



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

## Department of Health

### Certificate of Need Program

3601 C Street, Suite 978  
Anchorage, Alaska 99503  
Main: 907-754-3428  
Fax: 907-334-2220

February 6, 2023

Ms. Cassy Freeman, Office Manager  
McKinley Orthopedics, Sports Medicine and Spine  
3745 Geist Road  
Fairbanks, Alaska 99709

RE: Request for Determination – Ambulatory Surgical Center

Ms. Freeman,  
Thank you for your request for determination (RFD) whether a certificate of need (CON) is necessary for your proposed ambulatory surgical center, to be located at 3745 Geist Road in Fairbanks, Alaska.

In your request (undated, received via email 1-16-2023), you indicate the proposed project start date is September 9, 2022, and the proposed project end date is anticipated to be on 2/15/2023. You provided a description of the proposed activity, stating “new ambulatory surgery center, providing outpatient services for same day surgical care”.

The cost breakdown submitted, included the following:

|                                          |                              |
|------------------------------------------|------------------------------|
| <b>TOTAL PROJECT COST:</b>               | <b><u>\$1,060,771.11</u></b> |
| Facility Administrative:                 | 5,372.19                     |
| Facility/Construction:                   | 879,850.00                   |
| Operating Room Equipment:                | 54,851.00                    |
| Sterilizer Equipment:                    | 36,012.00                    |
| Arthroscopy Equipment/Instruments Lease: | 34,042.92                    |
| Anesthesia/Crash Cart Equipment:         | 50,643.00                    |

Please note the following regulation as it pertains to RFDs:

*Per 7 AAC 07.031 Request for determination of whether a certificate of need is required*

*(a) A person who is considering whether to undertake an activity involving the construction or alteration of a health care facility or the addition of a category of health care services provided by a health care*

*facility may submit to the department a written request for a determination as to whether the requirements of AS 18.07 and this chapter are applicable to the activity proposed, including whether*

- (b) A request for determination must contain*
  - (1) a clear, complete, and current description of the proposed activity, including a description of each component of the activity proposed to be undertaken;*
  - (2) a certified estimate of the total cost of each proposed component of the activity listed in 7 AAC, as applicable, for the entire activity; and*
  - (3) an estimated starting date and completion date for the proposed activity.*

The department does not have the required information to process your request. Below is a summary of the necessary information required to finalize the review of your proposed project:

1. A clear concise description of the proposed ambulatory surgery center, to include:
  - a. How many operating rooms are proposed
  - b. Proximity to existing services that McKinley current provides
  - c. A comprehensive definition of the space in which you propose to provide ambulatory surgery services, i.e., fixed, or mobile  
*(Note: While it appears, the space is a mobile unit; there was not sufficient information provided to draw a definitive conclusion.)*
  - d. What specific same day surgical care services are proposed
2. Certified cost estimates for all components of the project; to include:
  - a. Facility and Construction Costs
  - b. Operating Room Equipment
  - c. Sterilizer Equipment
  - d. Arthroscopy Equipment
  - e. Anesthesia Equipment
  - f. Other equipment
  - g. All property and instrument(s) lease and service agreements, as applicable
3. Updated timeline for the project; specifically, when do you propose to initiate provision of ambulatory surgery services?

Please provide this required information no later than thirty (30) days from the date of this letter.

Kind regards,

*Alexandria Hicks*  
Alexandria Hicks  
CON Project Coordinator