



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of
Health and Social Services

CERTIFICATE OF NEED PROGRAM

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November 19, 2018

Ms. Dana Grant, Administrator
Alpine Surgery Center
3801 Lake Otis Parkway, Suite 100
Anchorage, Alaska 99508

RE: Request for Determination - Alpine Surgery Center Expansion

Dear Ms. Grant,

The Certificate of Need Program is in receipt of your recent Request for Determination ("RFD") whether a certificate of need ("CON") is necessary for your proposed ambulatory surgery center project. Your surgery center facility, Alpine Surgery Center, is located in Anchorage, Alaska and currently has five (5) operating rooms and one (1) procedure room. Alpine Surgery Center proposes to convert its sole existing procedure room into an operating room, resulting in the facility having six (6) operating rooms and no procedure rooms.

Project Description

Alpine Surgery Center seeks to add one Class B operating room to its existing surgery services. Upon completion, the surgery center would have six (6) operating rooms and no procedure rooms. Alpine Surgery Center currently provides orthopedic and pain treatment services. The estimated project start date will occur once the determination is complete, and purchase of the equipment can begin. The estimated project completion date will be approximately eight weeks from the issuance of a determination that the project can proceed without a CON.

No construction or remodeling cost is associated with this project. Hence, equipment is the only cost the Alpine Surgery Center is incurring by converting its sole procedure room to an additional operating room.

The estimated cost of the project is \$234,810.92.

Project Costs

- Equipment \$234,810.92
- **Total \$234,810.92**

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Conclusion

Alpine Surgery Center's proposed expansion is not a "divided or phased activity." More specifically, per 7 AAC 07.025(d), there are certain circumstances in which a second project is considered a phase of the first project, and the costs associated with both phases must be considered as a whole for purposes of a threshold determination. Here, that is not the case.

In conclusion, based on the request for determination, as presented, a CON is not required for the proposed project because the expenditures at issue would not exceed the \$1.5 million threshold under AS 18.07.031, and there is no issue concerning a "divided or phased activity".

If you are dissatisfied with this determination, you may request reconsideration under 7 AAC 07.033. A request for reconsideration must be postmarked no later than 30 days after publication of the public notice.

Sincerely,

Alexandria Hicks

Alexandria Hicks, Program Coordinator
Certificate of Need Program