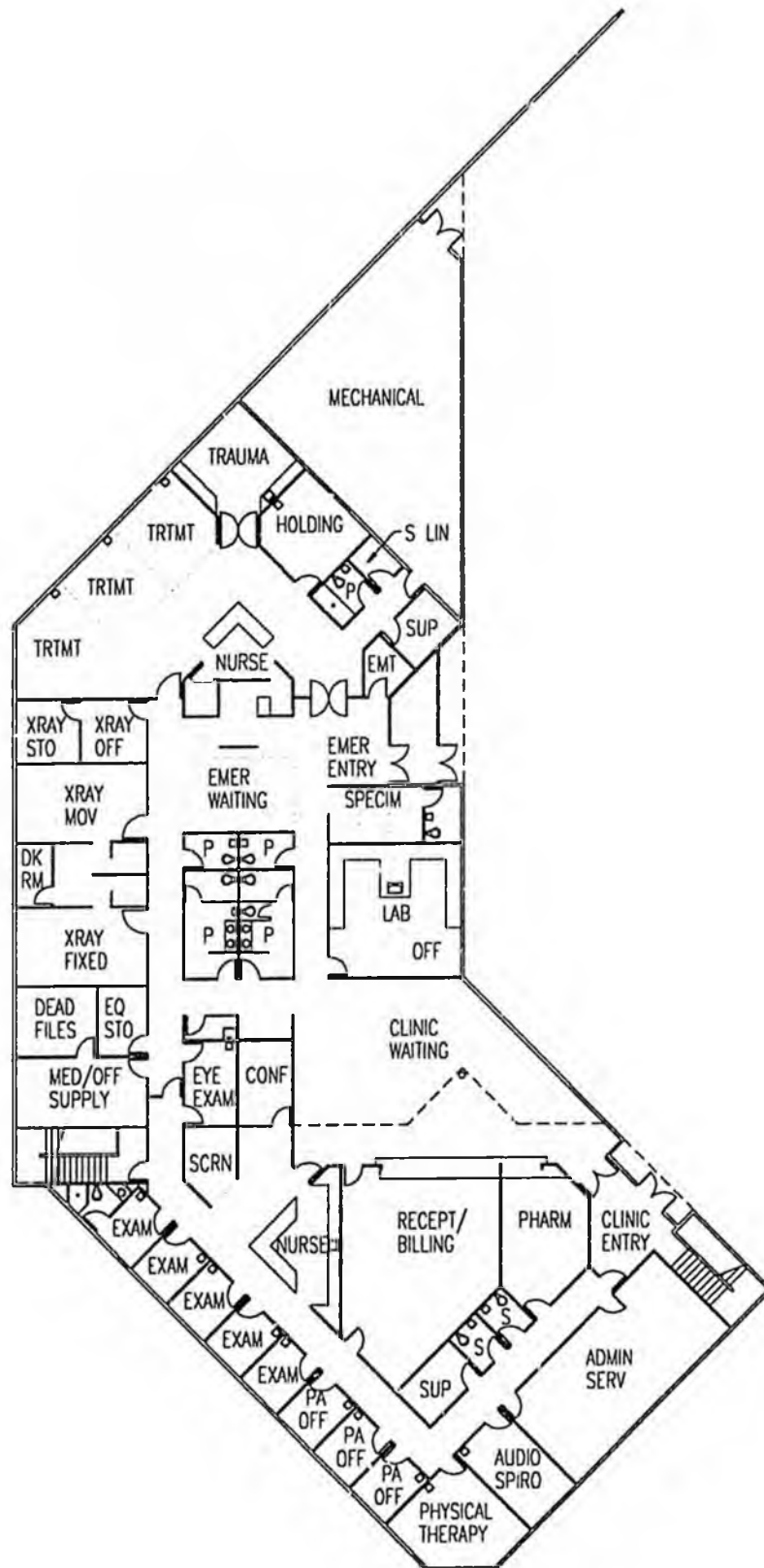


ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672

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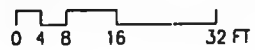
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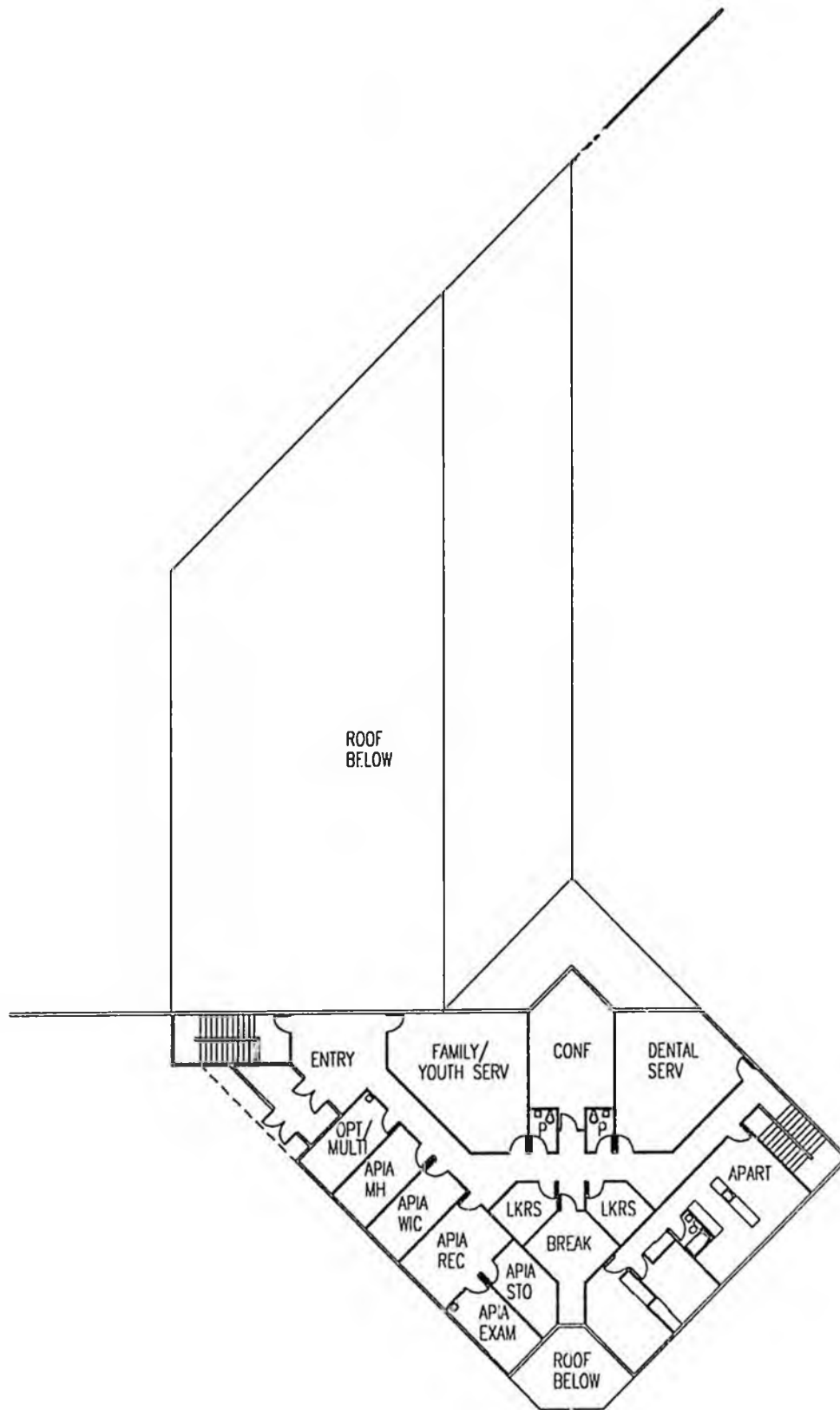


FIRST FLOOR PLAN

ECI HYER, INC

ARCHITECTURE PLANNING INTERIORS DEVELOPMENT

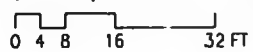




SECOND FLOOR PLAN

ECI HYER, INC

ARCHITECTURE PLANNING INTERIORS DEVELOPMENT



Project Summary Update

INTRODUCTION:

The City of Unalaska has experienced tremendous growth in the last three years which has overwhelmed the small village clinic. The Clinic was designed for a small community of between 400 to 500 people. In addition to the 3,000 local residents, there are now over 20,000 people in the surrounding communities and fishing fleets which use the Clinic.

THE NEED:

Approximately 73,000 people went through Unalaska/Dutch Harbor in 1990. Over 10,000 individuals sought medical treatment at the Unalaska clinic. Of the 10,000 visits over 1,000 were emergencies. Due to the fish processing and fishing fleet activities, industrial accidents are quite common which require stabilization and medevac into Anchorage.

Iliuliuk Family & Health Services Inc., a non-profit agency, is currently seeing an average of 34 patients per day (total patients 10,716 in 1990) in a 3,075 square foot facility which the Commissioner of Health and Social Services reviewed in August of 1989, and characterized as following:

"Although well maintained, the facility is dated and few improvements have been made since its construction (1972). It is too small to handle the number of visits, hold adequate supplies, or to appropriately accommodate visiting specialists and limits the potential advantages for co-locating related community services."

There are currently 235 students in grades K-12 enrolled in the Unalaska City Schools with an additional 34 children enrolled in preschool.

The dramatic growth in population and the resulting demand for clinic services is graphically shown as follows:

<u>Year</u>	<u>Pop.</u>	<u>Clinic Visits / Emergencies</u>	<u>Airport Traffic</u>	
1987	1,354	6,491 / 491	32,122 passengers	} actual
1988	1,908	6,651 / 818	52,350 passengers	
1989	2,265	8,231 / 1,017	61,228 passengers	
1990	2,899	10,716 / 1,034	73,000 (estimated)	
1991	3,075	11,500	80,000 (estimated)	} projected
1992	3,754	13,168	85,000 (estimated)	
1993	3,942	14,043	90,000 (estimated)	

PROPOSAL FOR FUNDING PARTNERSHIP:

The City proposes to construct and operate a health care clinic facility. The City and local industry will provide grants and funds to match the \$3 million request for state funds. The local private non-profit corporation which currently operates the existing clinic will continue to operate the facility.

The project is based on a PARTNERSHIP WITH:

- State Government
- Local City Government
- Private Industry

Each partner allocating their resources to the best use:

- State Government provides for the capital construction of the building
- Local City Government provides the land and site development for the building
- Private Industry/IFHS provides medical equipment and the interior equipment to be used in the building

PROJECT COST AND FUNDING BREAKDOWN:

The project is expected to cost \$4,400,000 as follows:

Site Development	\$60,000
Construction	2,660,000
Medical Equipment	600,000
Non-Medical Furnishings & Equipment	45,000
Overhead costs @20% of above	673,000
Project Contingency @5% of above	202,000
Administrative Overhead	<u>160,000</u>
Total Estimated Project Cost *	\$4,400,000

FUNDING BREAKDOWN:

Local Contributions	\$1,400,000
State Allocation of Funds	<u>3,000,000</u>
Total Funds necessary	\$4,400,000

ITEMS OF INFORMATION:

* In addition to the local/private contributions, the City of Unalaska has donated 2.5 acres of land valued at \$980,000 and will pay \$520,000 for site preparation and utilities. Total project cost including City contribution is \$5,900,000.

Private contributions of \$75,000 have been collected and there have been tentative commitments for the balance. The City's contribution of \$231,000 for architecture and engineering will reduce the private contribution requirements. Vigorous fund raising continues.

The original feasibility study outlined a 13,300 square foot facility, this figure is NET square feet. With additional architectural input, the square footage has been revised to 17,475 GROSS square feet which includes space for circulation, stairways, and interior and exterior walls. The first floor would encompass general clinic area, emergency services, laboratory,

x-ray, pharmacy, etc.

For 19 years, the Iliuliuk Clinic, a non-profit agency, has been committed to providing on-going medical care to Unalaska/Dutch Harbor through boom/bust cycles in an ever changing economy.

The membership of the local Chamber of Commerce has donated funds and issued a resolution in support of the project.

Residents feel strongly that a new facility will allow expansion of medical services which are sorely needed for the community.

Completion of the building is projected for November 1992.

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REFERENCES:

*Feasibility Study on Development of a
New Comprehensive Health Care Facility for Unalaska,*
prepared for Iliuliuk Family & Health Services, Inc.
by Professional Growth Systems, Inc., August 1990; Addendum: January 1991

City of Unalaska Statistics

House Bill No. 173/Senate Bill No. 138

**FEASIBILITY STUDY ON DEVELOPMENT OF A
NEW COMPREHENSIVE HEALTH CARE FACILITY
FOR UNALASKA**

AUGUST, 1990

ADDENDUM; JANUARY, 1991

**PREPARED FOR
ILIULIUK FAMILY & HEALTH SERVICES INC**

BY

 **PROFESSIONAL GROWTH SYSTEMS, INC**

**FEASIBILITY STUDY ON DEVELOPMENT OF A
NEW COMPREHENSIVE HEALTH CARE FACILITY
FOR UNALASKA**

AUGUST, 1990

ADDENDUM; JANUARY, 1991

**PREPARED FOR
ILIULIUK FAMILY & HEALTH SERVICES INC**

BY

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REPORT PREPARED BY WILLIAM DANN AND LISA WOLF

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INTRODUCTION

The recent growth in Bering Sea fisheries brought about by expanding bottom fish markets, Federal legislation that "Americanized" fishing within the 200 mile limit has brought explosive changes to the community of Unalaska. As the primary support community for the Bering Sea fishing efforts, some 30,000 persons involved in foreign or domestic fishing ventures look to Unalaska for services including health care.

The Board of Directors of Iliuliuk Family and Health Services Inc. concluded that the increasing demand for services was outstripping the ability of the present clinic facility to meet future needs. The Corporation, comprised of representatives from commercial, community and governmental interests, operates the facility with intent to serve the entire resident population as well as the transient fishing/cargo fleets.

At the request of the Corporation and City, the State conducted a site review in August of 1989. The group, headed by Commissioner of Health and Social Services, Myra Munson, offered the following finding:

"Although well maintained, the facility is dated and a few improvements have been made since its construction. It is too small to handle the number of visits, hold adequate supplies, or to appropriately accommodate visiting specialists and limits the potential advantages for co-locating related community services"

The growing demand for health care has prompted the Corporation and City to seek a new facility on an emergent basis. The City has agreed to donate a parcel of land for the new facility. Major processors in the area have agreed to support the capital construction cost of the facility. The goal set by the City is a \$500,000 local share to be used largely for equipping the new facility.

Efforts were made during the Spring of 1990 to secure an appropriation from the Alaska Legislature for construction of the new facility. An interim proposal for a new facility dated January, 1990 and prepared by PGS was the basis for the legislative request. The interim proposal was based on limited data and lacked on-site evaluation or consultation.

This document is the result of numerous in-depth interviews with health service providers, fishing industry representatives, public officials and concerned public; data gathering and analysis; extensive consultations with staff and consultants to the clinic; review by the Iliuliuk Board of Directors; a public meeting on a draft report and presentation to the City Council.

I. HISTORY OF UNALASKA

The first recorded contact in the Unalaska /Dutch Harbor area occurred in 1741 with Russian explorers when Unalaska Island had an Aleut population well over 1,000 people. Trade in otter skins was the major economic activity. The Russians transported Aleuts from Unalaska to the Pribilof Islands to harvest fur seals and the Aleut population rapidly declined after contact with the fur traders. By 1860 the Unalaska Island population was 500 Aleuts.

The Russians established a trading post here between 1766 and 1772. The Iliuliuk Bay post became the most important trading center in the Aleutians, second only to Sitka and Kodiak in the Russian-American territory.

With the transfer of Alaska to the United States, Unalaska became a company town for the Alaska Commercial Company which took over the Russian-American Company facilities. Unalaska became a support center for its Pribilof Island fur seal operations.

Despite the declining fur industry, Unalaska became an important and profitable harbor and a way and coaling station for vessels involved in fur seal hunting and the goldrush. The community expanded to accommodate the transient population. When the goldrush ended, the economy declined except for the Commercial Company offices and stores.

With the advent of World War II and the invasion of the Aleutians by the Japanese, the Aleutians experienced a massive military buildup with the construction of Navy and Army facilities. A Naval Station, Naval Air Station, Army base and a submarine base were constructed. In 1942, the Japanese bombed Unalaska. The Aleuts were evacuated for three years and then returned but their activities were greatly restricted by the military. Following the close of WWII, the military moved out of Unalaska by 1947.

The post-war economy was depressed until interest in the fishing industry increased in the late 1950's.¹



¹ Resource Inventory and Analysis, Volume II, Aleutians West Coastal Resource Service Area, March 1990

II. BERING SEA SEAFOOD INDUSTRY: IMPACTS UPON UNALASKA AND THE FUTURE

Since the late '50's, Unalaska's basis of economy has been the seafood industry. The king crab fishery was established in the early 1960's and saw rapid growth. By 1979, Unalaska was a leading port of the seafood industry in terms of poundage and value.

The development of the Bering Sea fisheries was made possible by the Magnuson Fisheries Conservation and Management Act of 1976. This Act has shifted the dominance of the fisheries from foreign fleets to joint ventures to now domestic fleets. This change has created a rapid growth in domestic fleets and processing capabilities. In 1988, Unalaska was ranked second in the nation in volume of fish and shellfish landed with 377 million pounds. In 1989 Unalaska was ranked first in the nation in volume with 504 million pounds.

There are five onshore processors which currently process about 200 million pounds of seafood. Two new seafood processing plants, due to open in late 1990, will increase the processing capability to 600 million pounds of seafood annually.

Continuation or expansion of commercial fishing activity is dependent on the health of the fish stocks and regulatory controls by the Alaska Department of Fish and Game, North Pacific Fisheries Management Council, and International Pacific Halibut Commission. Local communities and fisherman have little control over the management of the fisheries. Concern expressed by the residents involves the relationships between fisheries management plans, commercial fishing harvest quotas, and reported harvest levels. Restrictive growth measures being discussed include regulations for limited entry for fishing fleets; limiting individual seasons; a moratorium on trawler construction and establishing quotas for onshore processors.²

Although the North Pacific Fisheries Management Council has not taken any specific action to date, it has expressed concern for overfishing. Effective in January of 1990, vessels 125 feet or bigger are required to have an observer on board at all times to document bypass catches of halibut, etc. Vessels 60-125 feet are required to have an observer 30% of the time.

In the current climate of rapid industry expansion, inadequacy of research and heated politics, it is difficult at best to predict the future growth of the fishing industry presence in the Unalaska region. As the permanence of this resource is explored and documented and management plans are instituted, it does not appear that restrictions will be implemented to reduce the current harvest levels. However, it is likely that processing capacity will be stabilized at levels planned for 1991.

There are as many opinions regarding the present and future state of fishing stocks as there are fishermen in the area. From interviews and a review of recent documents, it appears that definitive research on the area is sparse and inconclusive. Some of those interviewed for this study indicate that there is an interdependence between species. The old saying in Unalaska is that "when pollock is high, crab is low". There is expanded use of the existing resource through fish meal operations, now standard equipment on new factory trawlers and the basis for much of the new construction for land-based processors.

² Ibid

There are species of bottomfish that have not yet been harvested by the fleet that could be sought after should the now prized pollock stock subside. Levels of incidental or bypass catches of halibut, crab etc. which are being given most recent attention by regulators will also influence the future of the fishery. It is the view of some observers of the fishery that if the fleets could rotate between species to follow the as yet undocumented cycles of peaks and valleys based on fishing pressure, then the resource could support the current level of effort for an indefinite period.

As for Unalaska, itself, much will depend on the outcome of the current cry to allocate a certain percentage of the processing effort to shore-based processors. Also, St. Paul has established an alternate port for servicing small vessels and has a significant processing capacity as well. The Island of St. George hopes to open its new harbor this year and attract a processor. Coupled with improved airports in both locations, the Pribilof Islands serve as an attractive alternative for boats plying the Bering Sea by virtue of being closer to the fishery itself.



III. FUTURE ECONOMY

The community is seeking to diversify its economy. Their goal is to play an ever increasing role in Pacific Rim shipping as trade across the rim expands.

Community leaders have proposed establishment of Unalaska as a transshipment center for North Pacific goods being transported to Europe. Under such a scheme, normal container ships would be used to transport goods from Pacific Rim ports to Unalaska. There, goods would be transferred to Soviet ice breaking ships that would travel to Europe via the ice pack north of Russia. This would reduce shipping time by eighteen days relative to the Suez Canal route. Russian officials have expressed significant interest. American shipping companies have the proposal under consideration.

Under newly-announced maritime treaty with the Soviet Union, Russian ships can pick up cargo in Unalaska for shipment to a third country and may enter U.S. ports without the current two week advance notice. This is the first step in support of the transshipment scheme. Officials from Unalaska will soon travel to Russia to negotiate dock fees.

In response to expanding demand for dock space, the City is now tripling the size of its dock facility. Its dock will have a large crane capable of handling containerized cargo. Because of Unalaska's key location on the Great Circle Route between the Pacific Coast of the U.S. and the Orient, it is hoped that an increasing share of the Bristol Bay and other Western Alaska fisheries products will be shipped through Dutch Harbor. The idea would be to barge from the fishing grounds to Dutch to be loaded onto larger container ships. This is now being done in Kodiak for its fishery.

There is ample evidence that the economy is diversifying to accommodate the recent dramatic increase in commercial activity. Among the recent and planned developments are the following:

- Crowley Maritime is constructing a marine machine shop
- Negotiations are underway for land to base a floating dry dock
- Delta Western is constructing a large warehouse that will serve as a caselot food and general provisions outlet to service boats and the general public
- Alaska Commercial is planning a new "superstore"
- Another market in town is negotiating for land to build a supermarket

IV. POPULATION

A. Unalaska Residents

The population of Unalaska has recently seen a tremendous growth as its economic base has diversified into the bottomfish processing and marine vessel support services. The population estimates used by the State of Alaska for revenue sharing show Unalaska's population increasing 67% in the last three years. These estimates include onshore processor population.

TABLE I
POPULATION: CITY OF UNALASKA
1987-89

<u>Year</u>	<u>Population</u>	<u>% Growth/Yr</u>
1987	1354	7%
1988	1908	41%
1989	2265	19%

Source: State Dept. of Community and Regional Affairs, PGS Inc.

Population growth is expected to continue at a rapid pace for the next three years as two new onshore processors are being constructed with openings scheduled for the last half of 1990 .

Unisea is constructing a 3 1/2 acre factory to process surimi, salmon, halibut, and fish meal; a cold storage and ice delivery system, a crab processing plant and living quarters. They will move existing operations into this new shore based facility over a 2- 3 year period. It is expected to create 300 new jobs when it opens in August 1990.

Westward Seafoods is constructing a twelve building, 78 acre seafood processing plant on Captain Bay near Unalaska. The plant will handle surimi, groundfish, crab and fish meal processing. Plans include 300,000 square feet of building construction for processing, storage, employee housing, office space, generating station and dock. Approximately 500-600 tons of pollack supplied by up to 6 trawlers will be processed into surimi daily when the facility begins operation in the Spring of 1991. It will employ 500 workers.

In addition, the city has over \$26 million in infrastructure capital projects underway to support further economic development. Projects include \$8.3 million school expansion, \$6.7 million for roads, \$3 million dock expansion and \$8 million for water and sewer improvements.

Recently, growth has been limited due to an extreme housing shortage. However, three new housing projects are now planned or underway. If housing development continues, the community should attract a number of small businesses to fill out its economy. Presently, for a community its size and with the pace of the economy, the range of commercial and facility options available to residents lags behind that of more established cities.

With this much activity, population growth is expected to range from 10 to 15% per year over the next two years and then grow more conservatively at 5 to 10% per year through 1994. It is believed that even if the fishery expansion is curtailed and diversification on a large scale (e.g. transshipment) does not materialize, the 5% growth will continue during this period because the community will still be playing catch up in terms of attracting small businesses to fill out its economy. Only now are potential small investors becoming aware of the opportunities that Unalaska provides. High range projections for 1993 are estimated to top 4,600 people.

TABLE II
POPULATION GROWTH PROJECTIONS
1990-1993

<u>Year</u>	<u>Projected Pop with 10% Growth</u>	<u>Projected Pop with 15% Growth</u>	<u>Plus New Processors</u>	<u>Projected Total Range</u>
1989				2265
1990	2495	2605	300	2795 - 2905
1991	3075	3341	500	3575 - 3841
<u>Year</u>	<u>Projected Pop with 5% Growth</u>	<u>Projected Pop with 10% Growth</u>	<u>Plus New Processors</u>	<u>Projected Total Range</u>
1992	3754	4225		3754 - 4225
1993	3942	4647		3942 - 4647

Population projections for 1993 range from 3,942 to 4,647. The average of this range estimates population to be 4,295 people in 1993. This is an overall growth of 90% from the 1989 population estimate. Although this seems extraordinary, given the economic development occurring in Unalaska today this is considered a true picture of a developing community with large growth potential being tapped. The planning horizon is not projected further because of the difficulty to predict the management of the Bering Sea fisheries.

B. Floating population

In addition to the resident population, the City of Unalaska supports a large transient population comprised of the fishing fleets, at sea processors and catcher/processors and freighters that use Unalaska as their primary port . Estimates of floating population in the various fleets are shown on the following page:

TABLE III
ESTIMATES OF FLOATING POPULATION
SERVED BY ILIULIUK FAMILY SERVICES CLINIC FEASIBILITY

	<u>Estimated Vessels</u>	<u>Average Crew Size</u>	<u>Floating Population</u>
Trawlers			
Catcher Vessels	110	5	550
Catcher/Processors	60	75	4500
Floating Processors Only	2	160	320
Longline			
Catcher Vessels	100	6	600
Catcher/Processors	20	25	500
Floating Processors Only	16	25	400
Crab			
Catcher Vessels	225	5.5	1238
Catcher/Processors	25	22	550
Floating Processors Only	13	70	910
Cargo Vessels	350	25	8750
Total Floating Population			18,318

Source: American Trawlers Assoc.; Alaska Crab Coalition; State of Alaska Dept. of Fish and Game; Resource Inventory and Analysis. Volume II. Aleutians West Coastal Resource Service Area, March 1990; The In-shore/Offshore Dispute: Impact of Factory Trawlers on Fisheries in the North Pacific and Proposals to Regulate the Fleet. The North Pacific Seafood Coalition, March 1990; and subsequent consultation with onsite resource Sinclair Wilt, Supervisor, Alyeska Seafoods, Unalaska.

This floating population of an additional 18,318 people, create an incredible impact upon the City of Unalaska as it is challenged to provide services to those accessing the Harbor for unloading product, loading supplies and changing crews.

Future projections for these transient populations are difficult to estimate as much depends on the management of the fisheries and the ability of the city leaders to successfully diversify its economy.

C. Akutan Population

Akutan is 17 miles east of Unalaska with a population of 439 in 1989. There is no air strip, therefore, air travel is limited to amphibious aircraft on calm seas with mild wind conditions. Unalaska is the base from which these flights originate and end. Local health services are provided by a Community Health Aide. Nearly all medical emergencies pass through Iliuliuk Clinic in Unalaska and then if necessary to Anchorage or Seattle. Trident Seafoods opened a new surimi plant in April 1990 employing 100 new workers to the area increasing the island population to at least 540 people.

V. ILIULIUK CLINIC

A. HISTORY

The Iliuliuk Clinic was created in 1972 with the help of the Indian Health Service. The Clinic is a non-profit corporation operated by a nine member board. The Board is made up of key community leaders including 2 representatives from the onshore processors, 2 representatives from the Native corporation (Ounalashka Corp), 2 members appointed by the City Council and 3 appointed by the board. The clinic is centrally located in the community although some distance both from the port and the airport. It occupies its original building, although it has been expanded twice as volumes and services increased.



B. SERVICE AREA

The Iliuliuk Clinic serves three main populations. The primary population are the residents of Unalaska, including Natives, non-Natives and onshore processors. The secondary service population is the large transient "floating" population of foreign and domestic fleets; at-sea processors, catcher/processors, trawlers, and freighters. Nikolski is also part of this service area. The clinic also serves as a referral and stabilization center for residents of Akutan. Discussions are now underway with both processors and the Aleutians East Borough to formalize health care referrals.

C. PRESENT SCOPE OF SERVICES

Iliuliuk Clinic provides services similar to a family practice clinic, i.e. routine medical coverage and emergency care to its patients. Currently excluded from what normally is considered family practice is the provision of obstetrics (care to expectant mothers and deliveries) with the exception of some prenatal care. Prenatal care is provided by the State Public Health Nurse on an itinerant basis. Mothers are referred to Anchorage for deliveries.

With the current population and the isolation of the island, the clinic has not successfully retained a full-time physician. A resident physician was recruited to the community approximately six years ago and stayed approximately three and a half years. Certainly, the utilization and service area population could justify a physician. However, this recent costly experience has prompted the Board to defer recruitment of a physician until appropriate facilities and staffing are available to take advantage of physician skills.

The clinic currently has a contract with a group of emergency medicine physicians from Anchorage that oversee the medical management of the clinic. Medical care is now provided by two Physician Assistants who receive continuing education throughout the year. A physician from the Anchorage group visits the clinic one week every three months to review the work of the PA's, consult and see patients.

In addition, several itinerant physician specialists visit two to three times a year to see patients with specific medical problems. They include a Family Practice physician, a Pediatrician, an Otolaryngologist (ear, nose & throat) and an Optometrist.

The clinic sees scheduled appointments as well as walk-ins and emergencies. They provide laboratory, radiology, pharmacy and respiratory therapy services. They also have the capability to "hold" patients for observation similar to an infirmary concept. Patients are also "held" at the clinic while awaiting a medical transport to a hospital or medical center.

This summer the clinic expanded its operation by holding general clinic on Saturdays. A third physicians assistant was contracted that made this possible. The practice was highly successful and recruitment efforts are underway for a third full-time PA/Nurse practitioner. This will also serve to lighten the on-call load for existing PA's.

D. Current Utilization

Utilization of the clinic has increased dramatically as the population and the fishing fleets have swelled. Volumes have grown from an average of 185 visits per month in Fiscal year 1988 to 742 visits per month in Fiscal year 1989, an increase of 400%. The fishing industry with its high injury and accident rates, makes its foremost impact upon health care services. With Unalaska having the only clinic in the area staffed with Physician Assistants and major medevac access, it serves as the health care facility for all the processors and fleets, both foreign or domestic.

TABLE IV
 ILIULIUK CLINIC UTILIZATION
 1987-1989

<u>Year</u>	<u>Clinic Visits</u>	<u>Emergencies</u>	<u>Medical Evacuations</u>
1987	6,491	491	44
1988	6,651	818	154
1989	8,906	1,078	58

Source: Iliuliuk Clinic, PGS Inc.

TABLE V
 FISCAL YEAR 1989 VOLUMES
 FOR ILIULIUK CLINIC

<u>Total Visits</u>	<u>8,906</u>
Appointments	7,828
Emergencies	1,078
<u>Ancillary Volumes</u>	
Lab Tests	3,970
Radiology Exams	2,975
Pharmacy	12,497
Medical Escorts	58
Stabilizations	45

Source: Iliuliuk Clinic, PGS Inc.

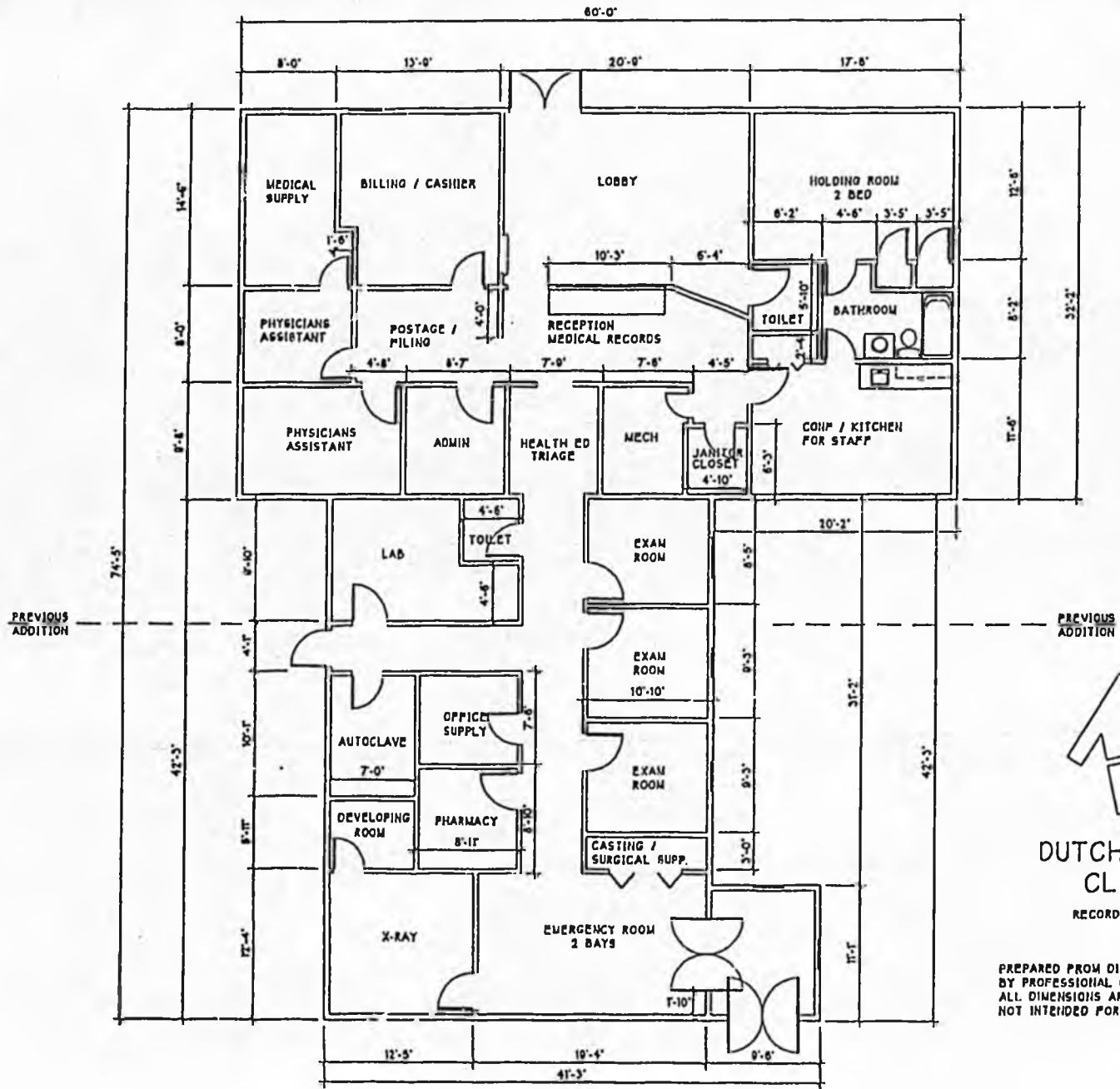
E. PRESENT FACILITY

The current structure is 3,075 gross square feet. It is woodframe single story construction. The original structure has been added onto twice to create the present facility. For this reason, the work flow through the facility is inefficient.

The present clinic facility is beset with the following physical and operational problems:

- Only three exam rooms are available to the two physician assistants practicing in the clinic. These rooms must also accommodate the visiting physicians.

- The emergency room can accommodate only two patients. A couple of times per month, there is need to overflow patients into the x-ray room and exam rooms.
- There is capacity to hold two patients while awaiting medical evacuation to Anchorage. The present holding area is at the opposite end of the clinic from the emergency room making spill over into the emergency room facility or visa versa an unworkable solution.
- There is no facility for health personnel to sleep in the facility while on call. Emergencies now number better than five per night on a seven-day-a-week basis.
- The waiting area will accommodate only ten patients (or family members) at a time. Because the largest percentage of patients are walk-ins, there is now an average of 30 persons waiting to be seen when the clinics opens for the day.
- Space for medical supply storage is inadequate and poorly distributed. The attic, crawlspace beneath the building and trailer parked outside the facility are now used for this purpose. Medical supplies and pharmaceuticals are at opposite ends of the building.
- Virtually all the medical equipment is inadequate. There is only a portable x-ray machine when more than one is needed. The patient delays for x-rays is considerable.
- There is no emergency electrical generation. Power surges in the community utility system have damaged almost all of the equipment. Further, due to power outages the staff has had to deal with emergencies without power.
- Space for administrative staff to carry out patient appointments, billing etc. is inadequate.
- The present roof is in need of major repairs or replacement to deal with recurring leaks.
- Visiting dentists are currently holding clinics in a local hotel due to lack of space.
- The clinic has no audiometric or spirometric testing capacity to deal with environmental and occupational hazards arising from the fishing industry. Such facilities are a requirement of employers to meet Federal OSHA standards.
- There is no facility now for stabilizing/holding a psychiatric patient while awaiting evacuation to a psychiatric facility.



DUTCH HARBOR
CLINIC
RECORD DRAWING

PREPARED FROM DIMENSIONS PROVIDED
BY PROFESSIONAL GROWTH SYSTEMS, BILL DANN
ALL DIMENSIONS ARE APPROXIMATE AND ARE
NOT INTENDED FOR CONSTRUCTION

F. Current Staffing

The Clinic has been available for appointments and walk-ins 5 days per week, 6 hours per day from 9am to Noon and 1:30 to 4:30 pm. The staff does take emergency calls after hours and on weekends.

This summer a 6 day per week schedule was implemented. A contract PA was used to provide this added coverage. Recruitment efforts underway seek to make these changes permanent. The numbers below represent the permanent 5-day per week staffing.

The Clinic currently has 10 FTEs comprised of 5 clinical staff and 5 administrative staff.

TABLE VI
ILIULIUK CLINIC CURRENT STAFFING
Full-Time Equivalents (FTE's)

<u>Clinical Staff</u>	
Physician Assistants	2
Registered Nurses	2
Laboratory Technologist	0.5
Radiology Technologist	0.5
<u>Administrative Staff</u>	
Receptionist	1
Cashier/Collections	1
Accounts Receivable	2
Administrator	1

Source: PGS, Inc.

G. Current Financial Status

For the twelve month period ending June 30, 1990, showed an operating income (profit) of \$343,226 on \$1.55 million in revenues. The clinic entered this period with a positive fund balance of \$367,352. The net income for the fiscal year ending June 30, 1989 had been \$55,915 on \$866,138 in patient fees and \$946,407 of total income.

Accounts receivable have been increasing in recent years. In February of '89, A/R stood at \$100,000; by June 30, it had risen to \$200,000; by December '89, it stood at \$300,000 and currently it numbers \$500,000. This period was marred by internal accounting problems, some of which are under investigation.

In recent months, a new computerized accounting and billing system has been successfully implemented to better account for charges, status of accounts and expenses.

Further, arrangements have been negotiated with the eight major processors in the area to have payroll deductions for services rendered to their employees.

The payroll deduction approach should positively impact what has been a gnawing problem over the years, namely, outstanding accounts receivable. For employees of small businesses and transient fisherman, collections will continue to be a challenge. Efforts are now being stepped up to require some form of payment at the time of service. Accounts receivable currently stand at just over \$500,000 with some \$100,000 being due for 60 days or more.

VI. OTHER PROVIDERS

In addition to the Iliuliuk Clinic staff, there are a number of other health care providers that serve Unalaska. Most of these providers have in the past used the clinic until its space restraints made it impossible to accommodate them. These providers include :

- Private Practitioners

There are two private dentists from the Anchorage area who serve the community of Unalaska. Although they have used clinic space to see their patients in the past, they currently set up in the Unisea hotel during the week of their visit. Although this works, it is far short of ideal. Both dentists hold clinics in Unalaska about four times a year. Both stated that the demand for their services will justify increasing 6 to 9 clinics per year each. Both also expressed a desire to have space available to them once again in the clinic.

- Aleutian/Pribilof Islands Association

A/PIA is responsible for the health care of the Native population in Unalaska. A/PIA's services are in four different locations in the community. A/PIA has expressed an interest in locating their services within one central location. With housing and office space virtually not available, space to provide services is of major concern. Details on their programs are as follows.

- a. Community Health Aide

This program provides primary care services to the Native population of the community now estimated at 150. The CHA operates out of a leased clinic facility. Patients seen who are in need of more sophisticated diagnosis or treatment are then referred to the Iliuliuk clinic. Both the CHA and A/PIA are interested in leasing space within an expanded Iliuliuk facility so as to better integrate health care services.

- b. Community Health Representative

This program provides outreach health education, social services and homemaker services. This includes services to the elderly. One half-time position is in Unalaska.

- c. Mental Health Counselor

A full time position has been allocated to Unalaska. The position has recently been successfully placed in Unalaska after overcoming lack of housing.

- d. Substance Abuse Counselor
A full time position has been allocated to Unalaska, again this position has recently been moved from Anchorage to Unalaska subsequent to housing being found.
 - e. Women Infant and Children Program (WIC)
Provides nutritional foods to pregnant and postpartum women, infants and children under five who have a nutritional risk. This program was relocated to Unalaska in September and serves the entire A/PIA region. Clients numbered over 250 during the first year of the program.
 - f. Elders Program
Supplements the seniors hot meals program with boxed groceries once a month. In addition, they have supplied new equipment (refrigerator, microwave, dishwasher, utensils) to the seniors hot meals program. They also provide health education and consultation services to the elders.
- State-funded Services
 - a. Public Health Nurse
This program itinerates out of Anchorage. It provides immunizations, well-child assessments (birth to three years), and TB screening. Four trips per year of seven to ten days duration are made each year. Usually, the PHN also provides women's health services, however, because of the way the Iliuliuk clinic and its itinerant physicians are utilized by the community as well as the fact that the PHN is maximized by the services listed above, these services are not provided in Unalaska. This area of service (i.e. women's health) is considered an area of need in the community.
 - b. Audiologist
The State Audiologist visits once or twice a year testing and following pre-schoolers and school age children.
 - c. Infant Learning Educator
The State Infant Learning Educator visits quarterly. She screens children for developmental delays and works with the parents or guardians in developing and carrying out a treatment plan.

State providers do not have a clinical space to provide their services. They rely on the community to provide them space. Currently the Public Health Nurse uses a church, and the Audiologist uses the school. Such arrangements do not foster continuity of care or coordination with local providers that are vital to high quality primary care.

VII. FUTURE SCOPE OF SERVICES

A. Hours of Operation

Because of the round the clock, seven-day per week nature of the fishing industry, the routine office hours cannot accommodate the needs of the clinic's patients. Clinic hours are planned to increase from 5 days a week, 6 hours per day schedule to a 7 days per week , 6 hour per day schedule.

B. Resident Physician Coverage

There has long been the question of the need for and the ability to retain a fulltime physician for the clinic. Until recently, there had not been the volume or high severity of cases to make retaining a physician cost-effective. A physician needs a certain level of cases to retain high quality skills. In addition, a physician requires a high degree of technological sophistication to support his skills. In other words, high quality medical equipment and other skilled professionals. It has not been financially justified in the past to provide a physician full-time. A physician was recruited approximately six years ago and did stay for three and a half years.

The Board of the Corporation believes that with the present state of the clinic facility and the lack of adequate housing, recruiting a physician is likely to be problematic. Turnover is costly as it not only includes moving expenses but also a costly malpractice insurance policy in years following the presence of a physician to insure against suits filed after the physician has left the staff. The tail insurance coverage is not a financial issue with physician assistants.

For the foreseeable future, the Board has judged that it can get more care through the employment of multiple physician assistants or nurse practitioners versus having one physician. The contract with the Anchorage emergency room physicians group has provided the supervision for the PA's and provided a physician on-site once a quarter. This has also been supplemented by periodic visits by itinerant specialists.

The long range plan is to retain a full-time physician to provide services to the clinic. This is not anticipated until after the opening of the new facility. (Note: A full-time staff physician is not assumed in the financials for the first year of operation of the new facility) Until that time, the clinic proposes to have a physician visit the clinic more often to continue to provide supervision, training and support to the PA's. An additional PA will be added to handle the increasing volumes and extended hours of operation. An additional nurse will also be employed to assist the PA.

In future recruiting, it is recommended that consideration be given to a nurse practitioner. Although less highly trained in trauma, a nurse practitioner would fill present gaps in services to pregnant woman, children and other areas of preventive medicine.

C. Itinerant Physicians

As the population grows and demand for medical service increases, the frequency of visits from itinerant physicians needs to increase to assure the quality of care and to handle continuing specialized problems of its patients. With specialists in Family Practice, Obstetrics, Pediatrics at the clinic one week a month and specialists in Internal Medicine and ENT visiting once a quarter, there will be a physician at the clinic 27 weeks during the year or better than 50% of the time.

The long range plan of the clinic is to retain a full-time physician with the continued visits of specialists throughout the year. The Clinic will continue to encourage itinerant physicians to visit and provide services as needed by the community. The clinic plans to increase exam space to accommodate these physicians without interrupting routine clinic visits.

D. Ancillary Services

The Clinic currently provides laboratory, radiology, and pharmacy services. Much of the equipment and space is limited. With the increasing volumes, the clinic needs to replace, update or expand to handle the demands.

In the laboratory, many tests are not available or have to be sent out to a referral lab which takes several days to get results. Although the clinic does not have the volume or need to offer a large variety of tests, it can improve its current list of services. The clinic plans to improve its ability to perform routine blood counts, blood chemistry, blood gases, and microbiology.

Radiology exams are currently performed with a portable x-ray machine. The Clinic plans to add a fixed machine for routine exams. The portable equipment will be used to accommodate the overflow and for emergencies.

Pharmacy capabilities will shift from the supervising RN to a full-time pharmacist. This will add a consulting resource on medications for the PA/Nurse Practitioners as well as increase education to patients on side effects, dosages, etc.

Emergency services will be improved with the addition of two bays in the ER. One of the bays will be sized as a procedures room or minor operating room. The addition of an apartment will make it easier for staff to handle after hours emergencies by removing the necessity of traveling back and forth from their residence.

E. Holding Beds

There has been interest in the establishment of a hospital in Unalaska for several years due to the high incidence to major trauma injuries and the remoteness of the island from a major medical center. Although the financial feasibility of equipping and staffing at a level of a hospital continue to be prohibitive, the high number of trauma and medevacs is also cause for concern in the struggle to provide the appropriate level of care at Unalaska. Space for two holding beds is planned to accommodate this need. The holding area will be located adjacent to the emergency room. This will allow for overflow of the emergency room into the holding beds during a mass casualty situation as well as enabling the gurney's in the emergency room to double as holding beds if conditions warrant. This proximity will also aid nursing personnel in overseeing both operations during evenings.

F. Industrial Medicine

With the large growth of the onshore processors, there has developed a strong demand for industrial medicine services including employment physicals, drug testing, respiratory testing, audiology testing, toxicity testing and physical therapy. Most processors require baseline testing of employees at the point of hire as well as annual updates. The clinic has not been able to address this new and growing demand with its current space and staffing restraints. With additional staff, equipment and space they could readily serve this patient population.

In the initial year of operation it is anticipated that 1,000 physicals would be provided as well as 2,500 audiometry and spirometry tests each. This would represent approximately 50% of the anticipated market for these services, the balance being provided during the initial year through ongoing arrangements the processors have with itinerant Lower '48 providers.

G. Physical Therapy

Physical therapy is another service that has not been adequately addressed by the current services at the Clinic. Currently a nurse helps to provide physical therapy to clients needing ultrasound treatments. The high degree of work-related injuries that are seen in the clinic could benefit from a more complete range of therapy services if the staff and equipment were available. The clinic plans to recruit a full time physical therapist and equipment to include two hydrotherapy tanks, a full size tank and one designed for limbs. Exercise equipment would round out the existing ultrasound equipment.

H. Other Providers

As stated above there are two dentists that currently visit Unalaska. Both are interested in having space at the clinic to see their patients. One is interested in having a permanent space for his equipment, reducing set up and tear down time of his equipment. The dentists have requested dedicated space in order to safeguard their equipment and not be limited by the schedule of the other provider. In detailed future planning, the clinic should examine the cost-benefit of equipping their own dental operatory. This would represent an upgrade in terms of comfort and speed for patients and might also be a revenue source over time.

A/PIA is also interested in having space at the clinic to provide their services. They would like to have a separate clinical area for the CHA. The close proximity to the clinic would be beneficial for those patients needing a medical referral and to build a closer more supportive relationship between the two providers. A/PIA would also like to have an office space for their alcohol and substance abuse counselors. A separate space is needed for the CHR and WIC programs. Having these services located in one building provides the community with a centralized health services.

The State funded itinerant health providers also need space to provide their services. An exam room is planned for use by these professionals as they rotate through. Historically, communities the size of Unalaska, especially given the volume of health care services, have been served by a full-time public health nurse funded by the State. This has changed somewhat over the years as the Native health corporations and local communities have taken increasing responsibility for health care delivery. A spokesman for the State indicated that "it did not appear that any changes in service are planned." This is because "they have a very limited budget and increases are not likely." For this reason, plans to set aside full-time clinic space for the State PHN program have been dropped. Space for itinerant use by state professionals could be added were the State to demonstrate interest in such space.

I. Housing

One of the key factors in attracting itinerant professionals is having a workable space for them to see patients. A second factor is having available housing. Both of these have been scarce in the recent years. Temporary housing or an apartment for use by visiting physicians would greatly enhance attracting their services. These professionals come to the island to see as many patients as they can during their visit. Having housing available at their service site affords them more hours to see patients. For clinic staff or others which have emergency or on-call duty, a sleep room at the clinic affords the professional the ability to respond quickly to

emergencies and still get needed rest between calls. A small apartment is planned that will provide a bedroom for the on-call provider and also a bedroom for itinerant providers.

Housing for full time professionals is still a problem for recruitment and retention. In order for the clinic and other providers to provide appropriate services they need to be able to find housing for their staff. Housing for permanent staff needs to be located within the community. The Board must explore ways with the city to provide housing to support public service professionals in Unalaska. The Clinic may need to explore the purchase or lease of housing for use by their staff while employed by the clinic. This benefit can be built into the salary structure for its employees.

J. Projected Utilization

About 75% of the clinic's volume is generated by the population of Unalaska. The other 25% is generated by the "floating" population. With the population of Unalaska expected to increase 68% by 1993, their utilization of the clinic should increase accordingly. The "floating" population is not expected to change nor their utilization. Their volumes are expected to remain flat. The methodology for volume projections for the clinic follow:

TABLE VII
PROJECTED PATIENT VISITS FOR ILIULIUK CLINIC
FY 89/90 - 92/93

<u>Fiscal Year</u>	<u>Unalaska % Growth/Year</u>	<u>Unalaska Utilization</u>		<u>Floating Utilization</u>		<u>Total Visits</u>
1989/90		6,680	+	2,226	=	8,906
1990/91	26%	8,417	+	2,226	=	10,697
1991/92	30%	10,942	+	2,226	=	13,168
1992/93	8%	11,817	+	2,226	=	14,043

Source: Iliuliuk Clinic, PGS Inc.

Correspondingly, the ancillary areas are expected to increase. Projections for 1992/93 would anticipate volumes shown in Table below:

TABLE VIII
BREAKDOWN OF SERVICES PROVIDED
PROJECTIONS FOR FY 92/93

<u>Outpatient Visits</u>	<u>14,043</u>
Appointments	12,217
Emergencies	1,826
<u>Ancillary Services</u>	
Laboratory tests	8,757*
Radiology exams	4,689
Pharmacy prescriptions	21,665
Physical Therapy	1,500
Stabilizations	91
Medical Escorts	71

*Includes Industrial Medicine (see Table IX)

Source: PGS Inc.

Pharmacy visits have been projected for a 10% growth rate over and above other ancillary services by virtue of adding a pharmacist to the staff.

In addition to the existing level of services, the clinic is adding two new programs with the opening of the new clinic and its increased space capacity, Industrial Medicine and Physical Therapy.

TABLE IX
PROJECTED INDUSTRIAL MEDICINE UTILIZATION
FY 92/93

Physicals	1000
Laboratory	2500
Audiometry	2500
Spirometry	2500

K. Staffing Plan

1. Physicians Assistants

Operating seven days per week during regular office hours, means that six hours per day will be available for appointments and non-emergent walk-ins. Productivity is assumed at 4 patients per hour per provider. Appointments are projected to average 31 per day on a 7 day per week basis or 4.4 patients per hour. One physician assistant could handle this load. However, on a 7-day per week basis, two PA's are needed for coverage.

For industrial medicine, it is assumed this service would be on a five day per week basis. This would mean twenty three visits per day. Such a load would constitute nearly five hours of work per day for a PA. Hence, one PA is provided for industrial medicine. This position could also share daytime emergency room utilization thereby preserving the integrity of the appointment system.

Under this staffing scheme, with three PA's (or nurse practitioners) sharing after hours ER call, estimated to average just over four per night, the PA's on call could be relieved of day coverage on some days.

Coverage for vacations and continuing medical education at eight weeks per year per PA will mean the need for 24 weeks of coverage by itinerant PA's under contract.

2. Nurses

Two RN's would be used to staff the clinic on weekdays. They would be responsible for:

- Triage
- Support to regular and industrial medicine clinic --estimated at 54 visits per day for FY '92-'93
- Support to Emergency Room
- Support to visiting physicians (their numbers included in general clinic)
- Supervision, ordering of supplies, stocking

One RN would be used to cover weekends and cover stabilizations, that is patients held over in holding beds. Estimated volume is 65 in FY '92-'93 or between five and six per month. This position could also handle vacation coverage, about nine weeks per year. Nurses may have to rotate responsibilities in times when stabilizations occur on weekends etc.

All three nurses would share call out and escort responsibilities.

3. X-Ray

At 365 days of operation per year, it is estimated that 12 patients per day would be served in FY '92-'93 (this excludes industrial medicine). One and one-half positions are budgeted to accommodate this load. Although not necessitated by patient volume, 7-day per week operation and after hour call outs may make this necessary.

4. Laboratory

On a seven-day per week basis, it is estimated that 23 tests per day would be completed. Again, this would not require 1.5 positions, however, this is budgeted for FY'92-'93 because of 7-day week and after hours call.

5. Physical Therapist

For a time during FY '89, a therapist was available and utilized about 50% of the time. With the addition of Hubbard tanks and additional general utilization, it is believed that a full-time therapist will be needed. The clinic may wish to develop a contract with a therapist rather than having the therapist on staff. This would put the therapist at-risk should utilization not materialize.

6. Pharmacy

Currently, the supervising RN in the clinic spends the largest part of her time carrying out pharmacy functions. For FY '92-'93, 58 prescriptions per day are projected. Although below productivity standards for a pharmacist, it is felt that this service will grow with the addition of a pharmacist. There is no drug store in the community. Further, a pharmacist will greatly aid the PA's as a resource in developing an appropriate formulary, advising on drug regimen for a particular condition and serving as a resource to A/PIA mental health and other staff. Most importantly, the pharmacist will authoritatively advise patients on side effects, dosages, etc.

The pharmacist could also assist in ancillary services or contract with A/PIA or the Aleutians East Borough for technical support to other providers in the Aleutians.

7. Administrative Staff

Upgrades in staffing for FY 92/93 include the addition of an accountant, staffing for the weekend reception/medical records/cashiering and a secretary.

TABLE X
PROJECTED STAFFING
FY 92/93

	<u>Current Staffing</u>	<u>Proposed Staffing</u>
<u>Clinical Staff</u>		
Physicians Assistant	2	3
Registered Nurses	2	2
Laboratory Technologist	0.5	1.5
Radiology Technologist	0.5	1.5
Indust. Med RN/Technician		1
Physical Therapy		1
<u>Administrative Staff</u>		
Rec/Cashier/Collections		1.5
Accountant		1
Secretary		1
Administrator	1	1
Weekend/Rec/Collections	2	2
Total	8	16.5

Source: Iliuliuk Family Services, PGS Inc.

**VIII. SPACE PLAN
(REVISED JANUARY 1991)**

The net square footage of building space required to accommodate the program detailed above is shown in Table XI below. Net square footage is the useable floor space, that is, exclusive of space required for circulation, stairways, elevators, interior and exterior walls.

TABLE XI
DETAILED SPACE PLAN FOR ILIULIUK FAMILY SERVICES CLINIC

	<u>No.</u>	<u>Staff/Public</u>	<u>NSF</u>
Clinic Area			
•Exam Room	5		400
•Exam Room	1		120
•Screening Area	1		40
•Nurse Station	1	5	150
•Conference Room	1		80
•P.A.'s Office	3		240
•Reception/Billing/Switchboard/ Medical Record	1	5	660
•Patient Waiting - Adult	1	30	600
- Child	1	7	175
•Public Toilet	2		150
•Supplies	1		80
•Janitor	1		30
Sub-total			2725.0
		Net to Gross	<u>1.50</u>
Clinic total			4087.5
Emergency Room			
•Treatment Station	3		540
•Major Trauma	1		225
•Patient Toilet/Shower	1		85
•Supply Closet	1		100
•Soiled Linen	1		48
•Medication Room	1		40
•Arctic Entry (ER)	1		120
•EMT Supply	1		80
•Waiting Area	1		240
•Public Toilets	2		50
•Holding Bed	1		215
•ER Nurse Station	1		90
Sub-total			1833.0
		Net to Gross	<u>1.60</u>
Emergency room total			2932.8

	<u>No.</u>	<u>Staff/Public</u>	<u>NSF</u>
Laboratory			
•Work Area	1		400
•Office Alcove	1	1	80
•Specimen Collection	1		80
•Specimen Toilet	1		<u>65</u>
Sub-total			625.0
		Net to Gross	<u>1.50</u>
Laboratory total			937.5
X-Ray			
•Procedure Room (Fixed Equipment)	1		230
•Procedure Room (Mobile Equipment)	1		230
•Office/Film File	1		80
•Supply Storage	1		40
•Autoprocessor	1		60
•Patient Dressing	1		<u>25</u>
Sub-total			665.0
		Net to Gross	<u>1.60</u>
X-Ray total			1064.0
Common Support Area			
•Clean Medical/Office Supply	1		200
•Equipment Storage	1		90
•Wheel Chair Alcove	1		45
•Staff Toilets	2		100
•Janitor	1		25
•Dead File Storage	1		150
Arctic Entry	1		<u>100</u>
Sub-total			710.0
		Net to Gross	<u>1.45</u>
Common Support Area total			1029.5
Administrative Space	1	5	660
		Net to Gross	<u>1.14</u>
Administrative Space total			752.4

	<u>No.</u>	<u>Staff/Public</u>	<u>NSF</u>
Physical Therapy	1		300
		Net to Gross	<u>1.26</u>
Physical Therapy total			378
Audiometry/Spirometry	1		200
		Net to Gross	<u>1.27</u>
Audiometry/ Spirometry total			254
Pharmacy	1		200
		Net to Gross	<u>1.20</u>
Pharmacy total			240
Dental Operatory	1		360
		Net to Gross	<u>1.40</u>
Dental Operatory total			504
Optometry/Multiuse	1		150
		Net to Gross	<u>1.40</u>
Optometry/ Multiuse total			210
Conference Room	1	15	300
		Net to Gross	<u>1.15</u>
Conference Room total			345
A/PIA WIC Program	1		150
A/PIA Mental Health Counselor	1		150
A/PIA Comm Health Aide			
•Office	1		80
•Exam Room	1		144
•Storage	1		<u>100</u>
Sub-total			624
		Net to Gross	<u>1.40</u>
A/PIA total			873.6

	<u>No.</u>	<u>Staff/Public</u>	<u>NSF</u>
Services			
•Mechanical/Fan Room	1		500
•Electrical/Emergency Generator	1		500
•Gas and O ₂ Storage	1		<u>150</u>
Sub-total			1150
		Net to	<u>1.20</u>
		Gross	
Service total			1380
Vertical Circulation			500
Locker/Break Room	1		400
		Net to	<u>1.30</u>
		Gross	
Locker/Break Room total			520
Apartment	1		750
		Net to	<u>1.15</u>
		Gross	
Apartment total			862.5
Toilet Rooms	2		100
		Net to	<u>1.15</u>
		Gross	
Toilet Rooms total			115
Janitor	1		25
		Net to	<u>1.15</u>
		Gross	
Janitor total			28.75
State of Alaska Family & Youth Services	1		400
		Net to	<u>1.15</u>
		Gross	
Family & Youth Services total			460
BUILDING TOTAL			17,474.55

Source: PGS Inc.

Table XII details the gross square footage required to accommodate the expanded program at the clinic.

TABLE XII
 SUMMARY GROSS SQUARE FOOTAGE SPACE PLAN
 ILIULIUK FAMILY SERVICES CLINIC

<u>Function</u>	<u>Gross Square Footage</u>
Clinic	4087.5
Emergency	2932.8
Laboratory	937.5
X-Ray	1064.0
Common Support Area	1029.5
Administrative Space	752.4
Physical Therapy	378.0
Audiometry/Spirometry	254.0
Pharmacy	240.0
Dental	504.0
Optometry/Multiuse	210.0
Conference Room	345.0
A/PIA	873.6
Services	1380.0
Vertical Circulation	500.0
Locker/Break Room	520.0
Apartment	862.5
Toilet	115.0
Janitor	28.75
Family & Youth Services	460.0
Total Gross Square Footage	17,474.55

IX. EQUIPMENT NEEDS

In order to properly support the program for the new facility, the following equipment is considered appropriate:

<u>General Clinic</u>	
Exam table 6 @ \$950 each	\$5,700
Ultrasound for Pregnant Women	\$85,000
<u>Emergency Room</u>	
Gurneys, wall units, crash cart, defibrillator, refrigerator, misc.	\$20,000
<u>Eye Room</u>	
American Optics Slit Lamp	\$8,000
ENT Chair	\$5,000
<u>X-Ray</u>	
X-Ray	\$70,000
Developer/processor	\$10,000
<u>Laboratory</u>	
Abbott Vision Analyzer	\$16,500
Incubator	\$3,500
Coulter Blood Count with Differentials	\$160,000
Biological Vacuum Hood	\$6,500
Centrifuge	\$1,600
Centrifuge Stat Spin	\$1,200
Microscope with teaching head	\$4,500
Freezer	\$350
Eye Wash	\$150
Phlebotomy Chairs	\$1,100
Refrigerator	\$650
<u>Physical Therapy</u>	\$13,000
<u>Audiometry/Spirometry</u>	\$5,000
<u>Holding Beds/Isolation</u>	\$3,000
<u>Pharmacy</u>	\$2,000
<u>Nurses Station/Misc.</u>	\$3,000
<u>Miscellaneous</u>	\$5,000
Sub-Total	\$430,750
Inflation @ 21%	\$90,458
Freight @ 15%	\$78,181
Total for Equipment	\$599,389

X. PROJECT SCHEDULE AND COSTS

PROJECT SCHEDULE

Subject to securing funding for the project, plans call for design work to begin in August of this year. Bids could be out as early as March and awarded by the middle of April. Construction could begin in May. On this schedule, it is anticipated that occupancy could be in April of 1992.

PROJECT COSTS

The following is a detailing of anticipated project costs based on the scope of the project as defined above and the design/construction schedule:

A. Site Development Costs Estimate prepared by Dept of Public Works, City of Unalaska	\$60,000
B. Construction of Clinic Estimate prepared by HMS. Inc., based on Kumin & Associates space summary & description of systems.	\$2,660,000
C. Medical Equipment Estimate prepared by PGS., Inc.	\$600,000
D. Non-Medical Furnishings & Equip. Estimate prepared by Kumin & Associates	\$45,000
E. Overhead Costs @ 20% of above - includes soils investigation, survey, design, construction administration and inspection, insurance, legal and other administrative expenses	\$673,000
F. Project Contingency @ 5% of above	\$202,000
Total Estimated Project Cost	\$4,240,000

XI. FINANCIAL FEASIBILITY

To determine the financial feasibility of the proposed new clinic facility for Unalaska, a complete statement was prepared for the first full operating year of the clinic, namely, July 1, 1992 through June 30, 1993.

Assumptions used in the completion of the income statements were as follows:

1. Inflation
Inflation was estimated at 7% per year for three years for a total of 21% over the existing cost experience, ie. a year-end projection of figures for the current fiscal year which ends June 30.
2. Allowance for Bad Debts
A factor of 8% was allowed on all patient revenues.
3. Depreciation
A useful life of 20 years and straight line method was used.
4. Rental Income
A rental rate of \$2.90 per square foot and rented space of 1,720 NSF is used in computing rental income.

As can be seen from the income statement below, operation of the new facility with expanded services and staffing is financially feasible. Projections would indicate that the clinic will realize a net profit from operations of \$1,240,378. in its first full year of operation.

PROJECTED INCOME STATEMENT
ILIULIUK FAMILY & HEALTH SERVICES CLINIC, INC.
FY '92-'93

REVENUE

	AVERAGE '89 CHARGE	INFLATION FACTOR X 1.21	PREDICTED '92-93 VOLUME	REVENUE FY 92-93
Projected appointments	\$48.	\$58.	12,217	\$708,586
ER Visits	\$48.	\$58.	1,826	\$105,908
ER Room Charge	\$105.	\$127.	1,826	\$231,902
Home Visits	\$35.	\$42.	10	\$420
Telephone Consultations	\$15.	\$19.	254	\$4,826
RN/X-R / Callouts	\$94.	\$113.	681	\$76,953
Stretcher and Blanket	\$46.	\$56.	2,234	\$125,104
Special Reports	\$35.	\$42.	162	\$6,804
Ambulance	\$111.	\$135.	280	\$37,800
Stabilization Room	\$81.	\$98.	91	\$8,918
PA/MD Escort Services	\$350.	\$423.	14	\$5,922
PA/MD Per Diem	\$163.	\$197.	10	\$1,970
RN/EMT Monitor	\$968.	\$1,172.	160	\$187,520
RN/EMT Escort	\$147.	\$177.	77	\$13,629
RN/EMT Per Diem	\$163.	\$197.	170	\$33,490
Injections	\$12.	\$15.	697	\$10,455
Home Visits	\$42.	\$51.	10	\$510
LAB	\$27.	\$33.	8,757	\$288,981
X-Ray	\$83.	\$100.	4,274	\$427,400
Procedures	\$51.	\$62.	1,995	\$123,690
Supplies	\$23.	\$28.	3,828	\$107,184
Drugs	\$17.	\$21.	21,665	\$454,965
Respiratory Therapy	\$71.	\$86.	85	\$7,310
<u>Industrial Medicine</u>				
Physicals	\$100.	\$121.	1,000	\$121,000
Audiometry	\$35.	\$42.	2,500	\$105,000
Spirometry	\$35.	\$42.	2,500	\$105,000
<u>Physical Therapy</u>	\$35.	\$42.	1,500	\$63,000
Sub-Total for Operating Revenue				\$3,364,247
Donations				\$50,000
Rental Revenue				\$59,856
Less Allowance for Bad Debt @ 5%				<u>\$269,140</u>
Net Operating Revenue				\$3,204,963

EXPENSES

Physician Assistants/ Physicians

P.A. Salaries	3 FTE's @ \$78,650.	\$235,950.
P.A. Housing	3 @ \$18,150.	54,450.
P.A. Auto	3 @ 8,470.	25,410.
Health Insurance		5,000.
Licensing/Fees		1,375.
CME		13,750.
Itinerant M.D.'s and Visiting Specialists		150,000.
M.D.'s Transportation		18,000.
	Sub-Total	\$503,935.

Payroll Expense

Administrator		\$80,000.
Registered Nurses	4 FTE's @ \$53,240.	212,960.
Laboratory Technician	1.5 @ \$42,350.	63,530.
X-Ray Technician	1.5 @ \$42,350.	63,530.
Physical Therapist		42,350.
Accountant		50,820.
Receptionist/Intake		32,670.
Cashier/Collections	2 FTE's @ \$32,670.	65,340.
Accounts Receivable		32,670.
Bookkeeper/Secretary		32,670.
Weekend Reception/Cashier	1.5 @ \$32,670.	49,005.
	Sub-Total	\$725,545.

Fringe Benefits @ 35%		\$253,940.
Transportation		7,500.
Moving Expenses		10,000.
	Sub-Total For Personnel	\$1,500,920.

Contracts

Consultant Board Expense		2,000.
Direct Patient Care		48,000.
Consultant Translator		1,000.
Janitorial Services		21,500.
Laboratory Services		34,650.
Radiology Services		2,000.
Cardiology Services		1,000.
Accounting Services		16,000.
Legal Services		12,000.
Medical Equip.Maint.		7,500.
	Sub-Total	\$145,650.

<u>Supplies</u>	
Pharmacy Supplies	268,000.
Radiology Supplies	5,500.
Laboratory Supplies	75,000.
Expendable Medical Supplies	84,000.
Patient Food and Supplies	250.
Office Supplies	19,000.
Maintenance/Janitorial	<u>5,000.</u>
Sub-Total	\$456,750.
<u>Utilities</u>	
Telephone	12,000.
Heating Fuel	16,000.
Garbage Services	2,000.
Maintenance	<u>7,500.</u>
Sub-Total	\$37,500.
<u>Travel</u>	
Medevac/Per Diem	43,000.
CME Staff Travel	9,000.
Travel	<u>5,000.</u>
Sub-Total	\$57,000.
<u>Insurance</u>	
(Includes Malpractice)	\$40,000.
<u>Other Expenses</u>	
Freight	\$2,000.
Postage	7,500.
Printing/Advertising	4,500.
Bankcard Process Fees	700.
Leased Equipment	4,000.
Sub-Total	\$18,700.
Sub-Total for Operating Expenses	\$2,256,520.
Operating Income	\$948,443.
Allowance for depreciation based on Construction Cost of \$4.24 million and 20 years life	\$212,000.
Profit From Operations	\$736,443.

XII ADDENDUM REPORT

**FEASIBILITY STUDY OF THE DEVELOPMENT OF A
NEW COMPREHENSIVE HEALTH CARE FACILITY
FOR UNALASKA**

JANUARY, 1991

**PREPARED FOR
ILIULIUK FAMILY & HEALTH SERVICES INC.**

BY

 **PGS PROFESSIONAL GROWTH SYSTEMS INC.**

XII ADDENDUM

A follow-up site visit was made to Unalaska on January 3 & 4, the purpose of that visit was to begin functional planning with the newly-hired architectural team.

The first step in that process was to update utilization, reaffirm or adjust utilization projections and thereby assure that the staffing and space requirements would be appropriate to meet future needs of the community and clinic service area.

Data on six months of operation subsequent to the August study were collected and analyzed. The following findings were reviewed with clinic administration, professional staff and governing board prior to make revisions in the space requirements that close this addendum report:

TABLE I
UTILIZATION UPDATE

Category	July-Dec.'90	Proj. 90/91	Report FY '89	% Change
Office Visits	4,870	9,740	8,906	> 9%
Emergency	475	950	1,078	<13%
Lab Tests	3,120	6,240	3,970	>57%
X-ray Tests	1,737	3,474	2,975	>17%
Total Visits	5,358	10,716	10,697	> .1%

> indicates an increase
< indicates a decrease

Source: PGS, Inc.

The original study of August of this year predicted that utilization would increase 57% over a three year period. The increase for FY 90/91 year, for which we now have six months of data, was expected to be just over 20%. The first year increase was to be the result of two new processing facilities in Unalaska with an expected increase of 800 employees. Neither of those have occurred during the first six months of this year. The fact that total visits is projected to meet projections for this year without the effect of these major population infusions would validate the conclusion of the initial study that the project is feasible.

It should be noted that patient charges (i.e. billings for services) during the first six months of this year have remained high enabling the clinic to remain profitable. There has been no increase in past due accounts.

The clinic has already begun expanding hours as per the study recommendations. The clinic has been operating regular clinic hours on Saturday virtually since the initial report was published. Effective in January, the clinic hours Monday thru Saturday will be from 8:30 a.m. to 6 p.m. In addition, effective January 13th, the clinic will be open on Sunday from noon until 5 p.m. The expanded hours are being provided without any increase in nurse staffing.

The clinic has added a third full time practitioner, this time a nurse practitioner to facilitate the increased operating hours. This added staffing should also provide improved prenatal and women's health services.

The rapid rise in laboratory tests has been attributed to an increase in drug testing for industry, an increase in women's health visits and a rise in bacteriology. A new laboratory technician to the staff has added new tests not previously done locally.

During meetings with staff, the following changes were made in the space program:

- Because of the additional commercials now available to Unalaska, including the overnighing of one aircraft, it was felt that the number of holding rooms could be reduced from reduced from two to one.
- One of the clinic exam rooms should be specially equipped as an eye and ear/nose/throat room that would be accessible from the Emergency Room to handle a significant volume of emergencies of this type

These program changes as well as additional allowance for circulating space are reflected in a revised space plan, see section VIII.

XIII. APPENDIX

A. BIBLIOGRAPHY

Resource Inventory and Analysis, Volume II, Aleutians West Coastal Resource Service Area, March 1990

Draft Technical Report, Commercial Fishing Industry of the Bering Sea, Minerals Management Services, April 1990

A Survey by Cooper & Lybrand, Economic Impacts of the North Pacific Factory Trawler Fleet, Coopers & Lybrand, January 1990

The In-Shore/Off-Shore Dispute: Impact of Factory Trawlers on Fisheries in the North Pacific and Proposals to Regulate the Fleet, The North Pacific Seafood Company, March 1990

Bering Sea Area Shellfish Management Report to Alaska Board of Fisheries, Kenneth L. Griffin - Area Management Biologist, March 1990

B . INTERVIEW SOURCES

Banks, Kevin
Minerals Management Service

Bird, Jim, P.A.- C
Iliuliuk Clinic

Burden, Pat
Northern Economics

Hudson, Donald, M.D.
Emergency Room
Department, Humana Hospital

Lewis, Billie
Health Director,
Aleutian Pribilof Islands
Association

Lillibridge, Clinton, M.D.
Pediatrician,
Anchorage, Alaska

McCarthy, Tom
State Audiologist

Mix, Kimberly
Infant Learning Educator

**Southwest Alaska Municipal
Conference**

Mushovic, James, D.M.D.
Dentist, Anchorage, AK

Neiswander, Tom, M.D.
Indian Health Service

Siry, Richard, D.M.D.
Dentist, Wasilla, AK

Smaha, Liz, R.N.
State Public Health Nurse

Stevenson, Pat
Administrator,
Iliuliuk Clinic

Weeks, Hal
Northern Pacific Fisheries
Management Council

Wilt, Sinclair
Alyeska Seafoods

**Department of Community
and Regional Affairs**

C. PROJECT DONORS SUPPORTERS LIST

American Seafoods Company	\$5,000.00
Arctic King Fisheries	\$250.00
Glacier Fish Company Limited Partnership	\$5,000.00
Norweigan Commercial Club	\$500.00
Ounalashka	\$5,000.00
Pacific King Fisheries	\$250.00
Royal Seafoods, Inc.	\$5,000.00
Sans-Souci Seafoods	\$200.00
The Fishing Company of Alaska	\$2,000.00
Alyeska Seafoods	\$50,000.00
Alaska Transport	\$2,000.00

D. LETTERS OF SUPPORT

Received From:

Aleutian/Pribilof Islands Association, Inc.

American Seafoods Company

Arctic Alaska Fisheries Corporation

Alyeska Seafoods, Inc.

FCA - The Fishing Company of Alaska

Glacier Fish Company Limited Partnership

Golden Alaskan Seafoods, Inc.

Norweigan Commercial Club

Oceantrawl

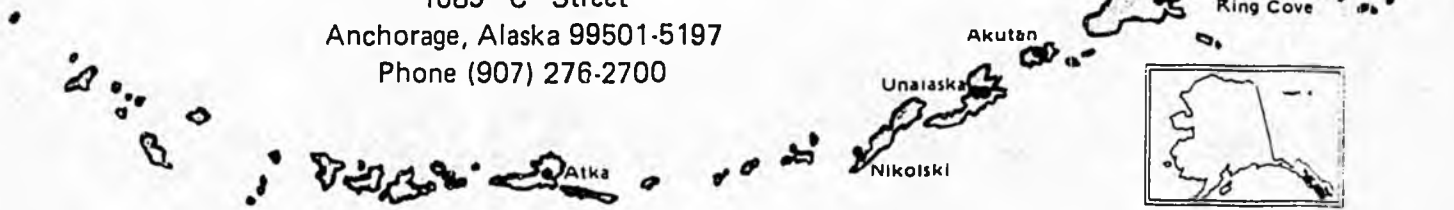
Royal Seafoods, Inc.

Unisea

(Copies of letters following this page)

Aleutian/Pribilof Islands Association, Inc.

1689 "C" Street
Anchorage, Alaska 99501-5197
Phone (907) 276-2700



June 1, 1990

HD-363-90

JUN 04 1990

Board of Directors
Iliuliuk Clinic
Post Office Box 144
Unalaska, Alaska 99685

Dear Board;

On behalf of the Aleutian/Pribilof Islands Association, this letter is submitted in support of your endeavors to build a new health clinic for the Unalaska/Dutch Harbor area.

We have appreciated the opportunity of working with the Iliuliuk Clinic staff and with you over the years realizing it was our mutual concern and desire to serve the people to the best of our knowledge, capabilities, and to the best degree feasible.

With the determination of yourselves, your community and staff, we are confident you will fulfill the endeavor of constructing the clinic and again; we pledge our support.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Clara (Billie) Lewis".

Clara (Billie) Lewis
Health Director



AMERICAN SEAFOODS COMPANY

April 27, 1990

Herv Hensley
City Manager
City of Unalaska
Box 89
Unalaska, AK 99685

Dear Mr. Hensley:

I apologize for not replying sooner to your letter of January 21 concerning the Unalaska Health Clinic.

Having worked out of Unalaska as a manager of floating processors for *Pan Alaska* for 6 1/2 years as well as managing *Pan Alaska's* shore plant (now *Alyeska*) for two years, I am very aware of the importance of the Iliuliuk clinic to the community and the fishing fleet alike. We at *American Seafoods Company* try earnestly to be good citizens in our dealings with the Unalaska community. Therefore, we are enclosing a check for \$5,000 on behalf of *American Seafoods* and its three ships, the *American Empress*, the *American Dynasty*, and the *Acona*.

We hope this gesture underscores our corporate commitment to be a responsible member of the Unalaska community.

Sincerely,

Ed Luttrell
Vice President

EL/cjm

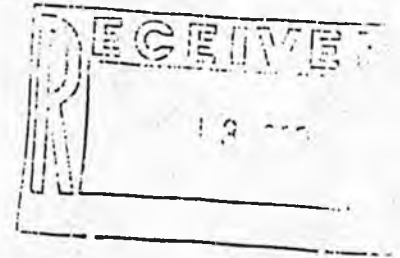
cc: Unalaska City Council



ARCTIC ALASKA FISHERIES CORPORATION

March 8, 1990

Mr. Herv Hensley
City of Unalaska
P.O. Box 89
Unalaska, AK 99685



Dear Mr. Hensley:

This letter is in response to your request for support for the construction of a new clinic facility in Unalaska. Presently, the Alaska Factory Trawler Association is considering a donation on behalf of all of its members. As a member of the Association, we look forward to contributing to the project through them. In the event they do not make a contribution, however, we will be pleased to donate on a company basis.

We encourage and support the City of Unalaska in this project. The services of the clinic are of great benefit to our company.

Sincerely,

Brenda Wielenga
Brenda Wielenga
Office Manager

APR 13 1990

WP 58 / BRIND

ALYESKA SEAFOODS, INC.

Mailing Address:

P.O. Box C-5030
Seattle, WA 98105
(206) 323-3200

P.O. Box 275
Unalaska, AK 99685
(907) 581-1211

Street Address:

303 N.E. Northlake Way
Seattle, WA 98103
Telex # 328759

February 21, 1990

Mr. Herv Hensley
City of Unalaska
P.O. Box 89
Unalaska, Alaska 99685

Dear Mr. Hensley:

I am sorry to be so late in responding to your letter of January 31st requesting a pledge of financial and moral support for the Iliuliuk Clinic. As you know our company, along with others, has made significant financial contributions to the existing clinic and in our view the existence of adequate medical facilities at Dutch Harbor is absolutely critical. However, we have been more than disappointed in the progress that has been made in getting a clinic that is adequately staffed and properly equipped. We will do what we can to support a properly staffed and equipped clinic but believe there must be a review of the existing operation and a concrete plan for future operations put together if there is to be any hope of success.

We look forward to working with you or your representatives in achieving this objective.

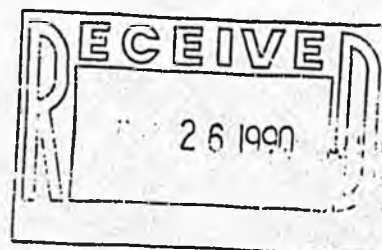
Sincerely,



Alec W. Brindle
President

AWB:knh

APR 13 1990





WPSO / FCA

February 9, 1990

Mr. Herv Hensley, Manager
City of Unalaska
P.O. Box 89
Unalaska, Alaska 99685

Dr. Mr. Hensley:

We recently received your letter dated January 31, 1990 which outlined the planned upgrading/expansion of your local health facility. Reliable medical care is extremely important to all of us in the fishing industry and we are hopeful that the City of Unalaska and Iliuliuk Family & Health Services will be successful in obtaining their goals. Enclosed you will find a check in the amount of \$2,000.00 to show our support for your proposal. We are always pleased to be part of an effort that will improve the quality of life for the men and women in the Alaskan fishing industry.

Over the past five years, I.F.H.S. has provided medical care for many of the crew members on our fishing vessels. The staff has always done their best to accommodate our emergency and non-emergency medical needs. As you noted in your letter, the fishing fleet has grown dramatically over the last several years and it is nice to see that the City and I.F.H.S. are working with the community in a positive fashion towards serving our industry better.

Since Iliuliuk is planning their expansion to meet the demands of the fishing fleet, we would like to give some input on the special needs that we have. Back in November of 1989 one of our vessels, the Alaska Voyager, came into Dutch Harbor on a Saturday at 11:00 am to get some fuel. We had two crew members on board that needed to get to a doctor so we sent them both to Iliuliuk. Neither of them had medical emergencies but the vessel was due to leave Dutch Harbor that night to go back to the fishing grounds so we could not wait until the following Monday. They did manage to fit them in at the clinic and for that we were grateful. We were shocked, however, when we received the invoices for their visits and saw that each man had been charged an additional \$500.00 for after hour calls.

APR 13 1990

The Fishing Company of Alaska, Inc.

P.O. BOX 1121 • SEWARD, ALASKA 99664
PHONE (907) 224-8937 • FAX (907) 224-3709

February 9, 1990
Mr. Herv Hensley
Page Two

We called the clinic and were informed that this \$500 fee was charged to anyone who came in for non-emergency treatment after hours. Evidently, there has been some trouble with fishermen who stay in town for several days and wait until the last minute to seek medical attention. This policy is understandable in certain situations but in our case we feel it was very unfairly applied. Our vessel was in port for just a short time and could not afford to wait two days for an appointment during regular office hours.

We can certainly understand that it would be difficult to check out the reasons for every after hour visit to determine how long the patient has been in port, etc. but if I.F.H.S. is going to keep this policy then there should be a way to enforce it fairly. A possible alternative may be to stagger the work days for the staff in such a way as to have regular office hours six or seven days a week. Our local clinic here in Seward has recently started offering Saturday service which has helped us cut down on our after hour and emergency room services and is appreciated by everyone in the community.

In summary, what we are trying to emphasize is that Dutch Harbor is a commercial fishing community and if I.F.H.S. is trying to serve effectively it must be taken into account that this is not a five-day-a-week, nine-to-five industry. Fishing goes on everyday of the week and every hour of the day and the cost of one lost fishing day means thousands of dollars. As the board members and staff of I.F.H.S. are intelligent and caring people, we feel confident that they will be able to find a solution that is workable for everyone.

We wish you all the best in your endeavor. Please feel free to contact us if you have any questions.

Sincerely,

Stephanie L. Wilson

Stephanie L. Wilson

APR 13 1990

GLACIER FISH COMPANY LIMITED PARTNERSHIP

4601 11th Avenue N.W.
Seattle, WA 98107-4613



Telephone (206) 782-0118
Fax (206) 782-0914
Telex 320221

February 26, 1990

Mr. Herv Hensley
Manager, City of Unalaska
P.O. Box 89
Unalaska, AK 99685

RE: Iliuliuk Clinic

Dear Mr. Hensley:

Thank you for your letter expressing your plans to upgrade the Iliuliuk Clinic. With 142 crew on our two factory trawlers operating in the Bering Sea we are all too aware of the shortcomings of the existing clinic and the need for an expanded, modern facility.

Our primary concern is the health and well-being of our employees and we support any efforts that will result in better care for our people in the event of injury or sickness. Also, we feel an expanded facility with modern equipment will have a secondary benefit in the form of reduced expenses related to lost time from work.

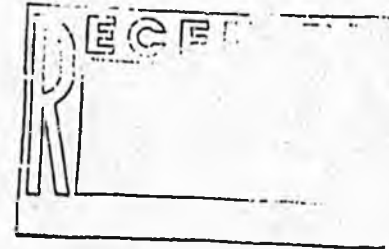
Glacier Fish applauds your efforts on behalf of the clinic and we are pleased to show our support with a contribution of \$5,000 to the new clinic fund.

Sincerely,

GLACIER FISH CO., LTD.

Bill Stokes
Business Manager

enc.



APR 13 1990

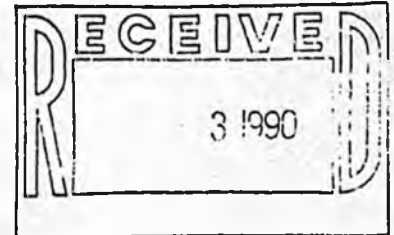


Golden Alaska Seafoods, Inc.

Suite 400, Market Place One, 2001 Western Avenue, Seattle, WA 98121 U.S.A.
Telephone: (206) 441-1990 Telex: 283802 GASF UR Telefax: (206) 441-8112

March 30, 1990

Mr. Herv Hensley, Manager
City of Unalaska
P. O. Box 89
Unalaska, AK. 99685



Dear Mr. Hensley:

I have before me your letter of January 31 and I apologize for my tardy response. Yes, Golden Alaska Seafoods is quite prepared to support you not only morally, but also financially in your ongoing good work.

I have one problem however. As you may or may not know, our major processing ship, the M/V Golden Alaska, sustained almost total destruction by fire last May 10, 1989. We have been in the process of reconstruction for lo these many months; however, I am happy to say the Golden Alaska has finally departed this week for the fishing grounds.

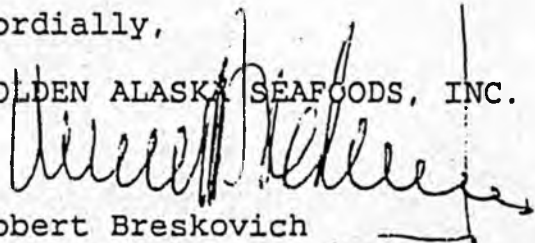
I think that you can understand that having been out of business for nearly a year, our financial resources are rather thin; but I will be more than happy to offer some financial assistance towards the end of the year when hopefully we will be in a better position to assist you.

In the meantime, please be assured of our continued moral support and I would appreciate it if you would contact me come next December or January, or even earlier should you be in our area, and tell me how your plans are progressing.

With best wishes,

Cordially,

GOLDEN ALASKA SEAFOODS, INC.


Robert Breskovich
President

cc: Lou Fleming w/enc.- from Herv Hensley, Mgr.

RB:br

APR 13 1990

NORWEGIAN

COMMERCIAL

Club

Mailing Address:
P.O. Box No. 70303
Seattle, WA 98107



500

4/22/90

Sinclair:

Please address
any acknowledgment
to John Dahl,
President of the
Club.

This is a start
for us, hope we
can do more.

Opus Thomson,
Chairman Fisher's Comm.

Oceantrawl

VIA MAIL

May 4, 1990

Mr. Herv Hensley
City Manager
P.O. Box 89
Unalaska, AK 99685

**COPY FOR YOUR
INFORMATION**

Dear Mr. Hensley:

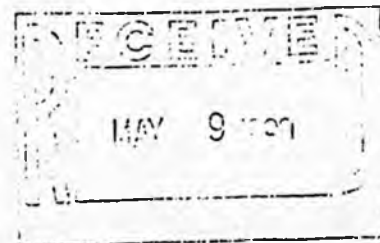
I am writing to you in support of your efforts to build a new health care facility in the city of Unalaska, Alaska. Oceantrawl Inc. is an Alaska corporation with offices in Dutch Harbor and Homer, Alaska. We are keenly aware of the state of Alaska's legislative budget constraints but feel that there is a serious need for expanded health care coverage in Unalaska. An expanded health care facility would not only allow for more complete coverage of an ever expanding fishing industry, and the major community associated with our industry, but also would allow the city to attract a high caliber of medical industry personnel to the community.

Best regards,



Ronald A. Pauley
Senior Vice President

RAP/bg
50490.HH

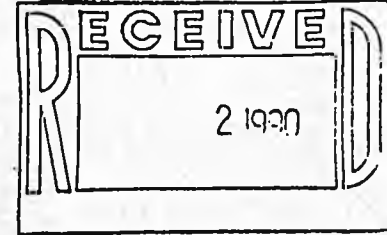


WPSO/LOONEY



**ROYAL
SEAFOODS,
INC.**

P.O. BOX 85180 (ZIP 98145-1180); 2300 EASTLAKE AVE. E., SEATTLE, WA 98102
TELEPHONE: (206) 322-9127; TELEFAX: (206) 322-9024



February 20, 1990

Mr. Herv Hensley
Manager
City of Unalaska
Post Office Box 89
Unalaska, Alaska, 99685

Re: Health Facility

Dear Mr. Hensley:

Thank you for your letter informing us of the financial needs of our Unalaska/Dutch Harbor health facility. We are well aware of the services the Iliuliuk Clinic performs and also of the extraordinary dedication of you and your personnel.

In financial support of you and the facility's endeavors, Royal Seafoods, Inc. hereby pledges \$5,000.00 to the Iliuliuk Family & Health Services project to be paid upon ground breaking of the new facility.

We wish you luck with your fund raising attempts and look forward to the announcement of the construction start on your new facility.

Sincerely,

ROYAL SEAFOODS, INC.

Stuart W. Looney
President

SWL:tce

genarr\hensley

APR 13 1990

WP50/PACE



March 6, 1990

Mr. Herv Hensley, Manager
City of Unalaska
P.O. Box 89
Unalaska, AK 99685

Dear Herv:

I apologize for my lateness in responding to your letter which requested UniSea's commitment for support of the Iliuliuk Health Clinic. As you know UniSea has been a major contributor both financially and in time donated by various UniSea employees throughout the history of the Clinic. There has been some progress and improvement in the Clinic over the years but not nearly enough to even begin to serve the present requirements of the community.

I quite frankly doubt that the manner in which the Clinic is currently organized will ever result in an efficient and adequate health facility for the community. I believe a great deal more time and effort must be spent on reorganizing the makeup, number and qualifications of the board members. Further, a thorough analysis of the operational objectives and the requirements necessary to achieve these objectives must be made.

I believe it to be unwise for any of us to commit additional funds until these very basic studies are completed.

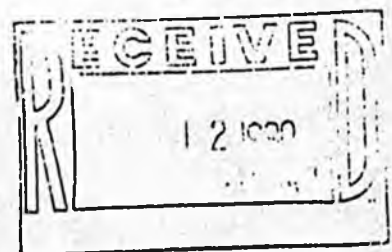
UniSea remains committed to making Unalaska a better place to live. An efficient and professionally operated health facility is certainly one of the requirements for a better community. We will continue to work with you and the community to achieve this objective.

Sincerely yours,
UNISEA, INC.

J. Richard Pace
President

APR 13 1990

/pb



HB

174

KILA, Inc.

3098 Airport Way
Fairbanks, Alaska 99709-4796
(907) 474-0004

APR 15 1991

April 10, 1991

TO: Representative John Gonzales
HESS Sub-committee Chair

FROM: Frank J. Gold, EdD
Executive Director & Staff Psychologist

RE: HB 174
Amendments



I was unable to attend the teleconference meeting of the HESS Committee this past week, otherwise I would have protested one of the amendments to his proposed legislation introduced by Representative Koponen.

My testimony would have been in support of increasing the scope to one pilot program in each of the State's four judicial districts (not to decrease the scope to a single district). The geographic diversity of Alaska and the reliability of the various local telephone systems are such that each of the area hubs need to be examined. Further, this organization is familiar with many of the monitoring devices on the market; each has some specific value that may or may not impact the success or failure of the experiment in our State. Limiting the scope is not conducive to resolving our problems with the incarceration of too many bodies.

I hope you will consider these comments as the bill proceeds through your sub-committee. Thank you.

cc: Rep. Koponen



DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

P.O. Box Y, Juneau, Alaska 99811
(907) 465-3867 or 465-2450
FAX (907) 465-2029

Deliveries to: 240 Main Street
Court Plaza, Room 500
Mail Stop 3101

MEMORANDUM

February 22, 1991

SUBJECT: Alternative Incarceration Programs (W.O. 17LS-0787A)

TO: Representative Niilo Koponen
Attn: Shari Paul

FROM: Jerry Luckhaupt *JEL*
Legislative Counsel

You have requested a sectional analysis of the above-referenced bill draft. Preliminarily, please note that a sectional analysis should not be considered an authoritative interpretation of a bill - the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it relates to a particular set of circumstances, please advise.

Section 1 of the bill amends AS 11.56.340(a) to provide that a person while charged with or convicted of a felony and while sentenced or assigned to an alternative incarceration program leaves the place of alternative incarceration without permission is guilty of unlawful evasion in the first degree.

Section 2 of the bill amends AS 11.56.350(a) to provide that a person is guilty of unlawful evasion in the second degree if while charged with or convicted of a misdemeanor leaves a place of alternative incarceration without permission.

Section 3 of the bill provides a definition of alternative incarceration program for AS 11.56.

Section 4 of the bill amends AS 12.55.015(a) to provide a court with the authority to order a defendant to complete a term of alternative incarceration as the sentence or part of the sentence for the crime committed.

Section 5 of the bill amends AS 12.55.085(b) to provide that a court may revoke probation if the defendant fails to successfully complete a term of alternative incarceration.

Section 6 of the bill amends AS 12.55.100(a) to provide that as a condition of probation a court may order a defendant to successfully complete a term of alternative incarceration.

Section 7 of the bill amends AS 12.55.100 by providing that a suspended sentence may be revoked by a court upon the defendant's violation of a term or condition of an alternative incarceration program.

Section 8 amends AS 12.55.185 to provide a definition for alternative incarceration program in AS 12.55.

Section 9 amends AS 33.30.011 and requires the commissioner of corrections to establish alternative incarceration programs.

Section 10 amends AS 33.30.091 to provide that the commissioner may not assign a prisoner to an alternative incarceration program except as provided in new AS 33.30.096.

Section 11 creates a new section AS 33.30.096 that provides for the assignment of prisoners to an alternative incarceration program and other duties of the commissioner in relation to such a program.

Section 12 amends AS 33.30.901 to provide a definition of alternative incarceration program.

Section 13 provides for the establishment of a pilot alternative incarceration program in two judicial districts to get the program started and allow for evaluation.

Section 14 provides for reports by the commissioner of corrections concerning the pilot program to the legislature.

Section 15 repeals the pilot program.

Section 16 provides an immediate effective date for the bill.

STATE OF ALASKA
Department of Corrections
LEGISLATIVE POSITION PAPER
Lloyd Hames, Commissioner

P.O. Box 'T', Juneau, AK 99801-2000 (907) 466-8678

Carl Mikkel, Legislative Liaison

POSITION PAPER HB 174

The Department of Corrections supports House Bill 174 with certain modifications.

- * The provision allowing the court to sentence offenders directly to electronic monitoring should be deleted.

Direct sentencing to electronic monitoring can easily bring about "net widening." Low risk offenders are placed on electronic monitoring who would routinely go to regular probation supervision. Probation supervision is less expensive than monitoring; to be cost effective, electronic monitoring has to impact offenders who are incarcerated.

- * July 1, 1991 is too early to establish an electronic monitoring pilot program, as set in Section 13 of HB 174.

The RFP process, alone, would make this impossible. To best meet the needs of the program, it would be better to have a six month feasibility study to assure the Department develops the most effective program.

- * The mandatory urinalysis section should be deleted.

This makes the assumption that all offenders being monitored have a substance abuse problem. This, in turn, puts a potentially excessive fiscal burden on this legislation and the Department.

- * Allow the program to be introduced in only one Judicial District.

This allows the opportunity to establish a profile before the program is expanded.

Conceptually, electronic monitoring can be a viable intermediate sanction for corrections. It should, however, be cautioned that electronic monitoring does not necessarily mean great savings to the Department. In fact, it costs more than simple probation and conceivably more than furloughing offenders into halfway houses. Before electronic monitoring can save large sums of money, it must have a great enough impact on prison populations to enable reducing staffing and/or closing facilities. It could serve well, potential overcrowding and conceivably postpone construction.

A detailed analysis is attached which further discusses the Department's position, as well as elaborating on what could be accomplished with a pilot project.

FISCAL NOTE:

ZERO
ATTACHED

APPROVED: _____

Commissioner

DATE: _____

4/2/91

DEPARTMENT OF CORRECTIONS

POSITION PAPER

The Department of Corrections recommends that House Bill 174 be modified to provide for a feasibility study prior to implementing electronic monitoring programs as defined in the bill.

The feasibility study would last approximately one year. This would include five to six months to solicit bids from various electronic monitoring equipment and service vendors.

Following the selection of a vendor, the equipment would be used by the Intensive Supervision Unit of adult probation in Anchorage. This unit is staffed by three specially trained probation officers who work flexible hours and receive on-call pay to provide around-the-clock coverage of a caseload of 25 parolees. This type of coverage would be needed to supervise an electronic monitoring program to ensure adequate staff response to curfew violations and tamper alarms reported by the computer monitoring service 24 hours per day.

There are approximately 25 parolees supervised by the ISP unit. The estimated cost per day for ISP supervision is \$10.00, compared to \$4.81 for regular community corrections supervision. With the addition of electronic monitoring equipment, this cost could almost double. However, it is possible that use of the equipment may decrease the staff time needed for surveillance, thus allowing the staff to supervise more offenders and mitigating the cost increase.

Use of the equipment by the ISP unit on their current caseload would not require any additional staff, vehicles, radios, beepers, or other security equipment since the unit is already set up for intensive supervision. No legislation would be required to use the equipment to enforce the curfews to which ISP participants are already subject. Electronic monitoring would have to be added as a condition of discretionary parole by the Parole Board for each participant.

ISP officers visit offenders' homes as often as five times per week currently. They conduct breathalyzer testing, and the parolees are subject to urinalysis performed by a contract agency.

Currently, although the offenders are subject to curfews, the ISP staff are not on active duty after 11:00 p.m., so there is no certainty that the curfews are enforced during late night hours. It is expected that if the equipment is reliable enough to improve curfew enforcement, it may enable the Parole Board to place more offenders on ISP supervision, thus reducing prison populations.

During the feasibility study, the Department would also survey all community custody offenders to determine how many could be reasonably supervised in an electronic monitoring program in lieu of community residential center placement. This would be broken down by geographical area to determine if there are enough candidates to make a program feasible in each area. The community custody offenders would be broken down into two risk categories: those whose violation of an electronic monitoring program condition or curfew could present an immediate risk to public safety and those whose violation(s) would not. The type of staffing for the first category would need to be similar to that of the ISP unit. Those in the second category might be able to participate in an electronic monitoring program that is staffed by a private contractor, and/or is not staffed 24 hours per day, since a curfew violation report would not necessarily require immediate staff response or home visit.

The cost of the feasibility study would include the lease of monitoring equipment for 25 offenders for 183 days, at \$5.50 per day per offender. The cost of a contract to monitor the computer and report all violations and tamper alarms to an on-call officer would be \$3.00 per day per offender. The lease of one drive-by unit at \$8.50 per day would enable the officers to check on the location of the offender at work or any other place away from home by driving by the offender's reported location and receiving confirmation of his/her presence on the equipment in the officer's vehicle. These cost estimates are based on the most expensive vendor's prices and may be lower if another vendor can provide similar reliable equipment and/or monitoring services:

25 units	\$25,254.00
Computer monitoring/reporting service	13,725.00
1 drive-by unit	<u>1,556.00</u>
	\$40,535.00

The total cost of equipment per offender would be \$9.00 per day if 100% utilized. The lease agreement would include provisions for returning any unused equipment, so that if only a portion of the 25 ISP offenders were placed on electronic monitoring, the cost of equipment would be lower.

At the end of the six month monitoring period, the Department would provide a written report within 90 days, addressing the feasibility of further use of electronic monitoring on ISP and other populations. The report would address:

- effectiveness and reliability of equipment and vendor service performance;
- staff time required to respond to violation/tamper alarms, broken down by times of day;

- frequency of false alarms requiring on-site visits by officers;
- offender reactions to equipment;
- numbers of violations, abscondments, and re-offenses, compared with the rates reported on ISP without electronic monitoring during the previous six months for the same number of offenders;
- estimates of the caseload which can be effectively supervised with electronic monitoring equipment compared to current ISP caseloads;
- estimates of the number of offenders who might be placed on ISP with electronic monitoring who would otherwise remain incarcerated, based on consultation with the Parole Board;
- estimates of the number of community custody offenders who could be placed on electronic monitoring in lieu of community residential center placement, or following a period of community residential center placement and recommendations for the type of staffing needed to supervise them in at least three geographical locations;
- proposed eligibility criteria and screening procedures for placing furloughees in an electronic monitoring program;
- proposed procedures for collecting fees from furloughees to help cover the costs of an electronic monitoring program and estimates of the amount to be collected based on records from community residential centers;
- training requirements for staff supervising offenders in an electronic monitoring program;
- procedures for data collection and recidivism figures on electronic monitoring participants;
- recommendations as to the feasibility of placing offenders directly in an electronic monitoring program following sentencing by the courts, based on studies in other jurisdictions.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. H.B. 174

Revision Date: _____ Department Affected: Corrections
 Title: "An Act relating to sentencing.. BRU: Statewide Operations
providing for an alternative incar pilot Component: Southcentral Probation, Northern
program.." Probation
 Sponsor: Rep. Koponen
 Requestor: _____ COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	285.0	285.0				
TRAVEL						
CONTRACTUAL	166.8	166.8				
SUPPLIES						
EQUIPMENT	5.0	5.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	456.8	456.8				

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	456.8	456.8				
FEDERAL FUNDS						
OTHER						
TOTAL	456.8	456.8				

POSITIONS:

FULL-TIME	5.0	5.0				
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

See attached pages.

Prepared By: Tom Sutton, Director Phone: 465-3376
 Division: Administrative Services Date: 04/01/91
 Approved by Commissioner: [Signature]
 Agency: Department of Corrections Date: 04/01/91

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

FISCAL NOTE

House Bill 174

Page 2

Bill Analysis

The bill seeks to establish an alternative incarceration pilot program and to provide for an alternative sentencing options for offenders. The bill requires the Department to establish an alternative incarceration pilot program by July 1, 1991 in at least two judicial districts of the State. The program is to be designed to accommodate at least 20 inmates in each judicial district (Anchorage and Fairbanks would be the most likely locations). The law establishing the pilot program will be repealed June 30, 1993.

Estimated Costs

The following estimates are based upon quotes obtained from applicable vendors and/or historical expenditure data for applicable costs:

	Anchorage	Fairbanks	Total
Leased Electronic Monitoring Equip	\$40.2	\$40.2	\$80.4
Monitoring Services of Contractor	21.9	21.9	43.8
Drive-by Unit	3.1	3.1	6.2
Urinalysis	13.0	13.0	26.0
Probation Officers II	114.0	171.0	285.0
Leased Vehicle	5.2	5.2	10.4
Radios	2.5	2.5	5.0
Total Cost	\$199.9	\$256.9	\$456.8
Costs Per Day (Divided by 20 offenders per location)	\$27	\$35	

Narrative Explanation of Costs

Although daily costs are lower if the equipment is purchased, it is recommended that the Department lease the equipment. By leasing, we will avoid purchasing equipment which becomes obsolete because of technological improvements. The cost of electronic monitoring equipment ranges from about \$2.50 to \$8.50 a day. Our best estimate is \$5.50 a day. The annual rate for each location is \$5.50 x 365 days x 20 offenders = \$40,150.

Fiscal Note

H.B.174

Page 3

Once the monitoring equipment is in place, an employee is required to monitor the equipment on a computer terminal. The monitoring of the equipment requires a 24-hour, post seven days a week. A contractor has expressed an interest in providing this services for an additional \$3.00 a day per offender. The contractor would notify the probation officer whenever a violation occurs or the equipment tampered with. The cost of the vender's service on an annual basis is \$3.00 a day x 365 days x 20 offenders = \$21,900. The alternative would be even more expensive if a new State position was added to monitor the computer terminal.

To monitor offenders at work or other locations away from the home, a telephone a drive-by unit should be leased. The cost to lease this unit would be \$8.50 a day x 365 days = \$3,103.

The bill requires a weekly urinalysis of offenders. The cost of the weekly urinalysis is about \$12.50 per test x 20 offenders x 52 weeks = \$13,000 per year.

Department staff are required to respond to violations and the tampering with the equipment. If a violation is reported by the computer terminal, a failure to respond in a timely manner could create serious liability problems. The only staff currently available for 24 hour monitoring are correctional officers within the institutions. However, there isn't sufficient staff available to allow an officer to leave their post to respond to offender violations.

Anchorage currently has an intensive supervision unit. For the purposes of the pilot project, the Department could use a portion of existing staff to monitor the offenders. Therefore, only two probation officers are required in Anchorage to implement the program (two PO II's x \$57,000 = \$114,000). Fairbanks does not have a intensive supervision unit, so a staff of three is required to implement the program (three PO II's x \$57,000 = \$171,000).

A vehicle is needed to respond to violations and to conduct drive-by verifications of offenders at locations away from home. Yearly lease for a vehicle costs about \$5,200 a year. To supply the vehicle with radio equipment costs approximately \$2,500.

Alaska State Legislature
Representative Niilo Koponen

Pouch V
Juneau, Alaska 99811
(907) 465-4992

House District 21

119 N. Cushman, Suite 207
Fairbanks, Alaska 99701
(907) 456-8172

SPONSOR STATEMENT (ADDENDUM)

Since the Hammond Administration the Corrections operating budget has increased 272% the highest rate of increase of any department of the State government. The Corrections Budget actually exceeded the 272% increase due to the fact that facility leases are hidden in the Department of Administration budget, and lease purchases in excess of \$20 million annually (principally the Spring Creek prison near Seward) occur in the "front end" of the annual operating budget.

Higher incarceration rates have not decreased crime rates in Alaska or elsewhere. In fact, prisons often appear to have operated as "crime schools" in some states. Crowded conditions have limited supervision of inmate activities leading to organization of groups such as the "Aryan Brotherhood", the "Mexican Mafia", the "Black Panthers," and other, lesser-known, networks, both vicious and benign. This does not appear to have occurred to any great extent in Alaska, but a facility such as Spring Creek does pose that possibility.

The Alaska Constitution allows incarceration for two reasons: protection of the public and rehabilitation of the offender. In reality, the two are one, as protection of the public is not served if the offender is not rehabilitated prior to final release from supervision by the courts and Corrections. Alaska has only a limited number of programs which contribute to rehabilitation, and they suffer from constraints imposed by statutes and underfunding. Successful sexual offender programs in other states (e.g. Vermont) rely on release from incarceration upon successful completion of the program, followed by community supervision and transitional counseling. Nationally, it has been found that continued incarceration after program completion without community transitional counseling, leads to increased recidivism.

HB 174 provides for the design and implementation of alternative sentencing plans under the control of the courts and the corrections system, appropriate to individual offenders and their offenses, designed to meet the constitutional requirements of rehabilitation of offenders, and public protection. This bill provides for pilot programs in at least two judicial districts, under direct control of the Department.

Penal administration shall be based on the principle of reformation and upon the need for protecting the public.¹

Introduction

Under Alaska's constitution, the principles of reformation and the necessity of protecting the public constitute the touchstones of penal administration. The operation of the state penal system is dependent upon a properly staffed and functioning department which has, in addition to probation and parole functions, the responsibility for treatment, rehabilitation, and custody of incarcerated offenders.² The goals anticipated by these broad constitutional standards include

- rehabilitation of the offender into a noncriminal member of society
- isolation of the offender from society to prevent criminal conduct during the period of confinement
- deterrence of the offender after release from confinement or other treatment

The State Constitution and appellate court decisions do not imply that Penal administration of justice would be inexpensive. In fact, Alaska ranked second in the country, behind Washington, D.C., in the amount of state and local revenue consumed on justice systems.³ There are, however, many factors which drive the cost of criminal justice. For corrections, serious consideration must be given to the consequences of understaffing, inadequate training and idle time for prisoners.

¹ Constitution of Alaska, Art. I, § 12

² State v. Chaney, Sup. Ct. Op. No. 653, 477 P.2d 441 (1970)

³ Alaska Sentencing Commission. 1990 Annual Report to the Governor and the Alaska Legislature. December 1990, pg. 27.

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POSITION PAPER

HB 174 "An Act relating to sentencing and the service of sentences; providing for alternative incarceration programs; providing for an alternative incarceration pilot program..."

In the last ten years, Alaska's prison population has increased at the fastest rate in the nation. Our oil wealth has allowed us to keep pace with this increase and we simply keep building new prison facilities. Unfortunately, the experience of other states shows that trying to match rising incarceration rates with new prison construction is a losing proposition. Building prisons cannot remain our only response to a growing population.

Clearly, offenders presenting serious threats to public safety should be in prison. However, AS 33.30.011 directs the Commissioner of the Department of Corrections to establish programs reasonably calculated to provide for the rehabilitation and reformation of prisoners, facilitating their reintegration into society. The success of alternatives to confinement to prison in other states presents promising courses of action, several of which are contained in this bill.

"Alternative incarceration program" means incarceration of a prisoner other than in a correctional facility and exclusive of assignment of the prisoner to a furlough or correctional restitution center; the term includes home arrest or detention enforced through electronic monitoring or phone checks with intensive supervision.

This bill allows judges to impose such detention upon offenders, with the added safeguard that an offender not meeting the terms of the sentence shall be re-arrested. Also, the commissioner may assign a prisoner committed to the commissioner's custody to an alternative incarceration program.

The commissioner must establish alternative incarceration pilot programs in at least two judicial districts in the state, and report regularly to the legislature concerning the progress and success of the programs.

The sponsor believes this measure provides an effective means of relieving prison overcrowding, while protecting the public.