

Hicks, Alexandria M (HSS)

From: Hicks, Alexandria M (HSS)
Sent: Tuesday, January 03, 2017 10:34 AM
To: 'Robert Letson'
Subject: RE: Request for Determination dated October 19, 2016 - Homer Medical

Importance: High

Good morning Mr. Letson,

Thank you for your response to the department's request for additional information. However, there are a few details I would like to confirm and/or which I seek clarification.

Can you confirm, based on the Homer Medical Center Cost Estimate Breakdown you submitted in December that new construction for expansion of your facility that is strictly for new clinical space equals a total of \$452,695? And, can you confirm that this total reflects approximately 1,230 additional square feet to also include the new X-ray room and new, replacement X-ray machine?

On the cost estimate breakdown it is not clear where the X-ray was previously located in the building. Could you please clarify where it was located in the existing floorplan? And, also could you provide the sale documents (quote is sufficient) for the x-ray system that clearly show the price of \$204,000? Mr. Curtin sent a Siemens cover page of what I am assuming is a quote, but not the entire document outlining the total cost of the system.

If you can provide the confirmation requested above along with the complete Siemen's quote for the Multix Fusion System, I am happy to prioritize getting a determination out to you as quickly as possible.

Kind regards,
Alex

Alexandria Hicks, Coordinator
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From: Robert Letson [mailto:rl@sp.hosp.ak.gov]
Sent: Friday, December 09, 2016 10:54 AM
To: Hicks, Alexandria M (HSS)
Subject: Request for Determination dated October 19, 2016 - Homer Medical

Alexandria,

Per your letter of November 8, 2016 regarding South Peninsula Hospital's Request for Determination as to whether a Certificate of Need is required to do a routine replacement of equipment and add space to the Homer Medical Center, you asked for a "revised, certified cost estimate which clearly illustrates what costs are allocated to routine

maintenance, routine equipment replacement, non-clinical purposes as well as those for construction and equipment associated with expanded services.”

I also wanted to make you aware that Homer Medical Building is a B Occupancy per IBC 304.1 (Business Office) and that it is classified as an Ambulatory Health Care Facility. This facility is not designed to accommodate beds or gurneys, and patients are not to be rendered unconscious for procedures. There are no surgeries taking place at this facility. The expansion is to provide additional space to function more appropriately for a modern day clinic, no new services are being introduced.

The “remodel” column includes maintenance and replacement items, and this estimate includes new X-ray equipment to replace an old unit at the cost of \$204,000, which is being funded through capital budget funds.

The attached cost breakdown was provided by Scott Curtin at the Kenai Peninsula Borough, Purchasing and Contracting Department. You will note the one addition of the \$204,000 for the X-ray equipment, noted in red, added to the section on Additional Costs. The total Estimated Project Cost reflects that addition.

I hope the attached information along with the documents sent on October 19, 2016 will give you all you need to make the determination as to whether a Certificate of Need is required.

Thank you,

Bob

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