



Medical Director
Emergency Department
4300 Bartlett Street
Homer, AK 99603
907-235-0325 ~ 907-235-0253 fax

July 11, 2016

Brett Johnson
Vice President
Members of Borough Assembly
Kenai Peninsula Borough
Soldotna, Alaska 99669

Dear Mr. Johnson and Members of the Assembly,

I am an emergency physician at South Peninsula Hospital, (SPH) and have worked here since 1982. I have also been on staff and worked at Central Peninsula Hospital in the Emergency Department for 28 years.

I am writing regarding the Ordinance #2016-22, moving the service area boundary farther south. In my decades of work in Homer, I have personally cared for hundreds of patients from Ninilchik in the ER. The Ninilchik ambulance regularly transports patients here based on their desires or affiliation with Homer health care providers.

In addition, after years of unsuccessfully trying to attract a permanent physician, the Ninilchik Clinic is now staffed by Dr. Sarah Spencer, a physician on the medical staff here at South Peninsula Hospital. SPH also provides significant other services to the Ninilchik Clinic.

While I am sure that many residents in the South Peninsula Service area are affiliated with Central Peninsula Hospital, there is a substantial population that belongs in the South Peninsula Service area. Moving this border south of Barbara Road will disenfranchise these residents who are loyal to and part of the South Peninsula health care family. It will also destroy the close relationship that the Ninilchik Clinic has with South Peninsula Hospital and deprive them of services of the physician they have enjoyed for the last two and a half years.

If you must approve an ordinance moving the Service Area Boundary south, please keep it north of Barbara Road. Keeping the border north of Barbara Road is the only solution that is fair to the substantial population of Ninilchik that uses the services of South Peninsula Hospital and also preserves the health care services and physician that South Peninsula Hospital has provided for the last several years.

Thank you for your consideration in this matter.

A handwritten signature in black ink, appearing to read "Hal Smith MD".

Hal Smith MD
Medical Director Emergency Department
South Peninsula Hospital
Homer, Alaska



Medical Staff Office
4300 Bartlett Street
Homer, AK 99603
(907) 235-0849 * f(907) 235-0305
medstaffoffice@sphosp.org

July 13, 2016

To Kenai Peninsula Borough Assembly Members:

We are writing to express our concern about the recent proposal to move the South Peninsula Hospital Service Area border further south.

South Peninsula Hospital has served many Ninilchik residents over the years, both in our primary care clinic and in the Emergency Room. As the Ninilchik clinic is about three miles closer to South Peninsula Hospital than Central Peninsula Hospital, it is the logical conclusion that Ninilchik Clinic should remain within the SPH service area. Over the past three years, the Ninilchik clinic has developed a good working relationship with South Peninsula Hospital (SPH). SPH has provided support services to the Ninilchik Clinic, allowing them to broaden their services offered to local patients, including increased lab, radiology and physician services. Two of our physicians are currently providing services to the Ninilchik Clinic: Dr. Sarah Spencer provides primary care and addiction medicine consultation and Dr. Robert Downey provides functional medicine consultation. The expansion of high quality primary care services to this rural town has been a great benefit to the health and quality of life of the local residents.

South Peninsula Hospital's Medical Executive Committee is proud of the time, money and personnel that SPH has invested to increase medical services to Ninilchik, and we feel that moving the Ninilchik Clinic out of the SPH service area would only serve to hurt local patients, reducing their access to local primary care and destroying an excellent working clinical relationship between clinic and hospital that has taken years to establish. The SPH Medical Executive Committee recommends that the Hospital service area border remain north of the Ninilchik Clinic so that we can continue to provide much needed services there.

Thank you for your consideration to this matter.

Sincerely,

Medical Executive Committee of South Peninsula Hospital:

Sarah Spencer, DO, Chief of Staff
Giulia Tortora, MD, Past Chief of Staff
D. Robert Downey, MD, Chief of Staff Elect
William Bell, MD, Secretary-Treasurer
Gregory Hough, MD
Brent Adcox, MD



Administration
4300 Bartlett Street
Homer, AK 99603
907-235-0325 ~ 907-235-0253 fax

July 25, 2016

Borough Clerk
assemblyclerk@kpb.us
for distribution to all assembly members

Dear All,

I have been employed at South Peninsula Hospital since December 2011. I have seen our hospital services grow to better care for the residents in our service area. I write in opposition of KPB Ordinance 2016-22 to Move the Common Boundary between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area South.

Moving the boundary south could affect our relationship with the Ninilchik Clinic. This relationship has developed over the years with South Peninsula Hospital providing Imaging and Lab support and even a Family Practice Physician. Dr. Sarah Spencer was recruited by SPH to support our neighbors to the north and has developed a bond with the residents of Ninilchik, while still providing services in Homer, such as her Addiction Medicine Clinic. Dividing Ninilchik may result in a reduction of services provided in the clinic and could threaten the continuation of Dr. Sarah Spencer's addiction medicine clinics for the southern Kenai Peninsula.

Moving the service area boundary south will have a dramatic impact on South Peninsula Hospital's capital budget. This budget funds modern equipment, which keeps people near their home for care, improves quality and aids in our recruitment of high quality providers to join our team.

Other points to consider include:

- Residents who will be negatively impacted by a reduction in tax support do not even get to vote on this ordinance. Instead, Soldotna and Kenai residents vote on it.
- This Ordinance talks about a reduction in taxes for those removed from the southern service area, but that reduction would not go into place for an extended period of time.

I live in the northern part of the service area, north of Anchor Point, and am connected to all parts of our service area through business and personal connections. I sincerely ask that you do not take action that will divide our communities. Thank you for taking the time to give this issue thoughtful consideration.

Laura Hansen

Laura Hansen
Director of Strategic Initiatives and Planning
South Peninsula Hospital
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Imaging Department
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Homer, AK 99603
(907) 235-0362* f(907) 235-0278

July 25, 2016

Dear Kenai Peninsula Borough Assembly Members,

Please accept this opposition statement to the proposed Common Service Boundary Move (Ordinance 2016-22) between SPH and CPGH.

I echo and fully support both Dr. Spencer and Dr. Smith's opposition statements.

It has been the hard work and determination of many individuals, both here at SPH, and at Ninilchik Clinic to establish a partnership for excellent care for the Ninilchik service community.

Over time, we have worked to establish professional care, service and interpretation of xray imaging and ultrasonography. This allows for direct real time results, and communication between myself, and the Ninilchik medical providers to serve our mutual patients.

This is precious and rare. Underserved small communities still often wait DAYS to get interpretation of the imaging exams from small clinics. In other words, it is exceedingly common to receive substandard care in similar communities elsewhere.

With the service contracts we developed and implemented, critical results are provided real time, and 24 hour service for all exams, which allow for the Ninilchik providers to receive the results, treat promptly, and accordingly.

Please place on-going value on the established excellent care and established partnership between Ninilchik Tribal Clinic and South Peninsula Hospital, by opposing this proposal.

In service and gratitude,

Maureen S Filipek, MD
Medical Imaging Director
South Peninsula Hospital

Subject: FW: communication to Assembly members
Attachments: Resolution 2016-09b - Service Area Boundaries, signed.pdf; ATT00001.htm

From: Derotha Ferraro <dbf@sphosp.org>
Date: July 25, 2016 at 11:10:59 AM AKDT
To: "'assemblyclerk@kpb.us'" <assemblyclerk@kpb.us>
Cc: Robert Letson <rfl@sphosp.org>
Subject: communication to Assembly members

Members of the Assembly,

Attached please find a resolution of the South Peninsula Hospital, Inc. Operating Board of Directors opposing Kenai Peninsula Ordinance 2016-22, an ordinance moving the north boundary of the south peninsula hospital service area.

The attached resolution was written and adopted specific to a proposed amendment to draw the boundary at Oil Well Road, as communicated to South Peninsula Hospital on June 21 by Assembly Member Brent Johnson. The resolution was adopted on June 22 in response to his communication of his proposed amendment so numerous statements are directly related to that specific location, and some are outdated due to recent developments. In addition, the financial impact numbers used were those then available from the borough. Since that time much has changed, including, but not limited to, a different proposed location of the line (communicated July 15) and an updated financial impact.

Though it is appreciated that Assembly Member Johnson is attempting to respond to public concerns with a new amendment, the newest version (Kinglsey Avenue) does not adequately address our concerns, and actually creates additional problems by dividing a community along a road corridor which contains numerous service providers on either side. This newest version would not only split the residents of Ninilchik, but put the Senior Center and the Ninilchik Clinic in two different service areas, even though located across the street from one another.

The newest financial impact figures from the borough suggest a decrease in property taxes for the hospital's service area of far greater than the original estimates. Depending on where the line is actually drawn between Barbara Drive and Tim Avenue, it could be a reduction of anywhere from \$246,299 to \$564,980, or a 17% - 31% reduction of capital budget. A reduction this great would have significant impact on our access to modern equipment, which would in turn, negatively affect our ability to attract providers and reduce the quality of care for those we serve.

Although the resolution attached has outdated information in it based on the recent communication, please still accept it as representation of South Peninsula Hospital's opposition to Ordinance 2016-22. Thank you for your time and attention to this matter of great importance.

Derotha Ferraro
Director of Marketing and Public Relations
South Peninsula Hospital, Inc.

Introduced by: Administration
Date: June 22, 2016
Action: Approved
Vote: Yes - 6 , No - 0 , Excused - 3

**SOUTH PENINSULA HOSPITAL
BOARD RESOLUTION
2016-09B**

**A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL
BOARD OF DIRECTORS OPPOSING KPB ORDINANCE 2016-22 AS AMENDED AND REQUESTING THE
KENAI PENINSULA BOROUGH ASSEMBLY'S OPPOSITION**

WHEREAS, South Kenai Peninsula Hospital Service Area was created by voter approval in 1969 with a north boundary line at Sterling Highway milepost 119, just south of Clam Gulch; and

WHEREAS, The Kenai Peninsula Borough Mayor and Assembly authorized \$200,000 in February, 2015, for a health care task force to explore the best possible scenario for health care funding and powers in the borough, and specifically to consider adopting hospital powers on a borough wide basis with a borough wide service area; and

WHEREAS, The Kenai Peninsula Borough's Health Care Task Force has not yet made recommendation to the Kenai Peninsula Borough Assembly on the consideration to adopt hospital powers on a borough wide basis through a borough wide service area; and

WHEREAS, Residents of Ninilchik utilize the services of South Peninsula Hospital in Homer, and this number has grown over the last decade as hospital services have increased. In fiscal year 2005, 150 Ninilchik residents were treated at South Peninsula Hospital, with 343 total visits, and in 2015 that number grew to 240 residents with 893 visits, and in the first three quarters of 2016 a total of 266 Ninilchik residents have been treated, or 30% of the Ninilchik population; and

WHEREAS, The proposed boundary change actually splits the community of Ninilchik, resulting in residents who live on opposite sides of a street being in different service areas, creating an unnecessary divide in a small community; and

WHEREAS, South Peninsula Hospital, Inc. is a strategic partner with the Ninilchik Village Tribe Community Health Clinic, which provides services to residents of the tribal boundaries, north from the Kasilof River to Homer in the south; and

WHEREAS, The proposed boundary change would result in the removal of the Ninilchik Clinic from the South Kenai Peninsula Hospital Service Area; and

WHEREAS, the majority of the patient population seen at the Ninilchik Clinic are not tribal members, with a payer mix of 34% Medicare & Medicaid, 31% commercial insurance, 24% Indian health services, and 11% other; and

WHEREAS, South Peninsula Hospital would no longer be legally authorized to provide health services or support to Ninilchik Clinic once removed from the service area, resulting in the elimination of primary care, laboratory support, and radiology services in the community of Ninilchik and the relocation of practices by Dr. Sarah Spencer and Dr. Rob Downey;

WHEREAS, it took years to recruit a physician to the Ninilchik Clinic, establish relationships with the residents, and begin to offer the necessary services needed in the community, resulting in the growth of the clinic use to 1,166 unique patients in the last two years, of which 687 are Ninilchik residents (or 77% of the population), 154 are Anchor Point residents, 114 are Homer residents, and 43 are Clam Gulch residents; and

WHEREAS, The proposed ordinance recommends the Kenai Peninsula Borough consider the financial needs of the hospitals when adjusting service area boundaries, and the initial projection of the loss of tax revenue to the South Kenai Peninsula Hospital, Inc. Board of Directors Resolution 2016-09 (b)

Peninsula Hospital Service Area if the boundary is moved south of the midway point would be at minimum of \$179,000, which does not include projections of lost oil and gas lease tax revenue; and

WHEREAS, residents of the service area rely on service area taxes for the capital equipment budget to offer state of the art equipment for quality care close to home and as a means to recruit quality providers, and a reduction in available tax funds for capital purchases could directly impact services;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL:

SECTION 1: The South Peninsula Hospital Board of Directors opposes Ordinance KPB 2016-22 as amended and

SECTION 2: The South Peninsula Hospital Board of Directors respectfully requests the Kenai Peninsula Borough Assembly oppose this ordinance.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL THIS 22nd DAY of JUNE, 2016.

ATTEST:

Bernadette D. Wilson
Bernadette Wilson, Secretary

Julie Woodworth
Julie Woodworth, Board Vice President



NTC COMMUNITY CLINIC & ANNEX
PO Box 39368
15765 KINGSLEY RD
NINILCHIK, AK 99639

CLINIC PH: 907 567 3970
CLINIC FX: 907 567 3902
ANNEX PH: 907 567 3370
ANNEX FX: 907 567 3310

July 20, 2016

Kenai Peninsula Borough Assembly
144 N Binkley St.
Soldotna, AK 99669

Dear Assembly Member:

I am writing this letter in regards to the proposed Ordinance 2016-22. I am completely opposed to the proposed boundary line change, especially since it seems to keep changing.

I am the Tribal Health Director at the Ninilchik Community Clinic (for Ninilchik Traditional Council (NTC)) and have worked here for 5 ½ years. I have worked very hard at improving the medical services that we provide to the people who use our clinic. Patients come from Kenai, Clam Gulch, Kasilof, Anchor Point, Ninilchik, Homer, Nanwalek and as far away as Valdez. They choose our clinic, specifically to see our physicians (who have specific specialties, not necessarily offered on the Peninsula) who are contracted through South Peninsula Hospital. It took years to find physicians for our clinic and South Peninsula Hospital (SPH) was instrumental in making this happen. They also provide laboratory oversight and their radiologists read our X-Rays and Ultrasounds. If this proposed boundary proposal is allowed to move forward, our clinic will potentially lose the specialized medical services that we have been providing to our patients. We would have to start our search all over again in Anchorage and outside. There is no one else on the peninsula that is willing to provide what SPH provides for our patients here.

I know there was public testimony/letters from residents who are in favor of this ordinance, who I don't believe really understand the negative impact that it will have on our small clinic. It has been very challenging and time consuming to reach the level of care we now provide at the Ninilchik Clinic. I would strongly encourage the Assembly to really reconsider this proposed ordinance which has been in place for decades without any public outcry. I would also encourage the Assembly to look at the mill rate to make it fair and equitable and that which would not adversely affect either hospital.

Thank you for your consideration on this proposed ordinance and how it could potentially impact our clinic and the patients who use.

Sincerely:

Janet Mullen, RN, BSN
NTC Tribal Health Director