

Surgery Center of Kenai, LLC  
10543 Kenai Spur Hwy.  
Kenai, AK 99611

June 27, 2013

Karen Lawfer, Planner III  
Certificate of Need Coordinator  
Department of Health and Social Services  
Health Planning and Systems Development Unit  
350 Main Street, Room 530  
Juneau, AK 99811

RE: Request for determination of exemption from CON- Proposed Kenai ASC Project

Dear Ms. Lawfer,

I am pleased to represent Surgery Center of Kenai, LLC in the submission of this request for determination of our project's exemption from certificate of need. It is our understanding, among other requirements, that if expenditure costs do not exceed \$1,450,000 for a project completed after July 1, 2013 a CON is not required per AS 18.07.031.

We will be remodeling approximately 3,727 sf in a multi-tenant building located at 100 Trading Bay Drive in Kenai. The ASC will have just one operating room and such ancillary spaces and services as are required to meet State of Alaska licensure and Medicare certification.

The project will commence upon receipt of a determination decision from your agency, which we would expect to be around July 30, 2013. Construction is estimated to take 3 months, with State inspection likely around mid-November. Once the requisite number of cases has been completed it is our intention to apply for inspection by the Accreditation Association for Ambulatory Health Care (AAAHC), a precursor for Medicare certification.

The estimated project cost is \$1,136,272 and is detailed in the attached 'Certified Cost Estimate' signed by an Alaskan licensed Architect.

If you have any questions, please call me (904-654-6220) at your earliest convenience.

Sincerely,

Harold Gear  
Member  
Surgery Center of Wasilla, LLC

Enclosures:

- Certified Cost Estimate from Corvus
- exhibit A – facility plan
- exhibit B - real estate broker's opinion
- exhibit C - independent opinion on building useful life
- exhibit D - estimate of tenant improvement costs
- exhibit E - invoice for planning consultant
- exhibit F – invoice for consulting architect
- exhibit G – equipment estimate from supplier
- exhibit H – fluoro table estimate from supplier
- exhibit I – invoice for 20 year old contributed c-arm
- exhibit J – invoice/estimate for 13 year old contributed RF generator