



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Health
and Social Services

OFFICE OF THE COMMISSIONER

Anchorage

3601 C Street, Suite 902
Anchorage, Alaska 99503-5923
Main: 907.269.7800
Fax: 907.269.0060

Juneau

PO Box 110601
350 Main Street, Suite 404
Juneau, Alaska 99811-0601
Main: 907.465.3030
Fax: 907.465.3068

June 3, 2021

Mr. Rick Davis, CEO
Central Peninsula Hospital
250 Hospital Place
Soldotna, Alaska 99669

RE: Central Peninsula Hospital – Modification Request to a Certificate of Need dated October 16, 2017

Dear Mr. Davis,

The review of Central Peninsula Hospital's Certificate of Need (CON) Modification Request dated March 19, 2021 is complete. Central Peninsula Hospital seeks to modify its October 16, 2017 CON for its Phase VI Expansion and Renovation Project.

I have determined that the Modification Request has met the applicable criteria for approval to the satisfaction of the State of Alaska Department of Health and Social Services.

The Central Peninsula Hospital Phase VI Project Modified CON is issued to Central Peninsula Hospital to expand and renovate approximately 28,727 Square Feet (SF) of new building floor area and 26,000 SF of renovated space. The project includes the addition of one service - cardiac catheterization laboratory; the expansion of two services – a three-bed addition to the Intensive Care Unit, and the Pharmacy; upgrade of an existing service - the Obstetrics Department, which will result in a bed re-classification; and an overall site upgrade and modernization.

The new, proposed total project cost is estimated at \$32,058,270. The new, proposed completion date of the project is anticipated to be June of 2021.

Mr. Rick Davis

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CURRENT CON STATUS:

CON: Expansion and Renovation Project, Phase VI
CON Award: October 16, 2017
Amount of CON Award Project Budget: \$26,918,933
Date of Estimated Project Completion: January 2020

MODIFIED CON STATUS:

CON: Expansion and Renovation Project, Phase VI
CON Modified Award: June 1, 2021
CON Revised Award Project Budget: \$32,058,270
Date of Revised Estimated Project Completion: June 30, 2021

When a request to modify an existing CON is received by the department a decision to grant the extension may be made, per 7 AAC 07.095 (b) "if a holder of a certificate of need is making continuing progress toward completion of the activity authorized...the holder may submit a written request to the department for an up to two-year extension of the completion date specified in the certificate."

Given that progress is being made on the project and construction is currently underway, there are no other changes to the construction plan or duration or project scope, the department grants the request to modify the CON previously issued on October 16, 2017 for Central Peninsula Phase VI Expansion and Renovation Project. A revised CON Certificate is attached with the new, approved completion date and approved revised budget.

The department does not authorize any other changes to this CON.

Sincerely,

A handwritten signature in black ink, appearing to read 'Adam Crum', with a long horizontal flourish extending to the right.

Adam Crum
Commissioner

CC: Albert Wall, Deputy Commissioner, Medicaid & Health Care Policy