



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Health

Certificate of Need Program

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Anchorage, Alaska 99503
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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:

TOTAL PROJECT COST:	<u>\$1,060,771.11</u>
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