STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

SEAN PARNELL, GOVERNOR

P.O. BOX 110601 JUNEAU, ALASKA 99811-0601 PHONE: (907) 465-3030 FAX: (907) 465-3068

May 25, 2011

Certified, Return Receipt Requested

Susan Humphrey-Barnett, Area Operations Administrator Providence Health and Services Alaska 3200 Providence Drive P.O. Box 196604 Anchorage, Alaska 99519-6604

Dear Ms. Humphrey-Barnett:

The review of the Providence Health and Services Certificate of Need (CON) application for a long-term nursing care facility to be known as Providence Cottages is complete. I have determined that the application has met the applicable criteria for approval to the satisfaction of the State of Alaska Department of Health and Social Services.

In accordance with A.S. 18.07.031-111 and 7 AAC 07.001-900 Providence Health and Services is authorized to construct a 98,000 square foot facility consisting of eight 12-bed 8,000 square foot cottages and a 34,000 square foot commons building in Anchorage.

This Certificate of Need approves 96 licensed skilled nursing care beds which are replacements beds from Providence Extended Care Center.

Any construction and changes in bed capacity at the current Providence Extended Care Center following completion of the Cottages must go through the Certificate of Need process and be approved by the Department regardless of cost.

The total cost of the project is \$62,577,135.

The anticipated completion date is December 31, 2012.

Under 7 AAC 07.080, if you are dissatisfied with this decision you are entitled to a hearing if the request for a hearing is received in writing by the department no later than 30 days from the date of this letter.

Sincerely,

William J. Streur

Commissioner

Attachments: Staff review of CON application Certificate of Need