

Introduced by:	Haggerty, Murphy
Date:	01/17/12
Action:	Adopted as Amended
Vote:	7 Yes, 0 No, 2 Absent

**KENAI PENINSULA BOROUGH  
RESOLUTION 2012-003**

**A RESOLUTION IN OPPOSITION TO THE ISSUANCE OF A CERTIFICATE OF  
NEED FOR AN AMBULATORY SURGERY CENTER IN KENAI, ALASKA**

**WHEREAS,** the Kenai Peninsula Borough owns Central Peninsula Hospital (“CPH”) and contracts with Central Peninsula General Hospital, Inc. a nonprofit corporation to operate this hospital on behalf of the borough; and

**WHEREAS,** Central Peninsula Hospital is located in Soldotna and serves the Central Kenai Peninsula Hospital service area which includes all areas of the west side of the Kenai Peninsula Borough from the Clam Gulch area north and including the western side of Cook Inlet from Tuxedni Bay north; and

**WHEREAS,** Kahtnu Ventures, LLC, a for-profit venture, has submitted an application to the State of Alaska dated November 18, 2011, seeking a certificate of need which would authorize it to construct and operate a new ambulatory surgery center (“ASC”) in the city of Kenai approximately 11 miles from CPH to provide outpatient surgeries and procedures; and

**WHEREAS,** the proposed ASC will be approximately 8,365 square feet including one surgical suite and a procedure room with the total cost of the project estimated at \$9,076,834; and

**WHEREAS,** in reviewing the application the State of Alaska will among other things consider the demonstrated need for the project by the population to be served, a demonstration that the project including the applicant’s long range development plans augment and integrate with community, regional, state and federal health planning, and incorporates or reflects evidence-based planning and service delivery, evidence of stakeholder participation in planning for the project, demonstration that the applicant has assessed alternative methods of providing the proposed services and that the proposed services are the most suitable approach, a brief description of the anticipated impact on existing health care systems within the project’s service area and the anticipated impacts on the statewide healthcare system, that the project’s location is accessible to patients and clients and to ancillary services; and

**WHEREAS,** public comments regarding the certificate of need application are due no later than 4:30 p.m. on January 23, 2012; and

**WHEREAS,** the proposed areas to be serviced by the ASC are entirely within the Central Kenai Peninsula Hospital Service Area; and

**WHEREAS,** the ASC application at page 46 projects that it will have 1,800 cases per year in its third year of operation with one operating room, yet CPH has handled an average of 1,700 outpatient cases per year for the last 3 years with three operating rooms; and

**WHEREAS,** outpatient surgery cases generate revenue for the hospital; and

**WHEREAS,** it appears highly likely that the proposed clinic will reduce revenues to the hospital which will significantly impact other services provided by the hospital and undermine the hospital's ability to be the full scale general hospital that the community has repeatedly indicated it wishes to maintain; and

**WHEREAS,** some services provided by the hospital that are likely to be impacted by the ASC as they are not self-sufficient include providing charity care, and operating Serenity House, providing the sexual assault response team-sexual assault nurse examiner (SART-SANE) program, diabetes education services, community wellness programs, physical therapy and other services; and

**WHEREAS,** Central Peninsula Hospital expects to open a fourth surgery room in May 2012, subject to state approval in the wake of an objection filed by Kahtnu Ventures, LLC., which will reduce the need for another surgery center in the area served by the hospital;

**NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** That the Kenai Peninsula Borough Assembly opposes the issuance of a Certificate of Need to Kahtnu Ventures, LLC, for an ambulatory surgery center in Kenai Alaska.

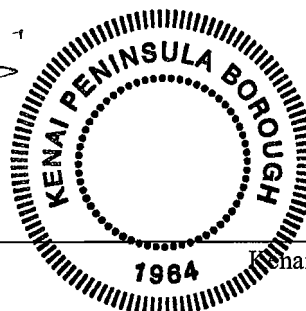
**SECTION 2.** That this resolution takes effect immediately upon its adoption.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 17TH DAY OF JANUARY, 2012.**

  
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Gary Knopp, Assembly President

ATTEST:

  
\_\_\_\_\_  
John Blankenship, Borough Clerk



Yes: Haggerty, Johnson, McClure, Murphy, Pierce, Smalley, Smith  
No: None  
Absent: Tauriainen, Knopp