

STATE OF ALASKA
DEPARTMENT OF HEALTH & SOCIAL SERVICES
PUBLIC MEETINGS

REGARDING:

Certificate of Need Application
for Bartlett Regional Hospital
Expansion of Same-Day Surgery Services
Upgrade Medical/Surgical Nursing Unit

MEETING CONDUCTED BY:

Karen Lawfer

HELD:

October 22, 2008

5:00 - 6:30 p.m.

Juneau City-Borough Assembly Chambers
Juneau, Alaska

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1 WEDNESDAY, OCTOBER 22, 2008; JUNEAU, ALASKA

2 5:00 P.M.

3 MS. LAWFER: My name is Karen
4 Lawfer, and I'm with the State of Alaska in the
5 Health Planning and Systems Development program,
6 which oversees the Certificate of Need program.

7 This is a public hearing for any
8 individuals to give their input into the
9 application that Bartlett Regional Hospital has
10 submitted to the Certificate of Need program for
11 renovation of the Level 3 medical/surgical unit, as
12 well as renovation of the same-day care unit.

13 This public hearing goes from 5:00
14 to 6:30. Once you've said what you want to say and
15 have given your input, feel free to go. This is
16 not a meeting that goes from 5:00 to 6:30. We just
17 give a time so that any individual that wants to
18 come has a time period in which they can give
19 testimony. So I'll not take it as a personal
20 affront if you say what you need to say and then
21 leave. So that will be fine.

22 Everything that is said, we keep a
23 transcribed record of it. And Bartlett Hospital
24 will get a copy of that once we receive the hard
25 copy, so you'll get to -- so if you do leave, and

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1 you want to see if anybody else came and if
2 anything else was said, you can have a copy of
3 that.

4 So usually how this process starts
5 is, I allow the applicant about 15 minutes to give
6 an overview of what the application is involving.
7 There is a copy of the application in the back.
8 There are also copies of the public notice that
9 went out that discusses the process for public
10 input on this application.

11 If you know somebody that wants to
12 give public input on this application and was not
13 able to attend this meeting, written comments will
14 be accepted in our office through the 31st of
15 October. And my e-mail address, mailing address,
16 fax number, everything that a person would need to
17 give input is on that public notice. So feel free
18 to grab one of those if you would like to. It is
19 also posted on the web, on the website. It is also
20 listed on that too.

21 So without further ado, I'm going
22 to let Debbi with Bartlett give her presentation.

23 5:05 PM

24 (Off record.)

25 5:07 PM

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1 MS. LAWFER: On the record for a
2 point of clarification: The deadline is
3 November 3rd for public input.

4

5 PRESENTATION BY DEBBI LEHNER

6

7 MS. LEHNER: (Narrating PowerPoint
8 presentation.) Well, I'm Debbie Lehner, and I'm
9 here today to talk about our project for Bartlett
10 Regional Hospital, to look at our facility
11 renovation on our third floor, the east wing, and
12 to expand our same-day care area.

13 What we're requesting our
14 Certificate of Need for is to renovate the
15 easternmost portion of our medical/surgical floor,
16 which is on our third floor, to bring the remaining
17 rooms up to comparable aesthetics as the rest of
18 the floor.

19 Our additional goal with
20 renovations on the second floor is to improve
21 patient flow. We're going to be adding some
22 same-day care space, a new entrance, some new
23 waiting room space, as well as some public
24 restrooms and moving the physicians lounge.

25 Both of these areas have not been

1 abated of asbestos, so it's very logical, since
2 they are beneath each other, to do it at the same
3 time. It is most financially feasible to do it
4 that way.

5 We've had some opportunities for
6 growth recently. We have just added two new
7 general surgeons to our staff, so opportunities for
8 growth within the OR is going to impact our
9 already-full flow in our same-day care area. So we
10 have the opportunity to grow with that.

11 There is also a lot of growth in
12 orthopedics in our community. We've had a total
13 increase of 87.1% of orthopedic patients from 2005
14 to 2008, which is 115 patients. We have had a
15 55.5% increase in Medicare orthopedic patients, and
16 our non-Medicare patients have increased 108.9%.
17 So this is a great growth opportunity for a
18 hospital like Bartlett.

19 We hope to encourage folks to stay
20 in Juneau, in Southeast Alaska, to have orthopedic
21 procedures. Right now, we saw in 2006, 60 from
22 Juneau -- 60 orthopedic patients went to Seattle
23 for care, and 47 orthopedic patients left our
24 secondary service area for care, so that's a pretty
25 good number that could have stayed right here in

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1 Juneau. We could have taken care of them. So we
2 are hoping to capture that market.

3 Baby boomers are aging
4 everywhere -- and I'm afraid I'm one of them --
5 unfortunately. But that is increasing the need for
6 patient beds. Between 2000 and 2006, the number of
7 people 65 and over increased 25% in our area. So
8 with older folks, their joints are getting tired.
9 They need joint replacements. There are increased
10 fall risks. So there is an opportunity for
11 Bartlett to be able to service these folks.

12 As well as, with age, there is
13 also an increased breast cancer risk. Our two new
14 general surgeons -- that's often their focus, so we
15 have great opportunities to grow there.

16 On the third floor, one-third of
17 the beds -- which is the beds we're talking about
18 for the Certificate of Need -- were carved out of
19 the existing project. There is no plan at this
20 point to renovate them, so they are pretty dated.
21 They are semi-private rooms. All the new ones are
22 private. They have no shower, so they simply have
23 a commode and a sink, and then they have a common
24 shower to go to.

25 They are not ADA-compliant. They

1 are teeny-tiny. You can't get a wheelchair in
2 there. And we have minimal ability to separate our
3 surgical patients from our medical patients, which
4 is shown to give us more risk for infection. So it
5 is better to be able to separate those types of
6 patients.

7 And it's a dissatisfier. Today's
8 patient expects a private room. They don't
9 necessarily want to cohabitate with someone that's
10 got other problems. They want their privacy. They
11 want their family to be able to visit. There's not
12 a lot of space.

13 So I want to share that 20 of our
14 rooms will be private in the current project, and
15 the 21st patient would be in a room like this. And
16 this picture doesn't do it justice, but it's pretty
17 dark, it's pretty close, and it's not such a pretty
18 thing.

19 Then the corridor that this room
20 is on is very dark, very dated. You can't tell,
21 but there's pipes running down the corridor. It
22 looks like you stepped back 10, 20 years. In the
23 current Level 3 that we've just opened a couple of
24 weeks ago, they are all private rooms. Every room
25 has got its own bathroom and shower. It is totally

1 ADA-compliant. Anyone in a wheelchair could wheel
2 right into the bathroom. And there's plenty of
3 space to have their family visit, which is shown to
4 increase healing.

5 So our new patient rooms look like
6 this, and that's where the first 20 will go, on a
7 beautiful corridor like this.

8 You can't see it too well here,
9 but we have a very distinct point on the floor
10 where you step from 2008 back to 1978. You
11 really -- here it's dark and dismal; here, it's
12 bright. And it's just going to send a message to
13 our patients that we're not equally treating them,
14 and we don't necessarily want to do that.

15 On the second floor, our same-day
16 care area is a little bit challenged. We currently
17 have 13 rooms. There is minimal area for private
18 conversations. In our waiting space, you come in,
19 and there's a large desk. Everything is overheard
20 by everybody. So there is an opportunity here to
21 create some privacy.

22 The entrance is difficult. It is
23 in the back of the building. There is a big
24 transformer in front of it, and I'll show you a
25 picture of that. And patient flow through that

1 area is definitely hindered, so folks end up
2 waiting.

3 Here is the current entrance. As
4 you can see, this is in the back of the building.
5 There is a big transformer blocking where these
6 folks need to come in to. It is just not pleasant.

7 This is their current waiting
8 space. You walk in, and it's basically just a few
9 chairs, and then there's this large desk. And
10 there is really nowhere to sit. So they end up
11 sitting out in the corridor. When physicians come
12 out to tell a family member how your surgery
13 procedure went, I'm guessing other folks are
14 hearing this conversation, which is not
15 HIPAA-compliant. It's just not appropriate. We
16 need to create a better private space for them.

17 To fit in with our long-term plan
18 with the hospital, we're all about patients. We
19 are all about customer service. We feel it's
20 important that we provide equivalent care to every
21 patient, not the 21st and beyond has an old room
22 and they are not private.

23 We want to provide support to our
24 growing services. We want to increase our OR
25 activity and support our two new surgeons. We want

1 to grow our orthopedic business.

2 We want to improve our patient and
3 our physician satisfaction. Physicians are no
4 happier that their patients are in the cramped old
5 rooms than the patients are. They want to see the
6 flow of their patients through the OR run smoothly.
7 And we would like to keep our Southeast Alaska
8 folks that live here, our citizens, to be able to
9 stay in Juneau for care.

10 Bartlett Regional Hospital is an
11 enterprise fund of the City and Borough, and our
12 board is appointed by the Assembly and overseen by
13 the City. Merrill Sanford sits as our liaison from
14 the Assembly on our board, and all employees of
15 Bartlett are also employees of CBJ.

16 So you can see what our
17 construction proposal is. We really are only
18 adding 350 square feet to the building. The rest
19 of it is renovation. That 350 square feet is
20 simply a small entry alcove. We'll be renovating
21 6,500 square feet on the second floor and
22 5,700 square feet on the third, so 12,673 square
23 feet will be challenged.

24 This is an overall plan of the
25 campus. As you are driving in, this is the new

1 heliport area. This is the new building. This is
2 the administration building, the Robert Valiant
3 Building, and medical arts. The area in red here
4 is the area we're talking about renovating.

5 So currently, a patient coming for
6 surgery would drive in and generally come this
7 direction, around this building, and that's where
8 that lovely entrance and transformer are. In the
9 new plan, they'll be able to come around here and
10 have a nice entrance and parking.

11 This is the existing second floor,
12 and what you're seeing here is the entrance that I
13 was just showing you where the transformer is.
14 When you enter here, here is this large desk and
15 very small waiting space. This is the chairs in
16 the hallway that I was sharing with you. We
17 currently have 13 short-stay beds. We have no
18 isolation space in our short-stay, same-day care
19 area, so we have opportunity with that. It's a
20 bottleneck. There's nowhere for them to go.

21 This is the back where the
22 entrance -- this is Wildflower Court, which is the
23 adjacent long-term care facility to the hospital.
24 This is the bridge between the two. And this is
25 where the proposed entrance will be. This is just

1 an artist's rendering of that entrance. So driving
2 and parking will be along here.

3 And there is the bigger drawing of
4 that. This is where you can see -- here is
5 wildflower Court here, and you can see the
6 preliminary drawing of the entrance, which is a
7 little nicer than the transformer.

8 So here is what the plan will be
9 once we -- and this is all our first blush at
10 drawings. This all may change. But this is that
11 entrance that I was just describing, so the patient
12 would arrive here, a nice reception area here, a
13 great big waiting space here. I'm sorry. Here is
14 the reception area. That's actually a private room
15 where a physician could come tell your family about
16 your surgical procedure and what's happening with
17 you.

18 It adds -- we're going from 13 to
19 18. It adds five new short-stay spaces. One is
20 actually an isolation space, so we take over that
21 former waiting room and create two places for
22 preadmission testing, which is really important and
23 gives us the opportunity to expedite the care.

24 We actually had to move the
25 nursing lounge, because that ends up being right

1 here where we needed to gain space. We also had to
2 move -- this is where our physician lounge was
3 before. We're moving that down farther here. And
4 some education space is planned for the OR team,
5 and just a little bit of upgrading on their current
6 same-day care nurses station.

7 We're leaving this exit here,
8 because we're thinking that might be a nice way,
9 even though it has the transformer, that, at
10 conclusion of care, folks could be picked up out
11 this way. It is a good exit.

12 This is the third floor currently.
13 This whole area here was the former mental health
14 area that was vacated with the last -- became part
15 of the newest building. But these are currently
16 the semi-private rooms here. This is the existing
17 solarium. All of this is obviously very tired.
18 This had been used during construction -- the
19 solarium had -- as the nurses station. All of this
20 needs to be abated.

21 This is what our preliminary plan
22 looks like. The solarium stays intact but gets new
23 finishes. We create nine private patient rooms,
24 each with their own bathroom and shower. We create
25 a nice conference room. The nurses station -- they

1 get a remote nurses station in this current
2 project, so that is going to be right there, but we
3 gain some wonderful storage. There is a lot of
4 equipment involved with medical/surgical care in
5 general, but when you add orthopedics to that mix,
6 there is just a lot of equipment required, so this
7 is a great storage room, which we desperately need.
8 We have already filled up all the new storage on
9 medical/surgical, and we have only been in there a
10 week. It didn't take us long.

11 So this is our proposed plan. For
12 estimating purposes, those plans were sent off to
13 an estimating company, and this shows what they
14 went through for the various components of a
15 project like this, including the abatement and
16 everything else. And their rough estimate to do
17 the square footage that we're talking about, with
18 the complexity that we're talking about, is around
19 \$5 million just for the construction.

20 So there are other components. We
21 obviously need to have an architect draw this for
22 us, and all the various equipment and furniture
23 that needs to go along with it, and also all of the
24 inspections. And hopefully these project overruns
25 wouldn't happen this time, but I know I'm dreaming.

1 Unfortunately, those things happen. We try to stay
2 on top of it. So basically, the project estimation
3 at this point in time, with everything that it will
4 take to do it, is about \$8 million. We're hoping
5 to fund this through operations over a two-year
6 period.

7 Our estimated construction bid
8 time frame is spring of 2009. We have actually
9 already chosen our architectural firm. We went
10 through an RFP. Jensen Yorba Lott was chosen by
11 the RFP team to be the architectural firm. We're
12 going to begin -- once everything goes well with
13 this process, we're going to begin meeting with
14 them in January. We're hoping to start our
15 construction in the summer/fall of 2009. We
16 anticipate 12 to 18 months, obviously phasing
17 things in and having to do that.

18 We have to complete the current
19 project first. We have to move medical records,
20 which is in some of the areas that same-day surgery
21 would move into. Again, funding is coming from
22 hospital operations over a two-year period.

23 So here is our new front door.
24 We're very excited about this. We open this on
25 Monday, and we'd like to open the front door to

1 take it to the next level and make sure we get
2 everything finished so our hospital is completely
3 up to today's standards.

4 I went over 15 minutes. I'm
5 sorry.

6 MS. LAWFER: Next is Shawn Morrow.
7 And if you want to just stand, that will be fine.
8 You don't have to have a presentation.

9

10 PUBLIC COMMENT BY SHAWN MORROW

11

12 MR. MORROW: I'm just going to
13 concur with everything Debbie said. It's gone
14 through all the board planning committees. The
15 Board of Directors is well aware of and in support
16 of where we're going. And I'll just go on record
17 as concurring with what has been said.

18 It is critical that we get the OR
19 throughput fixed. It is just critical so we can
20 keep people at home and meet the demand that our
21 surgeons have for space in the inpatient units, so
22 that we are meeting today's standard of care for
23 our patients. Thank you.

24 MS. LAWFER: And next is Garth
25 Hamblin.

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1 MR. HAMBLIN: Oh, did I say yes?

2 MS. LAWFER: You said yes. Okay.

3 I'll change that to a no.

4 And then I have Dr. Bob Urata.

5

6 PUBLIC COMMENT BY DR. ROBERT URATA

7

8 DR. URATA: I don't really have a
9 prepared speech, so I'm just going to talk off the
10 top of my head.

11 As a board member for a long time,
12 I started out with this project a long time ago. I
13 think it was '98 when we talked about building a
14 new hospital. Instead, we decided on this road
15 because we thought it would be cheaper.
16 Interestingly enough, at that time a new hospital
17 would have cost us \$70 million, or something like
18 that. And we said, "Oh, gee. That's really
19 expensive."

20 But, in fact, this project
21 finishes the project that we started in 1998. It
22 really does. And the reason is, is because we had
23 to take the third floor area of the single-bed
24 rooms out of the project because of a lack of
25 funding. But unfortunately, that, perhaps, wasn't

1 a correct decision, looking back on it now, because
2 we still have to finish the project nevertheless.

3 And so this will complete our
4 project of renovation and improving Bartlett
5 Regional Hospital. So we really need to get this
6 CON, and for that purpose alone I think is a good
7 reason.

8 Now, the bottom part of the
9 project, the second floor, is just sort of
10 renovating our same-day surgery, which is a growing
11 business for us, and I think it is the future.
12 People don't stay in the hospital anymore after
13 surgeries because surgeries are done with minimal
14 impact on the body, laparoscopic surgery
15 especially.

16 And our community has been
17 recruiting doctors who can do that kind of surgery,
18 and so we have some really good ones now. We're
19 getting equipment for them, because outpatient
20 surgery is the thing of the future. And so, for
21 this reason, we see our business growing here, and
22 so we need more beds for that.

23 Now, we may get some people who
24 disagree with us from the medical community, but as
25 a physician who has been here for a long time, who

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1 has been on the board for a long time, be careful
2 with what they say. Our community hospital is the
3 only community hospital in this region, and we need
4 to survive. And if some of these docs build their
5 own surgery center, it will really impact
6 negatively on our hospital. So please keep that in
7 mind when you look at our CON.

8 If you have any questions, I'd be
9 happy to answer them, and you know where to find
10 me. But I strongly urge you to pass this through
11 quickly. Thank you.

12 MS. LAWFER: That's all I have
13 that want to testify. Would anybody like to change
14 their mind and give some input on the record?

15 If not, as I said earlier, I'll be
16 here, along with Lynda, until 6:30, should anybody
17 come in to give any sort of input. But I will not
18 take it as a personal affront if you were to leave.

19 With that, I'll go off the record.

20 5:27 PM

21 (Off record.)

22 6:30 PM

23 MS. LAWFER: The public meeting
24 was closed at 6:30 with no additional testimony.

25 (Public hearing concluded at 6:30 p.m.)

C E R T I F I C A T E

S T A T E O F A L A S K A)
) Ss.
F I R S T J U D I C I A L D I S T R I C T)

I, LYNDA BATCHELOR BARKER, Registered Diplome Reporter and Notary Public duly commissioned and qualified in and for the State of Alaska, do hereby certify that the foregoing proceedings were taken stenographically before me and thereafter reduced to typewriting by me or at my direction.

That the foregoing transcript is a full, true and correct transcript of the proceedings, including questions, answers, objections, statements, motions and exceptions made and taken at the time of the foregoing proceedings.

That all documents and/or things requested to be included with the transcript of the proceedings have been annexed to and included with said proceedings.

That I am not a relative or employee or attorney or counsel of any of the parties in these proceedings, nor a relative or employee of such attorney or counsel, and that I am not financially interested in said proceedings or the outcome thereof.

IN WITNESS WHEREOF, I have set my hand and affixed my Notarial Seal this 27th day of October, 2008.

LYNDA BATCHELOR BARKER, RDR,
Notary Public for Alaska
My commission expires: 5/6/2012