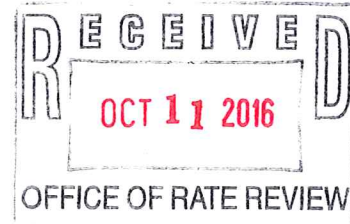


# ALASKA SPINE CENTER

an affiliate of **SCA**

October 11, 2016

Alexandria Hicks, Coordinator  
Certificate of Need Program  
Department of Health & Social Services  
3601 "C" Street, Suite 978  
Anchorage, AK 99503-5924



Re: Request for Determination  
Response to Your Letter of August 30, 2016

Dear Ms. Hicks:

This letter is in response to your letter of August 30, 2016, to Alaska Spine Center ("ASC") regarding ASC's Request for Determination of whether ASC needs to obtain a certificate of need ("CON") in order to move from its present location to a new location. Your letter requests some clarification which we provide below. You also provided additional guidance when we met with you on September 28, 2016, in your offices.

## Cost Estimate

Your letter notes that 7 AAC 07.031 (b) (1) and (2) requires a certified cost estimate to be submitted with a request for determination. However, as we discussed, ASC confirms that for purposes of this request for determination you may assume that equipment and construction costs to relocate this ambulatory surgical facility will exceed \$1.5 million. Since there is no issue regarding whether this project will exceed the CON cost threshold there is no need to submit a certified cost estimate. As we both noted, there have been other instances where the CON Staff did not require a certified cost estimate where the requesting party sought to move their ambulatory surgical facility and was willing to stipulate that the total cost of the project would exceed the monetary threshold of \$1.5 million.<sup>1</sup>

## Services to be Provided at New Location

ASC currently has three Class A operating rooms with three operating tables at its Anchorage location. ASC's new location will have three Class C operating rooms with three operating tables at its new location. There will be no increase in the number of operating rooms or tables. Also, once the new operating rooms become operational, the old operating rooms in the current location will be closed. We will not have more than three operating rooms with three operating tables functioning at any time.

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<sup>1</sup> See, e.g., Determination letter issued to Surgery Center of Wasilla, LLC, dated January 9, 2015.

ASC performs general surgery services at its current location. ASC intends to perform general surgery services at its new location. ASC intends to offer the following general surgery services at its new location; gastrointestinal, orthopedic, ENT, podiatry, ophthalmology, plastic surgery, urology, general, oral, pain and GYN. All services offered at the new location will fit within the category of "general surgery services." ASC has no plan to increase or change the category of service offered. ASC has no plans to add services such as a laboratory, imaging, or dialysis.


#### New Location

An exact new location has not yet been selected. However, using the intersection of, South Seward Meridian Parkway and George Parks Highway, located in Wasilla Alaska, 99564, as the focal point; our intention is to build the new facility within seven miles of that point.

#### Conclusion

We believe that the above responds to the issues detailed in your letter and at our meeting. Please let us know if you need anything else. I can be reached by phone at (907) 360-0773 or by email at [kevin.barry@scasurgery.com](mailto:kevin.barry@scasurgery.com).

Very truly yours,

  
Kevin Barry, CEO  
Alaska Spine Center