



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

## Department of Health

OFFICE OF THE COMMISSIONER

**Anchorage**

3601 C Street, Suite 902  
Anchorage, Alaska 99503-5923  
Main: 907-269-7800  
Fax: 907-269-0060

**Juneau**

350 Main Street, Suite 404  
Juneau, Alaska 99801  
Main: 907-465-3030  
Fax: 907-465-3068

July 17, 2024

Mr. Nathan Rumsey, Executive Director Business Development and Strategy  
Bartlett Regional Hospital  
3260 Hospital Drive  
Juneau, AK 99801

VIA EMAIL: [NL Rumsey@BartlettHospital.org](mailto:NL Rumsey@BartlettHospital.org)

RE: Bartlett Regional Hospital Emergency Department Expansion and Renovation Project CON Application dated March 3, 2024

Dear Mr. Rumsey,

The Department of Health (DOH) is in receipt of Bartlett Regional Hospital's (BRH) Certificate of Need (CON) Application for its proposed Emergency Department and Renovation Project (EDERP), submitted March 3, 2024.

Per 7 AAC 07.070, Decision by commissioner, and upon review of the CON Application and the CON Program's staff analysis, the DOH requires additional information from BRH to make a decision on its pending EDERP CON Application.

Since the March 3, 2024, CON Application submission, a great deal of information has been made available to the public pertaining to BRH's Sustainability and Recovery Plan, and the measures BRH's Board is taking to apply operational strategies to adequately address identified financial deficits. This information has been disseminated through various outlets; including the information shared on the City and Borough of Juneau's (CBJ) official web page <https://juneau.org> and the BRH Administrative Board's official web page <https://juneau-ak.municodemeetings.com/bc-brhb/page/bartlett-regional-hospital-board>.

According to the official BRH Hospital Board Finance Committee Meeting Agenda, dated July 12, 2024, up for discussion, and one of the identified "action items", included "VII. ED

Mr. Nathan Rumsey, Executive Director Business Development and Strategy  
July 17, 2024  
Page 2

Renovation and Additional Funding”. Please see <https://res.cloudinary.com/dpmykpsih/image/upload/bartlett-site-284/media/4f6407c10cdc4d8189472e9a0c7ea09c/07-12-2024-finance-committee-meeting-packet.pdf> at Page 1.

Upon review of the minutes on this item, and the attached memorandum’s (two) pertaining to this agenda item (one from Nathan Rumsey to the BRH Hospital Board of Directors, and the other from Ms. Jeanne Rynne, Chief Architect for the CBJ to the BRH Senior Leadership Team), there appears to be a difference of opinion on how to move forward with the project. Please see <https://res.cloudinary.com/dpmykpsih/image/upload/bartlett-site-284/media/4f6407c10cdc4d8189472e9a0c7ea09c/07-12-2024-finance-committee-meeting-packet.pdf> at Page’s 20-23.

Of concern, at this juncture, and as it pertains to the EDERP status specifically, is the current estimated cost of the project and the necessary capital to fund it.

Outlined in Ms. Rynne’s memorandum is an overview of the EDERP project, background information inclusive of substantive procurement and construction processes and the associated costs, and an updated estimated project total, which has increased to \$12.3 million. Considering this revised estimate of cost (up from the estimated cost in BRH’s CON Application of \$10.5 million), approximately \$8.9 million has not been secured. Ms. Rynne recommends to the BRH Leadership Board that the project be put on hold until the additional funding necessary to complete the project is secured and appropriated. *Id.*

Considering this information, I ask that BRH clarify and inform the DOH of any revised EDERP budget total and what, if any, necessary steps are being undertaken and considered at this time regarding the implementation of its project plan. Please also include in your response any other current and relevant EDERP project status updates. Please provide this information no later than close of business, Friday, August 16, 2024.

Sincerely,



Emily Ricci, Deputy Commissioner  
Department of Health