

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

SARAH PALIN, GOVERNOR

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October 17, 2007

Shawn Strash
Chief Operating Officer
Mat-Su Regional Medical Center
2500 S. Woodworth Loop
P.O. Box 1687
Palmer, AK 99645

Dear Mr. Strash:

Thank you for your August 22, 2007 request for modification of the conditions relating to the catheterization laboratory attached to the certificate of need granted on November 19, 2003 to construct the Mat-Su Regional Medical Center.

I direct your attention to the department's regulations relating to modification of certificates of need at 7 AAC 07.095(a) which states:

(a) A certificate of need may not be modified after a proposed activity has been completed or after the completion date on the most current certificate of need has passed.

Please also note the provision of 7 AAC 07.070(h) which states:

(h) A certificate of need is valid only for the time specified in the original certificate or any time extension allowed under 7 AAC 07.095. Rights granted under a certificate of need do not continue after the activity authorized by the certificate of need is completed.

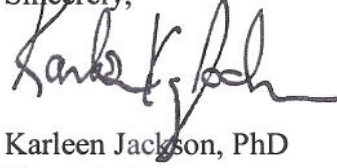
On June 29, 2007 the department received an email from the Mat-Su Regional Medical Center (attached) confirming that the project authorized by the 2003 certificate of need had been completed. Therefore, I do not have the authority to modify the certificate as you have requested and in accordance with 7 AAC 07.070(h) the certificate of need is no longer valid. By extension, and in the absence of the department having identified other mechanisms for enforcement of the conditions attached to the original certificate, those conditions have expired as well.

However your letter does raise the question of whether the provision of a full-range of diagnostic and interventional catheterization services by Mat-Su Regional Medical Center might constitute an "addition of a category of health services provided by a health care facility" under AS 18.07.031(a)(3) and therefore require a new certificate of need application in its own right. If you have any question in this regard, you should submit a request for determination of whether a certificate of need is required in accordance with 7 AAC 07.031.

Finally, notwithstanding the certificate of need requirements discussed above, I strongly suggest that you consider developing a cardiac catheterization service implementation plan similar to the one prepared by Fairbanks Memorial Hospital as a condition of their recently awarded certificate

of need. The department's Chief Medical Officer, Dr. Jay Butler, would be pleased to assist you in this regard. Dr. Butler can be reached at (907) 269-8000.

Sincerely,

A handwritten signature in black ink, appearing to read "Karleen Jackson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Karleen Jackson, PhD
Commissioner

cc: Dr. Jay Butler, Chief Medical Officer
Department of Health and Social Services

Stacie Kraly, Chief Assistant Attorney General
Department of Law

David Pierce, Certificate of Need Coordinator
Department of Health and Social Services

From: RIPLEY, ELIZABETH [mailto:E.Ripley@MSrhc.com]
Sent: Friday, June 29, 2007 1:47 PM
To: Peter, Eric J (HSS)
Cc: Stephens, Norman; Pierce, David S (HSS)
Subject: request for periodic progress report

Mr. Peter, Per your request for a Periodic Progress Report on the Mat-Su Regional Medical Center replacement hospital, under a Certificate of Needed issued 11/19/03, please update your files to reflect that this project has been completed. A final report dated July 5, 2006 was sent to the attention of the Certificate of Need office via email and U.S. mail last July.

Elizabeth Ripley
Director, Marketing & Public Relations
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