



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Meeting Agenda Legislative Committee

Tuesday, December 12, 2023

4:45 PM

Betty J. Glick Assembly Chambers
Meeting ID: 884 7373 9641 Passcode: 671108
[https://us06web.zoom.us/j/88473739641?](https://us06web.zoom.us/j/88473739641?pwd=dW1sY2RYV0F4dURjV25yVW9WUGw3QT09)
[pwd=dW1sY2RYV0F4dURjV25yVW9WUGw3QT09](https://us06web.zoom.us/j/88473739641?pwd=dW1sY2RYV0F4dURjV25yVW9WUGw3QT09)

Meeting ID: 884 7373 9641 Passcode: 671108

NEW BUSINESS

1. Resolutions

- *c. [2023-082](#) A Resolution Expressing Support for Seward Community Health Center Building a New Clinic Building at 431-501 First Avenue, Seward, Alaska (Ecklund)

Attachments:

[Resolution 2023-082](#)

[Memo](#)

[Seward Community Health Clinic Capital Expansion Project Presentation](#)

[Seward Community Health Clinic Information/Flyer](#)

Introduced by: Ecklund
Date: 12/12/23
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2023-082**

**A RESOLUTION EXPRESSING SUPPORT FOR SEWARD COMMUNITY HEALTH
CENTER BUILDING A NEW CLINIC BUILDING AT 431-501 FIRST AVENUE,
SEWARD, ALASKA**

- WHEREAS**, Seward Community Health Center, Inc. (SCHC) was established in 2010 through a grass roots effort of the City of Seward and local residents to improve the quality of primary care for the community; and
- WHEREAS**, the City of Seward and SCHC were recipients of grant funding from the U.S. Health Resources & Services Administration (HRSA) through a Co-Applicant Agreement from 2013-2023; and
- WHEREAS**, SCHC has been operating without direct City of Seward financial support since 2021; and
- WHEREAS**, the City of Seward and SCHC mutually terminated the Co-Applicant Agreement effective February 1, 2023, since which time SCHC has been operating under HRSA as a standalone entity; and
- WHEREAS**, SCHC has outgrown its existing space co-located with Providence Seward Medical Center, which is limiting SCHC's ability to provide healthcare services; and
- WHEREAS**, in 2017, SCHC purchased a one-acre property at 431-501 First Avenue, Seward, Alaska with the intent of building a new clinic; and
- WHEREAS**, SCHC has worked with NorthForm Architecture firm to produce a Program of Requirements (Needs Assessment), Conceptual Drawings, and Site Plan for a new clinic; and
- WHEREAS**, SCHC has worked with Agnew::Beck Consulting to produce a feasibility study showing a 19,437 ft² clinic could be profitable within five years; and
- WHEREAS**, SCHC has secured \$5 million in Congressionally Directed Spending toward the overall estimated project cost of \$20 million; and
- WHEREAS**, the City of Seward's 2030 Comprehensive Plan Update indicates the City of Seward values effective, accessible, and affordable healthcare; and

WHEREAS, the Kenai Peninsula Borough Assembly acknowledges the importance of providing quality primary care for the residents and visitors of the greater Seward area;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the Assembly supports Seward Community Health Center’s efforts to pursue non-borough funding for construction of a new clinic at 431-501 First Avenue in Seward, Alaska.

SECTION 2. That this resolution is effective immediately.

Brent Johnson, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

Kenai Peninsula Borough Assembly

MEMORANDUM

TO: Brent Johnson, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Cindy Ecklund, Assembly Member *CE*

DATE: November 30, 2023

SUBJECT: Resolution 2023-082, Expressing Support for Seward Community Health Center Building a New Clinic Building at 431-501 First Avenue, Seward, Alaska (Ecklund)

Seward Community Health Center, Inc. (SCHC) was established in 2010 through grass roots effort of the City of Seward and local residents to improve the quality of primary care for the community. The City of Seward and SCHC were recipients of grant funding from the U.S. Health Resources & Services Administration (HRSA) through a Co-Applicant Agreement from 2013-2023. SCHC has been operating without direct City of Seward financial support since 2021. The City of Seward and SCHC mutually terminated the Co-Applicant Agreement effective February 1, 2023, since which time SCHC has been operating under HRSA as a standalone entity.

SCHC has outgrown its existing space co-located with Providence Seward Medical Center, which is limiting SCHC's ability to provide healthcare services. In 2017, SCHC purchased a one-acre property at 431-501 First Avenue, Seward, Alaska with the intent of building a new clinic. SCHC has worked with NorthForm Architecture firm to produce a Program of Requirements (Needs Assessment), Conceptual Drawings, and Site Plan for a new clinic. SCHC has worked with Agnew::Beck Consulting to produce a feasibility study showing a 19,437 ft² clinic could be profitable within five years. SCHC has secured \$5 million in Congressionally Directed Spending toward the overall estimated project cost of \$20 million. The City of Seward's 2030 Comprehensive Plan Update indicates the City of Seward values effective, accessible, and affordable healthcare.

This Resolution would acknowledge the importance of providing quality primary care for the residents and visitors of the greater Seward area and express support for SCHC to pursue funding for the project.

Your consideration is appreciated.

Seward Community Health Center Capital Expansion

1. About SCHC
2. Community Need & Our Expansion Effort
3. Sustainability
4. Capital Funding Plan
5. Break Ground With Us

About SCHC

Our Beginnings & Services

Our Mission



SCHC

SEWARD COMMUNITY HEALTH CENTER

To identify and serve the healthcare needs of the Seward community by providing quality, affordable services and promoting wellness, prevention, and partnerships.

Serving Seward Since 2014

- Seward Community Health Center (SCHC) is co-located with Providence Seward Medical Center in a facility owned by the City of Seward.
- Significant benefits have been realized from this co-location:
 - Centralized location for primary, specialized and emergency care for patients.
 - Shared resources across organizations.
 - Ease of communication and referrals under one roof.

SCHC Services

SCHC is an essential component of Seward's healthcare infrastructure

SCHC Provider Care	Visiting Specialized Provider Care
Primary Care	
Behavioral Health	Vision/Optometry
Osteopathy	Orthopedics
Pediatrics	
Transportation Assistance	
Medical Laboratory	
Internal Medicine	
Wound Care	

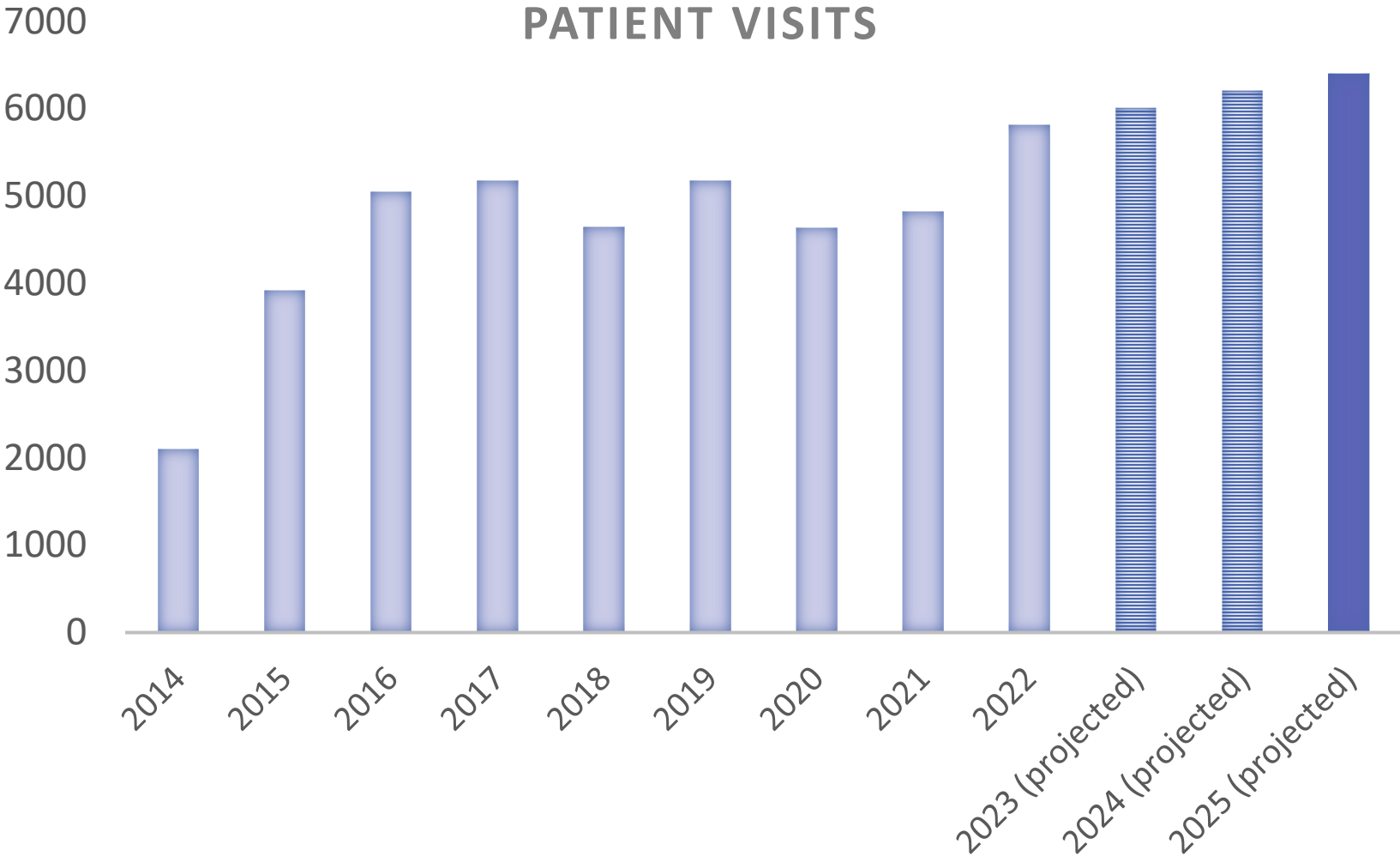
Growth & Change
Challenges & Constraints
Opportunities & Options



Community Need & Expansion

SCHC Patient Visit Growth

Patient visits are on track to more than triple from the 2014 opening to 2025



SCHC Space Constraints Are Urgent

From 2019 Needs Assessment Findings:

- Lack capacity to adequately serve patient load.
- No space to respond to current and future community healthcare demands (e.g., patient triage, telemedicine).
- Insufficient quantity and size of exam rooms, offices and storage.
- Inefficient patient and staff flow.
- Disconnection and discontinuity of allocated spaces.
- Challenges to patient privacy posed by the space.
- Lack of identity separate from Providence; patient confusion.
- Conflicts in scheduling spaces shared with Providence.

Other Factors Contributing to Need for Expansion

- Providence Seward Medical Center is planning an expansion into the space currently occupied by SCHC.
- COVID-19 preparedness demands new design thinking and increased space and equipment.
 - *For example:* exterior access points, exhaust ventilation, ample storage for PPE and clinic consumables, and ability to separate practitioners' workspaces to avoid staff exposure.

Explored All Viable Options

Do we...

1. Reconfigure and add onto the hospital?
2. Construct a new clinic on the current site?
3. Construct a new clinic at an adjacent site owned by SCHC?

Ultimately, **a new clinic on the adjacent site selected:**

- Best meets our vision for improved healthcare access and services for the community of Seward.
- Allows right-sized clinical space and all personnel under one roof.
- Proximity to Providence provides continued ease of access to emergency and radiological services.
- Least disruptive solution to ongoing Providence and SCHC operations.

Expansion Vision & Goal

Project Vision

- A clinic that provides patients a **positive wellness experience**. Not just a place for sick and injured; a place to improve health in our community.
- A facility that is COVID-19 prepared.

Our Long-Term Goal

- To **fully integrate** behavioral health, holistic medicine, preventative/wellness education programs, nutrition counselling, and robust primary care and specialty clinic programs into its business operation.

Fulfilling our Mission into the Future

- To identify and serve the healthcare needs of the Seward community.

Design to Meet Current and Future Needs

Existing Facility

4,000
Square Feet



Proposed Facility

20,000
Square Feet

- PRIMARY CARE
- ADMINISTRATIVE
- BEHAVIORAL HEALTH
- TRAINING / MEETING
- AIRBORNE INFECTION ISOLATION
- BUILDING SUPPORT
- CIRCULATION
- SHELL SPACE



431-501 First Ave







Expansion Allows Increased Staff & More Integrated Services

- Transition **part-time staff to full-time positions**.
- **12% total increase in staff positions** – physicians, mid-level providers, clinical support, and administrative coverage.
- Facilitates SCHC certification as a **Patient Center Medical Home**.
 - Whole patient care - fully integrated behavioral health, holistic medicine, preventative/wellness education programs, nutrition, counseling, and robust primary care and specialty clinic programs into its business operation.
- **Newly designed space will truly support team-based integrated care** across multiple elements of the broader healthcare system.

Sustainability

Current & Projected Financials

Sustaining Future Expansion

- Increasing the average annual visits per patient from 2.5 to 2.6 visits will keep the clinic in the black during the entire forecast period
- Forecast based on 2023 financial budget with 3.0% annual growth in patients plus conceptual plan for new
- 20,027 ft² building and shell space rented at \$1.75/ ft²

Sustaining Future Expansion

	Actual FY2019	Actual FY2020	Actual FY2021	Budget FY2022	Base Year Forecast FY2023	Forecast FY2024	Expansion Opens Forecast FY2025	Forecast FY2026	Forecast FY2027	Forecast FY2028	Forecast FY2029	Forecast FY2030	Forecast FY2031	Forecast FY2032
Revenue														
Total Visits	4,861	4,435	4,871	5,848	6,048	6,254	6,468	6,677	6,883	7,082	7,276	7,462	7,640	7,810
Total Patients	2,128	1,818	2,262	2,339	2,419	2,502	2,587	2,671	2,753	2,833	2,910	2,985	3,056	3,124
Gross Revenue per Visit	\$346	\$371	\$401	\$400	\$400	\$406	\$412	\$418	\$425	\$431	\$437	\$444	\$451	\$457
Gross Patient Revenue	\$1,680,912	\$1,644,897	\$1,951,955	\$2,339,225	\$2,419,085	\$2,539,198	\$2,665,274	\$2,792,993	\$2,921,992	\$3,051,887	\$3,182,268	\$3,312,707	\$3,442,752	\$3,571,937
Frequency	2.3	2.4	2.2	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
% Net Patient Revenue	74%	69%	65%	74%	77%	77%	77%	77%	77%	77%	77%	77%	77%	77%
Net Patient Revenue	\$1,249,503	\$1,129,056	\$1,260,470	\$1,752,293	\$1,862,696	\$1,955,182	\$2,052,261	\$2,150,604	\$2,249,934	\$2,349,953	\$2,450,347	\$2,550,784	\$2,650,919	\$2,750,391
Operating grants	1,633,214	2,450,533	2,150,012	1,905,044	\$1,490,419	\$1,601,000	\$1,601,000	\$1,601,000	\$1,601,000	\$1,601,000	\$1,601,000	\$1,601,000	\$1,601,000	\$1,601,000
Lab Services & Case Management					\$92,400	\$92,400	\$92,400	\$92,400	\$92,400	\$92,400	\$92,400	\$92,400	\$92,400	\$92,400
Other	271,146	208,098	206,003	169,320	\$194,320	\$194,320	\$194,320	\$194,320	\$194,320	\$194,320	\$194,320	\$194,320	\$194,320	\$194,320
Total revenues	\$3,153,863	\$3,787,688	\$3,616,485	\$3,826,657	\$3,639,835	\$3,842,902	\$3,939,981	\$4,038,324	\$4,137,654	\$4,237,673	\$4,338,067	\$4,438,504	\$4,538,639	\$4,638,111
Support- city contributions					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total support and revenues	\$3,153,863	\$3,787,688	\$3,616,485	\$3,826,657	\$3,639,835	\$3,842,902	\$3,939,981	\$4,038,324	\$4,137,654	\$4,237,673	\$4,338,067	\$4,438,504	\$4,538,639	\$4,638,111
Expense														
Personnel Expenses	1,660,867	2,021,892	2,084,343	2,295,451	2,286,109	2,320,401	2,355,207	2,390,535	2,426,393	2,462,789	2,499,730	2,537,226	2,575,285	2,613,914
Fringe Benefits	616,565	607,482	694,709	761,870	728,796	739,728	750,824	762,086	773,518	785,120	796,897	808,851	820,983	833,298
Travel	71,333	22,845	44,837	31,958	16,111	16,353	16,598	16,847	17,100	17,356	17,616	17,881	18,149	18,421
Contractual	257,204	378,804	362,259	418,170	231,283	234,752	238,274	241,848	245,475	249,157	252,895	256,688	260,539	264,447
Equipment	15,456	58,185	22,833	93,520	28,800	29,232	29,670	30,116	30,567	31,026	31,491	31,964	32,443	32,930
Supplies	83,911	85,499	64,046	74,850	77,525	78,688	79,868	81,066	82,282	83,516	84,769	86,041	87,331	88,641
New Space (20,027 sqft)														
Repairs and Maintenance	41,276	40,951	42,660	47,000	47,000	47,705	\$ 190,242	\$ 193,096	\$ 195,992	\$ 198,932	\$ 201,916	\$ 204,945	\$ 208,019	\$ 211,139
Utilities	37,449	37,929	38,243	39,000	39,000	39,585	\$ 84,113	\$ 85,375	\$ 86,656	\$ 87,956	\$ 89,275	\$ 90,614	\$ 91,973	\$ 93,353
Other	206,932	239,883	287,012	282,727	225,688	229,073	232,509	235,997	239,537	243,130	246,777	250,479	254,236	258,049
Non-Cash Expenses	47,282	20,881	22,353	19,400	79,400	80,591	81,800	83,027	84,272	85,536	86,819	88,122	89,444	90,785
Total Expenses	3,038,278	3,514,352	3,663,294	4,063,945	3,759,712	3,816,108	4,059,106	4,119,992	4,181,792	4,244,519	4,308,187	4,372,810	4,438,402	4,504,978
Net Income (w/out Rental Space)	\$115,586	\$273,336	(\$46,810)	(\$237,288)	(\$119,877)	\$26,795	(\$119,124)	(\$81,668)	(\$44,138)	(\$6,846)	\$29,880	\$65,694	\$100,237	\$133,134
Rental Income							\$ 60,585	\$ 61,494	\$ 62,416	\$ 63,352	\$ 64,303	\$ 65,267	\$ 66,246	\$ 67,244
Net Income	\$115,586	\$273,336	(\$46,810)	(\$237,288)	(\$119,877)	\$26,795	(\$58,539)	(\$20,174)	\$18,278	\$56,506	\$94,183	\$130,962	\$166,483	\$200,378

Capital Funding Plan

Grant Funding Opportunities, Community Partnerships, Timeline

How Will We Get There?

Grants and Community Partnerships

- Federal Grants (CDS) \$5 Million (**Awarded 2/2023**)
- State and Federal Grants \$13 Million
- Foundation Grants & Community Support \$2 Million

Our Funding Goals

Project Phase	Funding Goal	Timeline/Status
Land Purchase	\$ 200,000	Completed 2017
Needs Assessment, Conceptual Drawings, & Feasibility Study	\$ 100,000	Completed 2022
Shovel Ready Planning & Design	\$ 1,089,000	2024
Construction, Fixtures, Move-In	\$ 18,611,000	2026

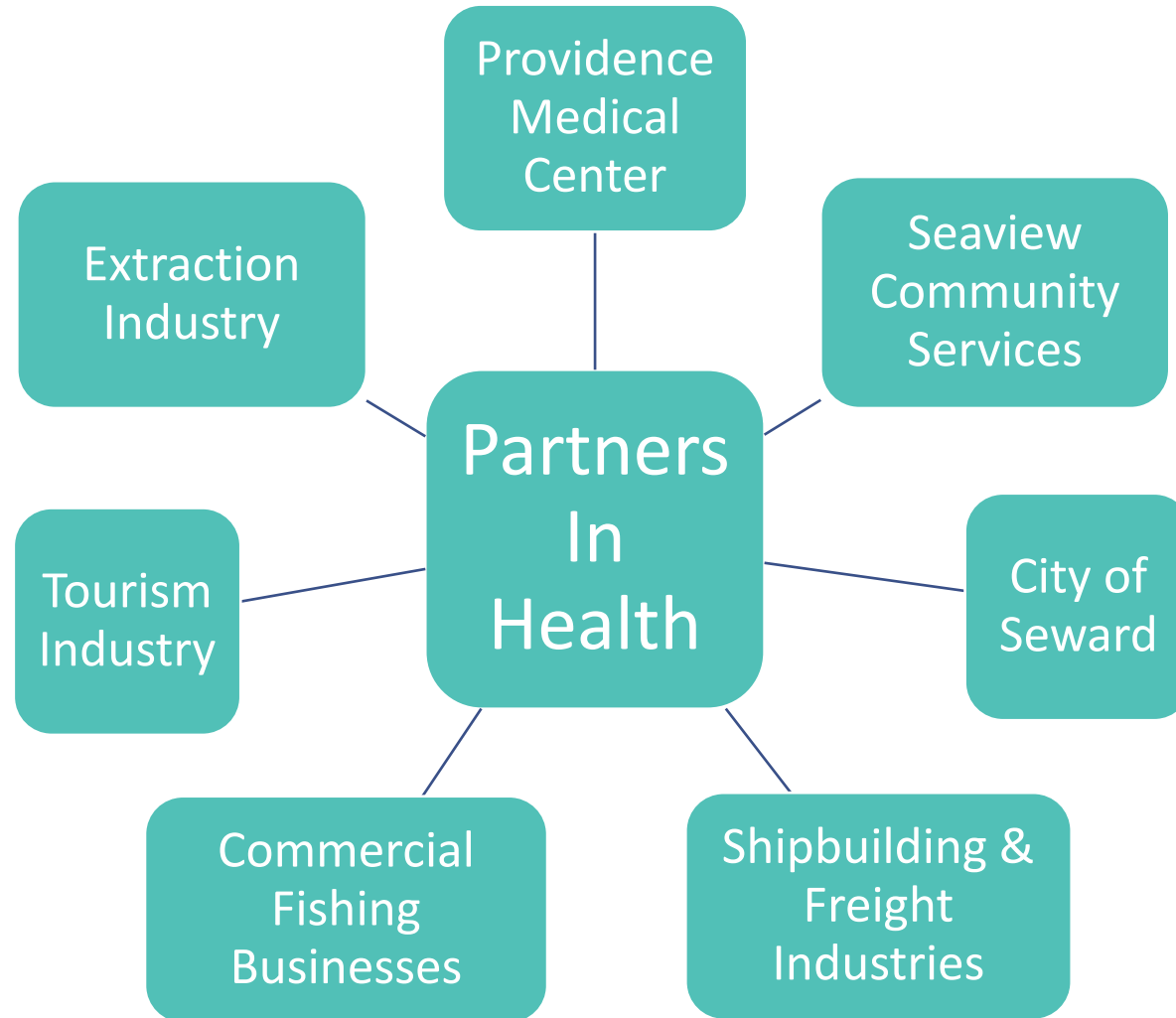
Break Ground With Us

Community Partnership

Stakeholders in Community Health

Building a Healthier Community Together

- Community health
- Economic opportunity
- Excellent quality of life

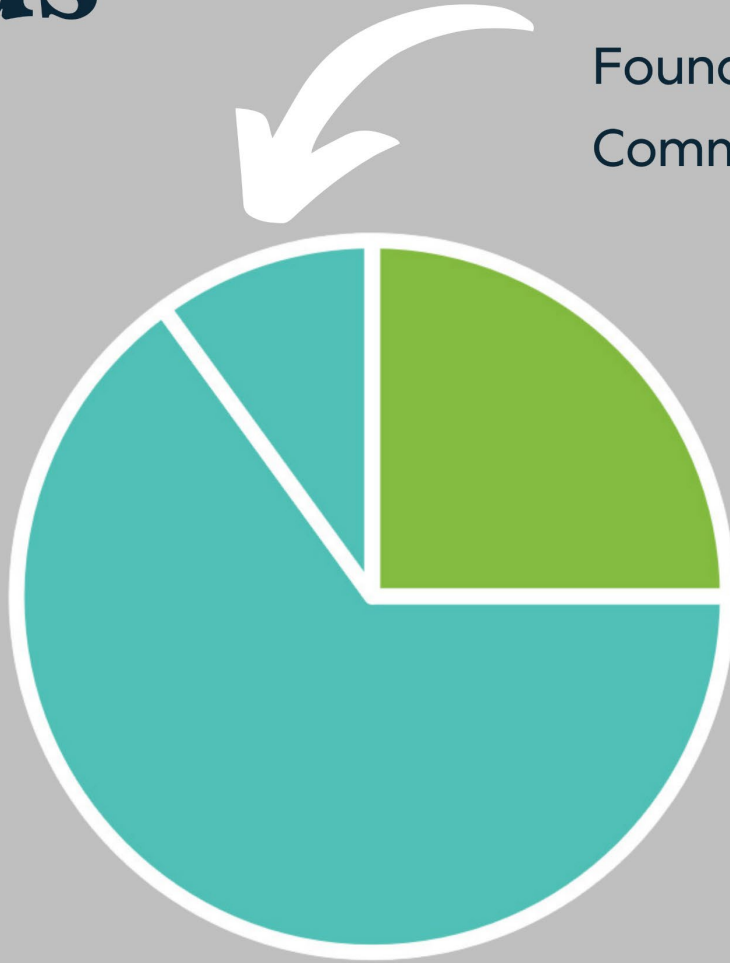


Funding Needs

The estimated cost of the new facility is \$20 million. SCHC's board has committed to building this structure without debt, which will allow staff to focus on the mission of delivering high quality medical care.

\$13 million

State & Federal
Grants



\$2 million

Foundation Grants &
Community Support

\$5 million

SECURED: Congressionally
Directed Spending

How You Can Help

1. Follow us on social media @sewardhealthcenter
 1. Facebook, Instagram, YouTube, Indeed
2. Sign up for email updates
3. Write a letter of support
4. Write our state legislators
5. Consider joining our Campaign Cabinet

Together, we will achieve our common goals of access to affordable and quality healthcare for Seward!

Our community and partners make everything possible.

Thank you!



A New Seward Community Health Center

IMPACT:

Our goal is to improve the lives of people in Seward and Moose Pass by transforming how healthcare is delivered. With an estimated completion date of 2027, Seward Community Health Center's new clinic will enable a more holistic approach to healthcare that makes it easier for people to access the care and resources they need to thrive.

HISTORY & NEED:

Seward Community Health Center (SCHC) is a non-profit organization created for the people, by the people. Our community-supported 501(c)(3) was formed in 2010 when Seward residents approved a City ordinance aimed at improving access to care and the overall health of Seward residents. SCHC first received federal funding in November 2013 and was given only 120 days to begin providing services as a Federally Qualified Health Center. To meet the deadline, SCHC was given space in the hospital building and a detached dry office trailer – intended as a temporary arrangement until a new facility could be secured.

Fast forward nearly 10 years: we have tripled our patient volume, with nearly 7,000 patient visits annually. Our staff size has also grown to accommodate the increased demand. We now have nearly 30 staff filling 23 full-time positions. **Space constraints are now severely restricting our ability to provide new and expanded services to our community.**



WHY THIS SHOULD BE A LEGISLATIVE PRIORITY:

This facility is more than just a new clinic. It gives our community – our state – the opportunity to reshape the face of healthcare, starting at the community level. As you know, our healthcare system is broken and this project provides an example of how to fix a piece of it. Regular, stable, and extensive primary care decreases the need for more expensive healthcare. The new SCHC facility will change how we deliver healthcare because it will be more focused on prevention and education and less focused on treating the issue right in front of us. We're already behind in the type of care we could be providing to our community. We need to be proactive for the next pandemic. **Our state leadership can be a part of creating a new model for healthcare in Alaska, and you can help.**

CAMPAIGN GOAL AND DETAILS:

Current projections predict this project to cost approximately \$20 million, which includes furniture, fixtures, equipment, campaign, and other costs. As of October 2023, we have already secured a \$5 million federal grant toward this project and engaged with The Foraker Group in capital campaign consulting. We anticipate most of the remaining funding will come from additional state and federal grants, with the remainder coming from foundation and community support. SCHC’s board has committed to building this structure without debt so staff can focus on delivering high-quality care.

HIGHLIGHTS AND BENEFITS OF THE NEW CLINIC:

The SCHC new clinic will be a place for wellness and community, not just a place to treat illness. By including a teaching kitchen, meeting spaces, and other partners in health, residents will have greater access to “whole person” care.

- **Close to current location** – SCHC has already purchased the land for this project at 431-501 First Ave
- **Two-story facility with 20,000 ft²**
 - Large enough to accommodate current and future needs, plus include partners in health
- **Double the number of exam rooms**
 - More appointment availability
 - Shorter patient wait times
 - Ability to bring specialists to Seward regularly
 - Telehealth rooms to connect with remote specialists without leaving Seward
- **Increased access to behavioral health services** – more space for individual and group therapy
- **Improved privacy** – space for patients to have private conversations with nursing, enrollment, and billing staff
- **Integration of preventive care, wellness, and health education** – including a teaching kitchen with attached community meeting spaces
- **Infectious illness care** – Isolated exam room with separate entrance
- **Efficiency and effectiveness** – Bringing staff together under one roof to provide “whole person care”
- **Inclusion of other partners in community health**

SUSTAINABILITY:

A feasibility study conducted by Agnew::Beck Consulting indicates that current patient volumes and pricing practices will allow SCHC to be profitable in a new building within 5 years of opening.

HOW YOU CAN HELP:

Interested in supporting this important project for Seward residents? We are seeking advocates, volunteers, and people interested in making leadership gifts at this time.

MORE INFORMATION:

Craig Ambrosiani, Executive Director
907-224-8505
cambrosiani@sewardhealthcenter.org
www.sewardhealthcenter.org/newclinic

