



South
Peninsula
Hospital

South Peninsula Hospital Report

Prepared for

Kenai Peninsula Borough Assembly

May 7, 2024

*South Peninsula Hospital is the healthcare provider of choice,
with a dynamic and dedicated team committed to service excellence.*



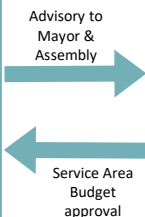
SOUTH PENINSULA HOSPITAL OWNERSHIP AND GOVERNANCE

KENAI PENINSULA BOROUGH

South Kenai Peninsula Hospital Service Area Board

Kathryn Ault, Helen Armstrong, Ralph Broshes, Amber Cabana, Tim Daugharty, Willy Dunne, Roberta Highland, Francie Roberts, Tamara Fletcher

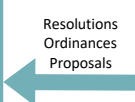
[Ordinance 69-4](#)
[Ordinance 73-33](#)
[Ordinance 2013-31](#)



Kenai Peninsula Borough Assembly



Lands Committee · Finance Committee



Borough Mayor's Office

Borough Mayor
Peter Micciche

Departments
Finance · Purchasing · Capital Projects

City of Homer

Homer City Mayor
Ken Castner

City Council
Donna Aderhold, Shelly Erickson, Storm Hansen-Cavasos, Caroline Venuti, Rachel Lord, Jason Davis

SPH Foundation, Inc.

Executive Director
Melissa Blair

Board of Trustees
Angie Newby, Dottie Harness-Foster, Holly Dramis, Amy Landess, Judith Lund

[SPHFI Articles of Incorporation](#)

Operating Agreement

← Contract Administrator

← Land Lease

South Peninsula Hospital, Inc.



Committees: Executive • Finance • Governance

SPH Medical Staff

Chief of Staff



Christopher Landess, MD

Medical Executive Committee

Sarah Roberts, MD; Christy Martinez, MD; Cherie Inglis, MD; Brent Adcox, MD; Julie McCarron, CNM, ANP;

Medical Providers

Teamsters Local 959

[Collective Bargaining Agreement](#)

↑ SPH Service Area budget proposal

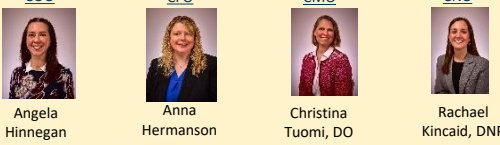
Operational needs & strategies



SPH CEO
Ryan Smith

Funding & directives

Leadership Team of SPH



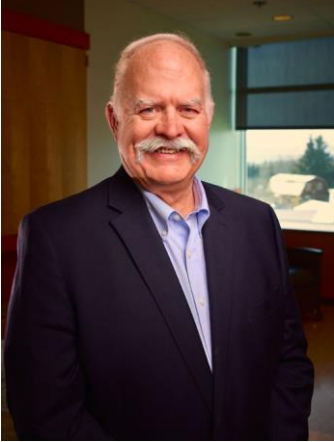
DIRECT REPORTS ▲ STAFF, RESOURCES & DEPARTMENTS ▲ COMMITTEES

SPH Auxiliary



Welcome New Board Members

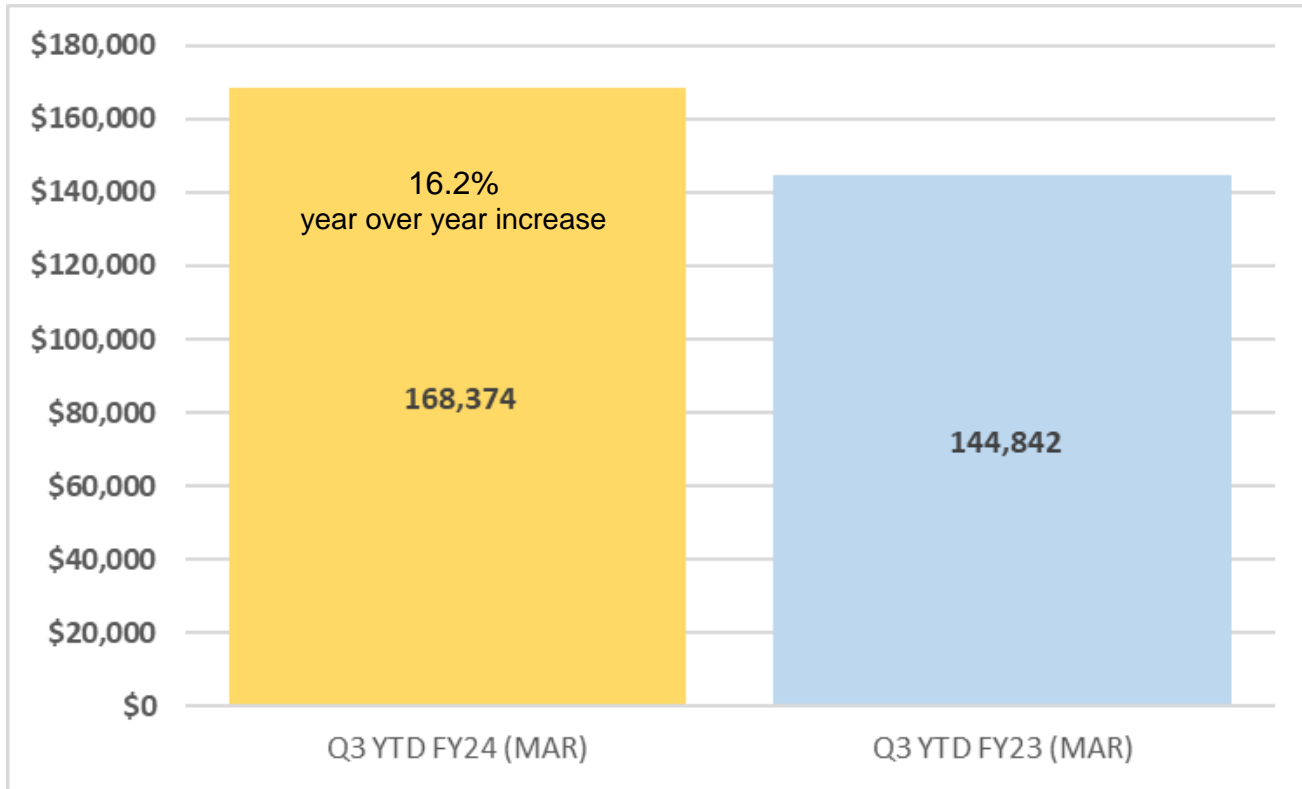
NEW SPH BOARD MEMBERS



Christopher Landess, MD
Emergency Dept Physician
Former Chief of Staff

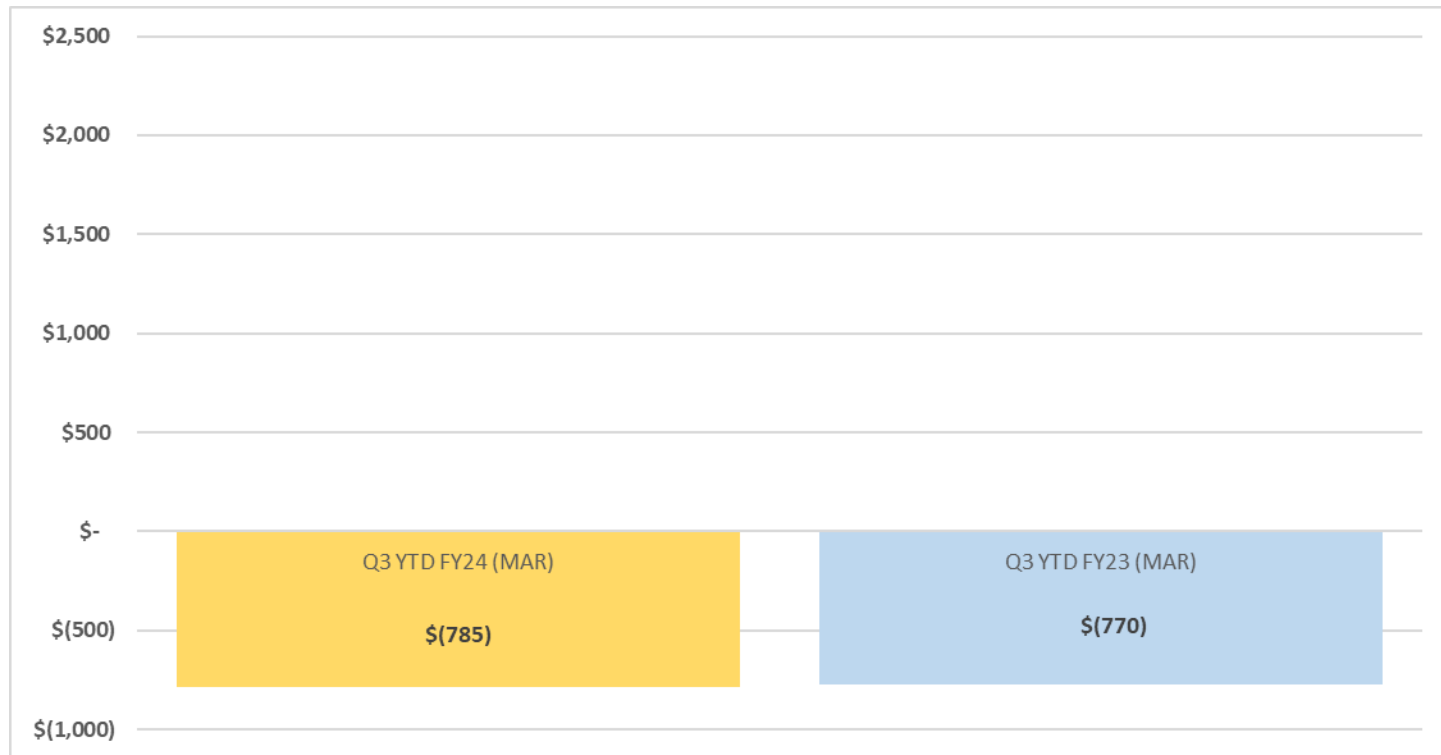


Gross Patient Revenue-Q3 YTD FY24 (in thousands)



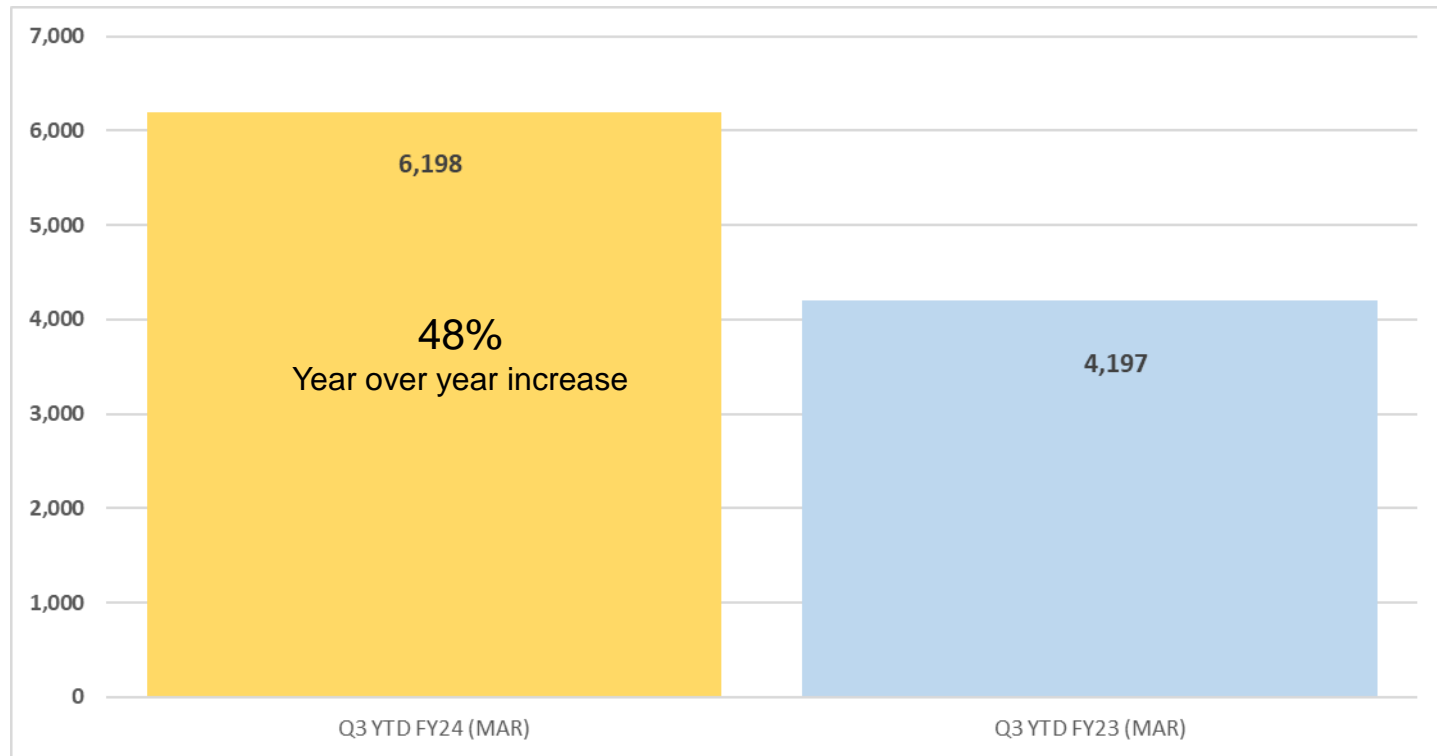
Operating Income-Q3 YTD FY24

(in thousands)



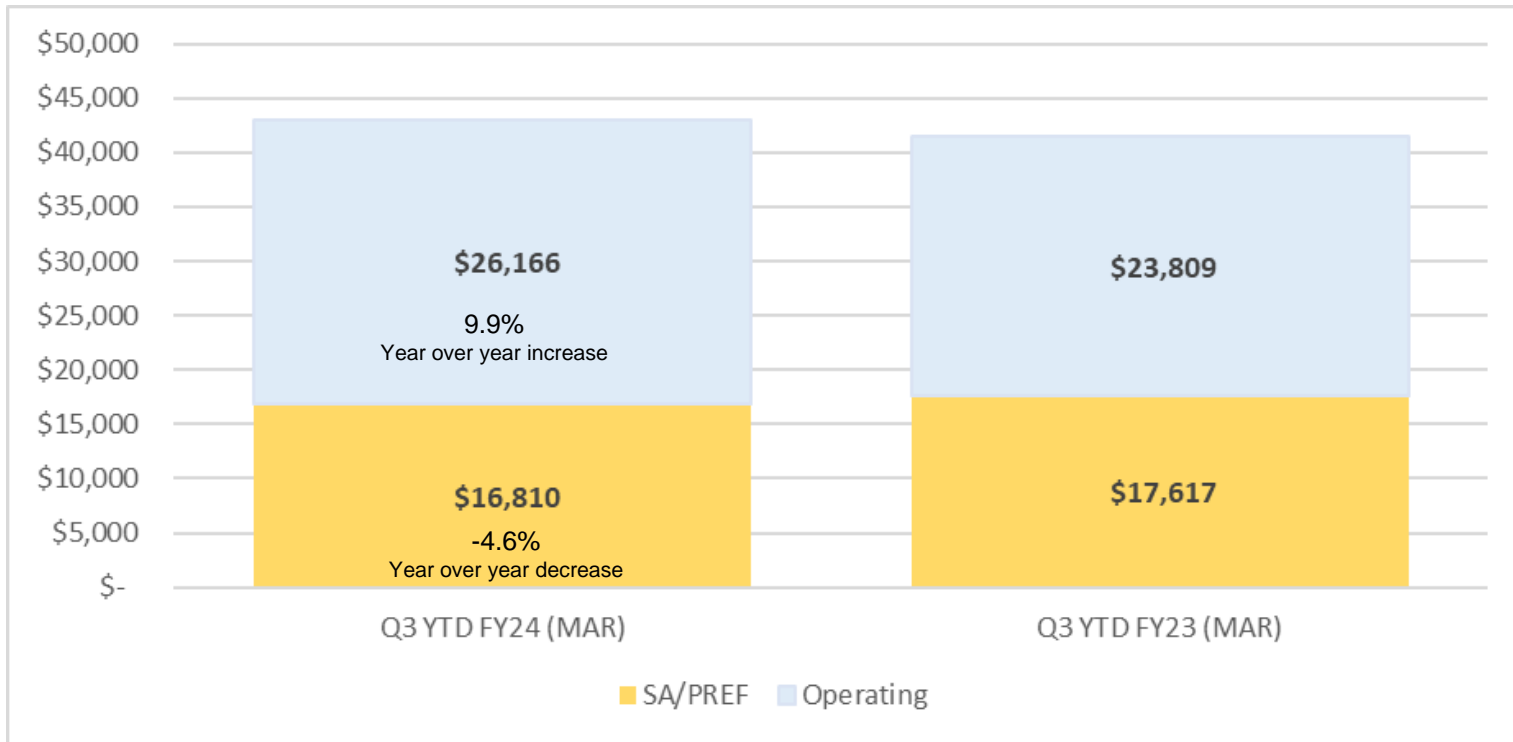
Net Income-Q3 YTD FY24

(in thousands)



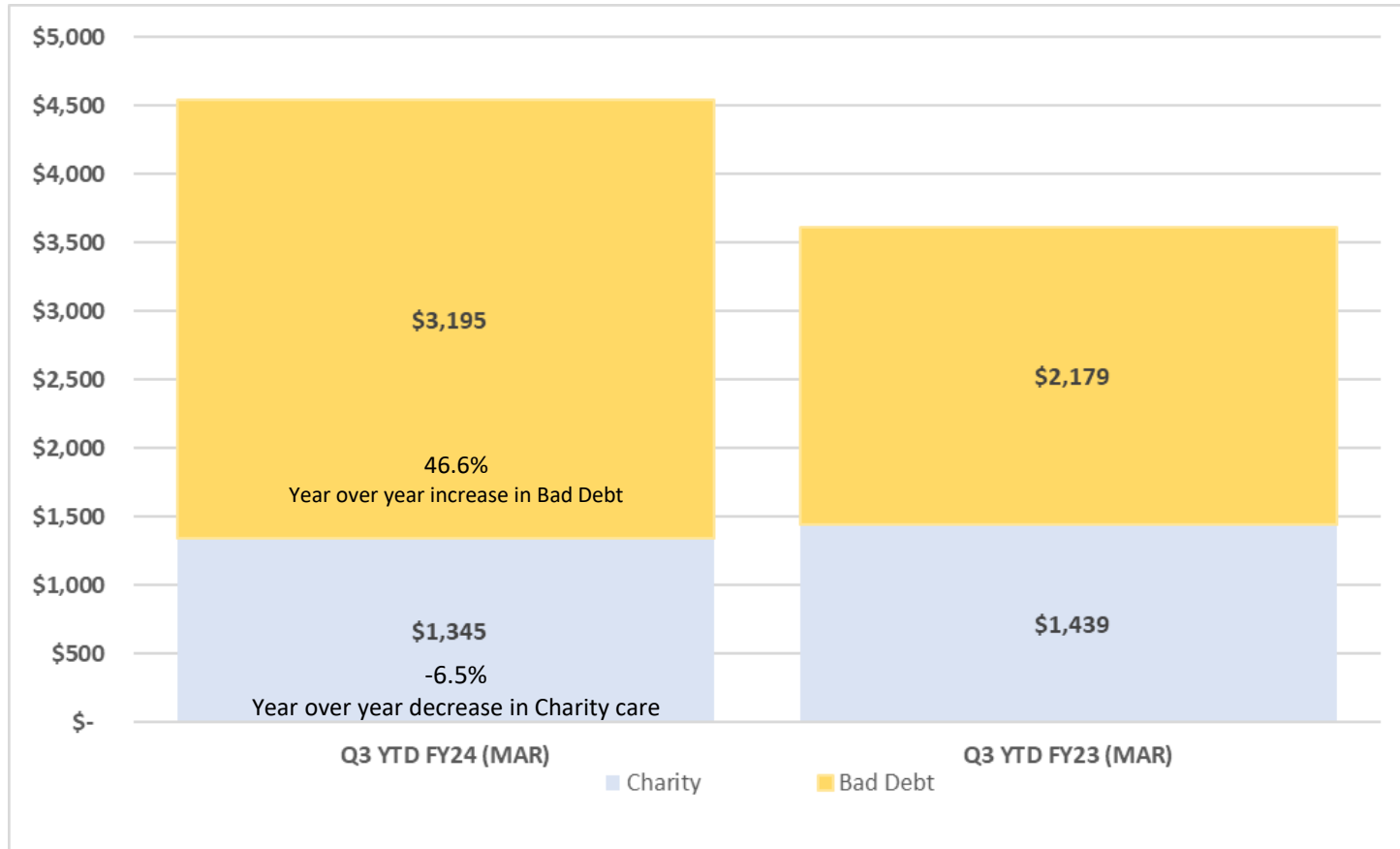
Cash & Cash Equivalents-Q3 YTD FY24

(in thousands)



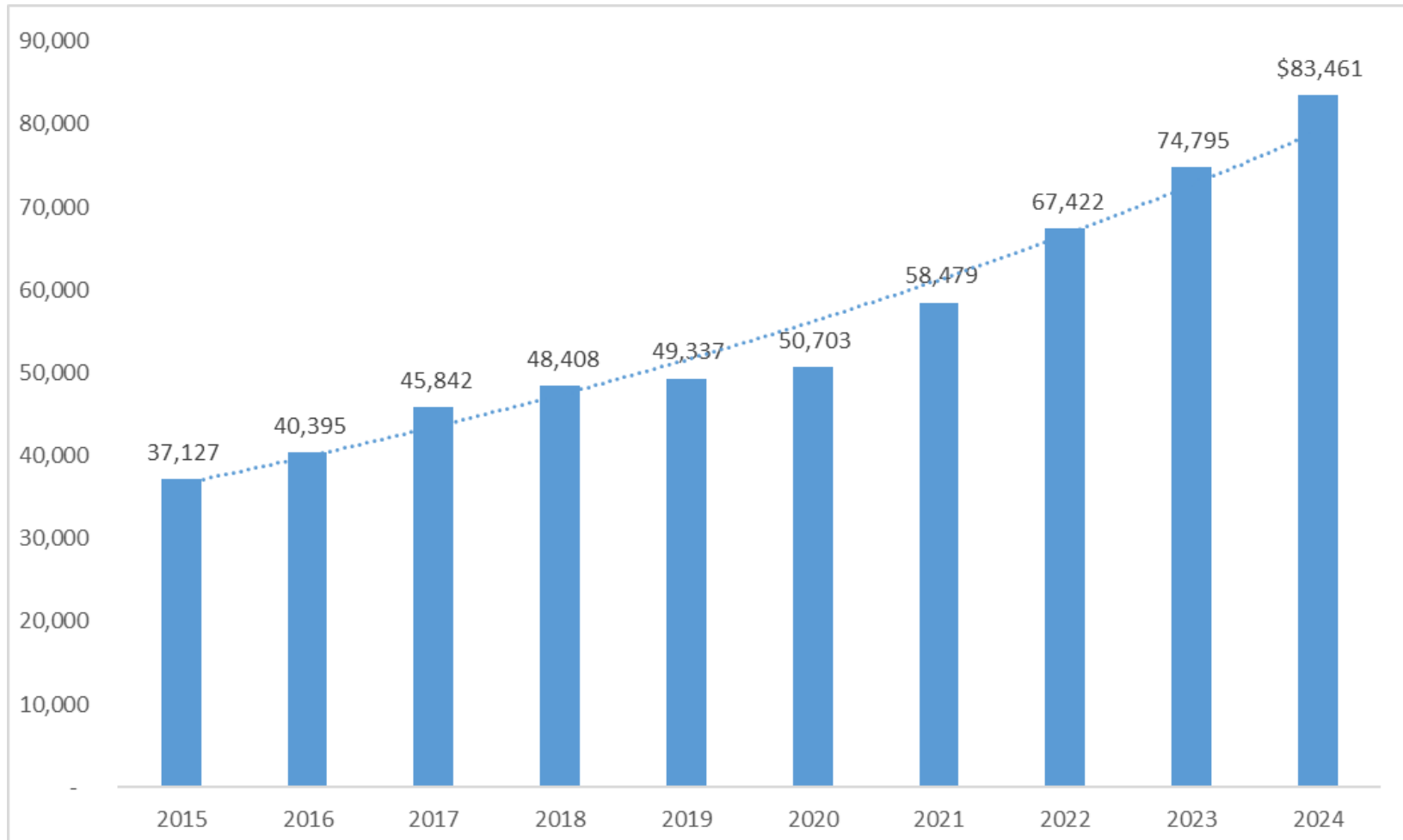
Charity Care & Bad Debt-Q3 YTD FY24

(in thousands)



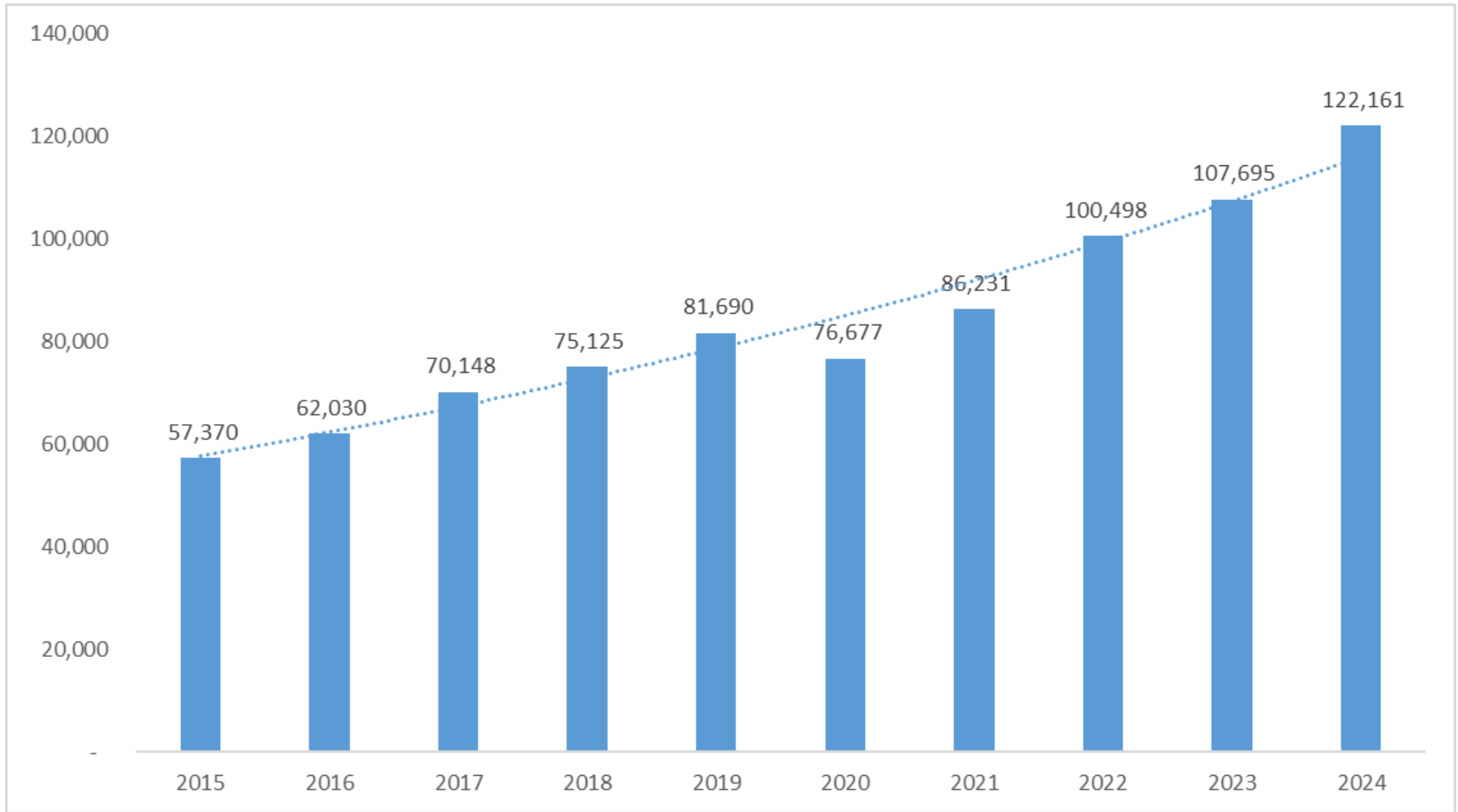
Salaries, Wages, & Benefits

(in thousands)



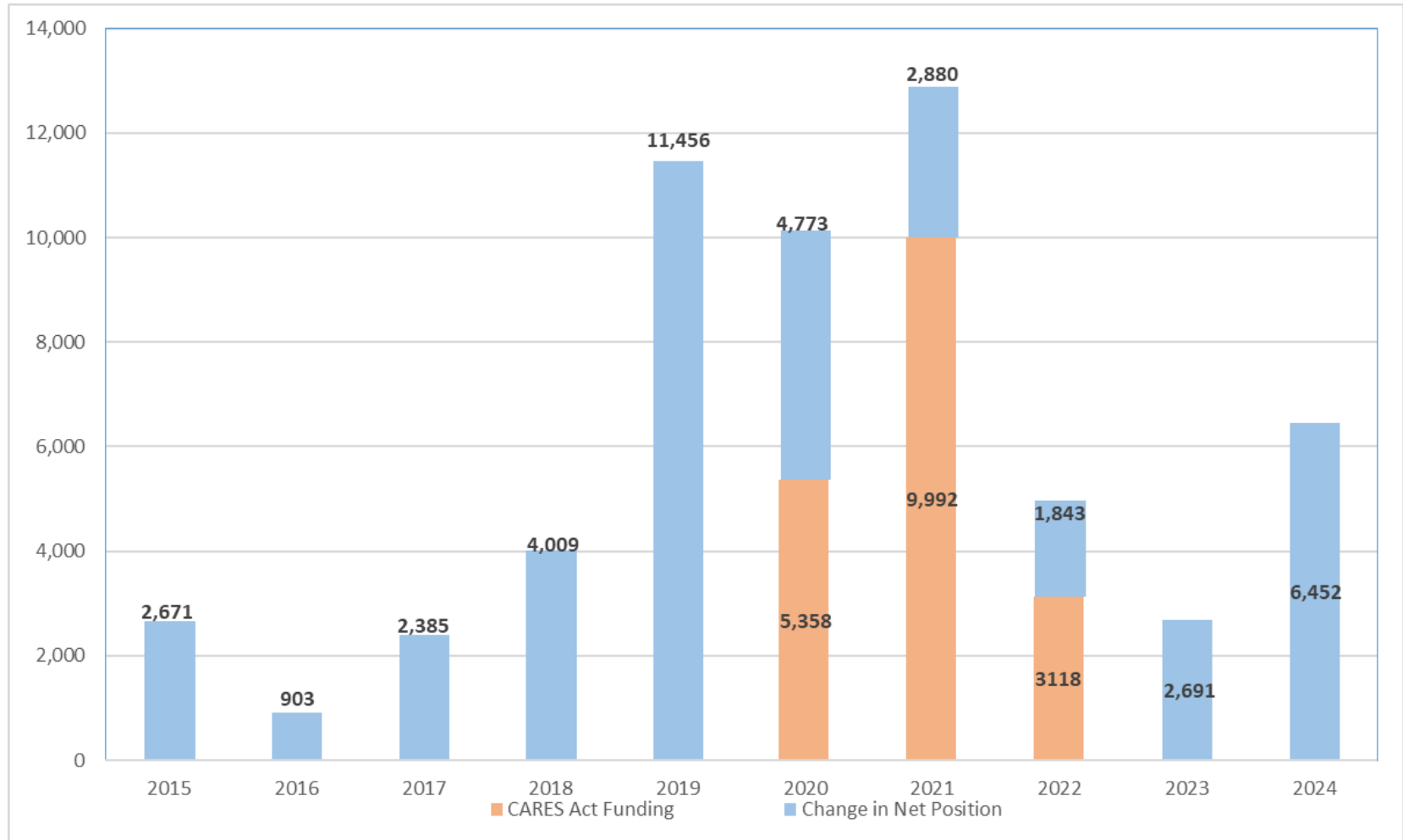
Total Operating Revenue

(in thousands)



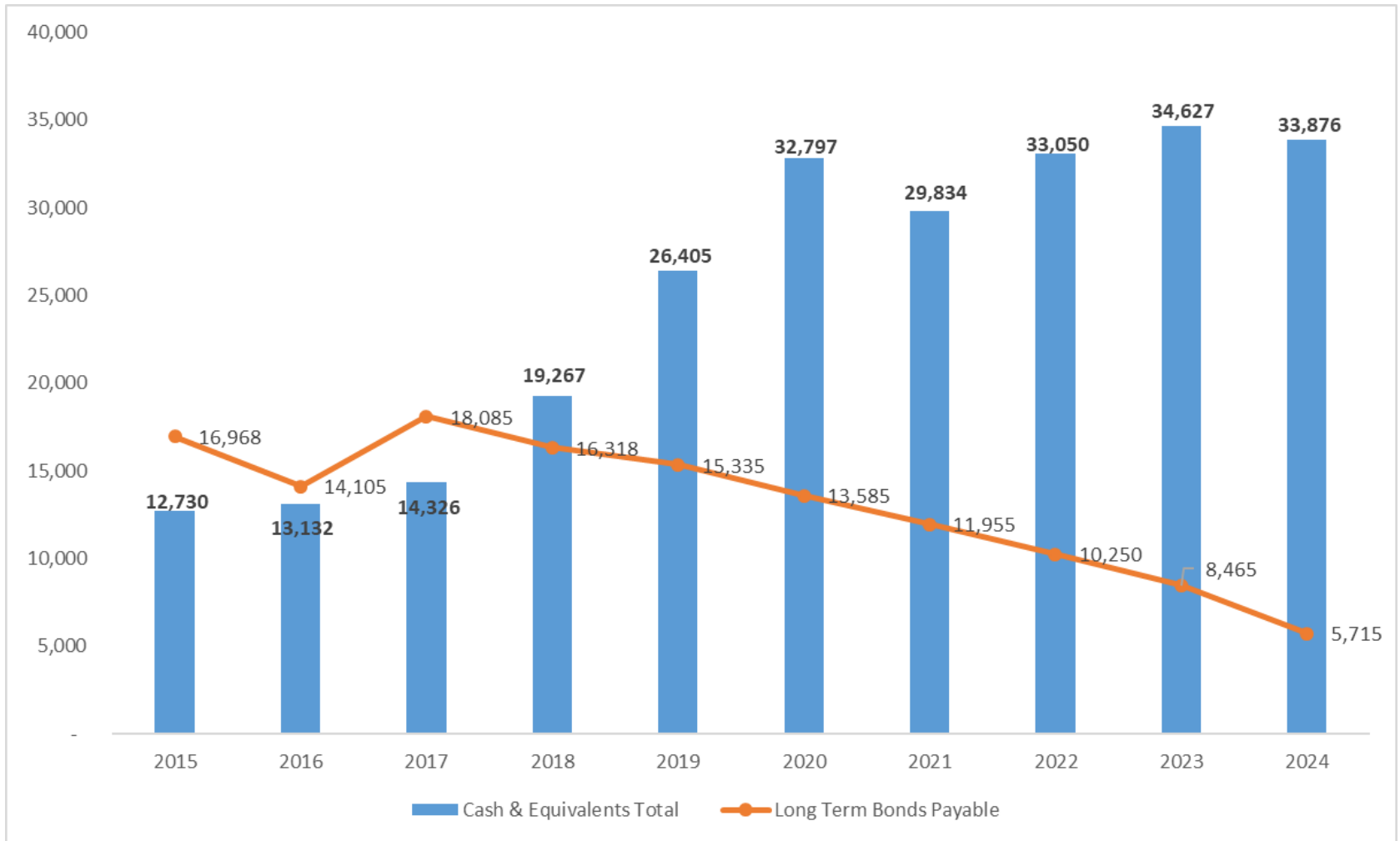
Change in Net Position

(in thousands)



Cash & Equivalents versus Long-Term Bonds

(in thousands)



Major Projects in Progress

Project Name	Status
4014 Lake Street Renovation: SPH Education/Training	SPH: <i>Completed</i>
3726 Lake Street Renovation: Rehab	SPH: <i>In Progress, Construction</i>
4300 Bartlett Street Renovation: Gen'l Surgery/ Functional Med Clinic	SPH: <i>Completed</i>
4201 Bartlett Street Renovation: Home Health / SPH Billing Team	SPH: <i>Completed</i>
4300 Bartlett Street Renovation: Women's Health/ Rehab	SPH: <i>In Progress, Planning</i>
203 W. Pioneer Street Renovation: SPH Childcare	SPH: <i>In Progress, Interior demolition</i>
Generator Upgrades	SPH: <i>In Progress, will continue in summer</i>
LTC HVAC System	KPB: <i>Project started, will continue in spring</i>
Homer Medical Center Lobby Remodel	SPH: <i>In Progress, Construction</i>



SPH Major Capital Project Needs

Project Description	Estimated Amount
Nuclear Medicine/ Pharmacy/Infusion	\$10.0 Million★
Generator / Boiler Replacement	\$5.5 Million
Facility Expansion	\$10.0 Million
Adjacent Property Acquisition	\$13.0 Million
Air Handler Replacements	\$4.0 Million
Parking Improvements / Expansion	\$5.0 Million
1999 Roof Replacement	\$1.0 Million

Project Description	Estimated Amount
Elevator Replacements	\$2.0 Million
Hydronic and Plumbing Replacements	\$1.0 Million
Electrical Panel and Communications Room Replacement	\$700 Thousand
Hot Water Tank Replacement	\$500 Thousand
Refurbishment/Renovation of Central Core	TBD
Cafeteria Expansion	TBD
Laboratory Expansion	TBD

★ These projects are associated with a Certificate of Need approved by the State of Alaska.



Total Bonds Issued Since 1973

• 1973	\$1,500,000	\$10,551,757
• 1981	\$3,150,000	\$10,823,386
• 1998	\$9,238,756	\$17,702,817
• 2003	\$10,290,000	\$17,466,827
• 2007	\$14,555,000	\$21,925,091
• 2016	<u>\$4,500,000</u>	<u>\$5,856,054</u>
• Total	<u>\$43,233,756</u>	<u>\$84,325,932</u>
• 2024 Ask	\$38,000,000	



October 2nd, 2018 Regular Borough Election

Proposition No. 2

Amending the code to move the common boundary between the Central Kenai Peninsula Hospital Service Area and the South Kenai Peninsula Hospital Service Area south

Yes – 2899 (66.2%)

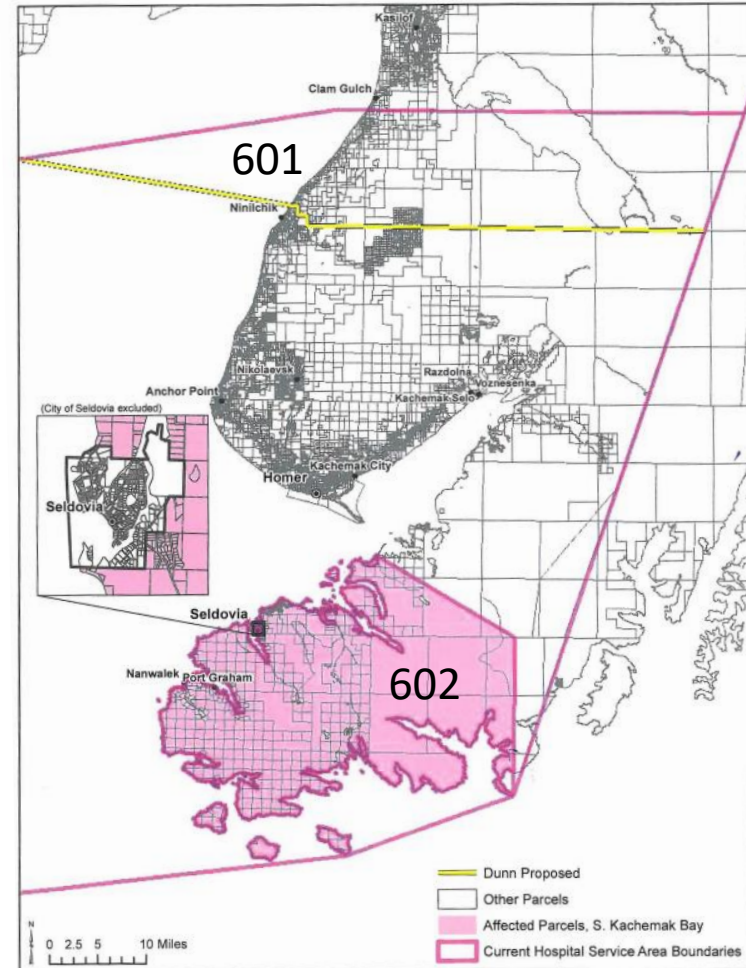
No – 1479 (43.8%)

Proposition No. 3

Expanding the South Kenai Peninsula Hospital Service Area to include the land south of Kachemak Bay excluding the City of Seldovia.

Yes – 2653 (75.2%)

No – 873 (24.8%)



South Kenai Peninsula Hospital Service Area Mill Levy

Year	Fund 601 (bond)	Fund 602	Total
2021	1.12	1.18	2.30
2022	1.12	1.12	2.24
2023	1.12	1.12	2.24
2024	1.00	1.12	2.12
2025 proposed	0.45	1.12	1.57
2026 projection	0.45	1.79	2.24
2027 projection	0.45	1.79	2.24
2028 projection	0.45	1.79	2.24
2029 projection	0.12	1.79	1.91
2030 projection	0.12	1.79	1.91
2031 projection	0.12	1.79	1.91
2032 projection	0.12	1.79	1.91
2033 projection	0.00	1.79	1.79



SPH Bond Proposition Request 2026

For meeting with Mayor on 3/29/2024

Bond Package Proposal	
Plant Replacement	\$5,500,000
CON	\$10,000,000
Facility Expansion	\$10,000,000
Property Acquisition	\$13,000,000
	\$38,500,000

Legislative Priority Funding	
Plant Replacement	\$4,000,000
Parking	\$1,000,000
	\$5,000,000



Thank you

QUESTIONS?



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