contingency @ 10% Construction Cost | = | <u>\$ 769,390</u> |
| | Total Hospital Project Cost | = | \$10,446,250 |

SEWARD GENERAL HOSPITAL REPLACEMENT PROJECT SHEET
(CONTINUE)

11. Remodel Existing Building for other health care related activities = \$ 1,025,000

Total Project Cost \$11,471,250

Source of Funds

| <u>Element</u> | <u>Local</u> | <u>State</u> |
|------------------|--------------|--------------|
| Hospital Project | \$2,867,812 | \$ 8,603,438 |

1. Most health care activities expected to utilize existing hospital building will be state agencies or state funded activities or regional native association health care activities.

APPENDIX I - MEMORANDUM TO COUNCIL
1991 LEGISLATIVE PRIORITIES
NOVEMBER 19, 1990