



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

January 24, 2014

Certified Mail 7011 2000 0000 5081 8609

Thomas H. Brown, RN, MSN
Executive Director
Wesley Homes At Home, LLC
815 South 216th Street
Des Moines, Washington 98198

RE: CN13-04

Dear Mr. Brown:

We have completed the reconsideration review of the Certificate of Need application submitted by Wesley Homes At Home, LLC proposing to establish a Medicare certified and Medicaid eligible hospice agency in King County. The written reconsideration evaluation is enclosed.

For the reasons stated in this reconsideration evaluation, the department concluded that the project is not consistent with the Certificate of Need review criteria identified below, and a Certificate of Need is denied.

Need	Washington Administrative Code 246-310-210
Financial Feasibility	Washington Administrative Code 246-310-220
Structure and Process of Care	Washington Administrative Code 246-310-230
Cost Containment	Washington Administrative Code 246-310-240

This decision may be appealed by using the option listed below.

Appeal Option:

You or any affected person with standing may request an adjudicative proceeding to contest this decision within 28 calendar days from the date of this letter. The notice of appeal must be filed according to the provisions of Revised Code of Washington 34.05 and Washington Administrative Code 246-310-610. A request for an adjudicative proceeding must be received within the 28 days at one of the following addresses:



Thomas Brown, RN, MSN
Executive Director
Wesley Homes At Home, LLC
January 24, 2014
Page 2

Mailing Address:
Adjudicative Service Unit
Mail Stop 47879
Olympia, WA 98504-7879

Other Than By Mail
Adjudicative Clerk Office
111 Israel Road SE
Tumwater, WA 98501

If you have any questions, or would like to arrange for a meeting to discuss our decision, please contact Janis Sigman with the Certificate of Need Program at (360) 236-2955.

Sincerely,



Steven M. Saxe, FACHE
Director, Community Health Systems

Enclosure

**RECONSIDERATION EVALUATION DATED JANUARY 24, 2014, FOR THE
CERTIFICATE OF NEED APPLICATION SUBMITTED BY WESLEY HOMES AT
HOME, LLC PROPOSING TO ESTABLISH A MEDICARE CERTIFIED AND
MEDICAID ELIGIBLE HOSPICE AGENCY IN KING COUNTY**

APPLICANT DESCRIPTION

This application was submitted by Wesley Homes at Home, LLC (WHAH) a subsidiary of Wesley Community Health Services (WCHS) and WCHS is a subsidiary of Wesley Home Corporation (Wesley). Wesley and its subsidiaries provide healthcare services to older adults and are affiliated with the Pacific Northwest Conference of United Methodist Church. [Source: Application, page 2] WHAH currently operates a Medicare certified and Medicaid eligible¹ home health agency providing services to the residents of King, Pierce, and Snohomish counties².

PROJECT DESCRIPTION

This project proposes to establish a new hospice agency in the city of Des Moines within King County. The proposed hospice agency would share office space with the applicant's existing Medicare certified home health agency located at 815 South 216th Avenue in Des Moines 98198. Services to be provided by the Medicare certified hospice agency would include pain and symptom management, nursing care and education, nutritional counseling, bereavement and medical social services, durable medical equipment services, speech, physical, and occupational therapies and spiritual care. [Source: Application, Pages 6 -7]

The capital expenditure associated with the establishment of the hospice agency is \$54,416, which is solely related to equipment, taxes, and fees. [Source: Application, Page 17].

According to the timeline provided in the application, year 2014 is the proposed project first year and years 2015 and 2016 would be the second and third full calendar years of operation. [Source: Application, Page 8]

BACKGROUND INFORMATION ON THE PROJECT

On August 14, 2013, the department denied WHAH's application because it did not find need for an hospice agency in King County by year 2016 the applicant proposed third year of operation. On September 11, 2013, WHAH submitted a reconsideration request. WHAH's reconsideration request asserted:

*“(ii) Significant changes in factors or circumstances relied upon by the department and
(iii) evidence the department materially failed to follow adopted procedures in reaching a
decision.”*

On October 11, 2013, the department granted WHAH's reconsideration request and hearing was conducted a hearing on November 9, 2013. At the reconsideration hearing, WHAH provided documentation to support its assertion that the department did not follow its adopted procedures when it denied the application.

¹ A Medicare certified agency is also Medicaid eligible, therefore, the term “Medicaid eligible” will not be repeated throughout this evaluation.

² WHAH application stated the applicant acquired TLC Home Health in May 2007. TLC was CN approved to provide services in King, Snohomish and Pierce counties.

APPLICABILITY OF CERTIFICATE OF NEED LAW

This project is subject to Certificate of Need (CN) review as the establishment of a new healthcare facility under the provisions of Revised Code of Washington (RCW) 70.38.105(4)(a) and Washington Administrative Code (WAC) 246-310-020(1)(a).

EVALUATION CRITERIA

WAC 246-310-200(1)(a)-(d) identifies the four determinations that the department must make for each application. WAC 246-310-200(2) provides additional direction in how the department is to make its determinations. It states:

“Criteria contained in this section and in WAC 246-310-210, 246-310-220, 246-310-230, and 246-310-240 shall be used by the department in making the required determinations.

(a) In the use of criteria for making the required determinations, the department shall consider:

- (i) The consistency of the proposed project with service or facility standards contained in this chapter;*
- (ii) In the event the standards contained in this chapter do not address in sufficient detail for a required determination the services or facilities for health services proposed, the department may consider standards not in conflict with those standards in accordance with subsection (2)(b) of this section; and*
- (iii) The relationship of the proposed project to the long-range plan (if any) of the person proposing the project.”*

In the event the WAC 246-310 does not contain service or facility standards in sufficient detail to make the required determinations, WAC 246-310-200(2)(b) identifies the types of standards the department may consider in making its required determinations. Specifically WAC 246-310-200(2)(b) states:

“The department may consider any of the following in its use of criteria for making the required determinations:

- (i) Nationally recognized standards from professional organizations;*
- (ii) Standards developed by professional organizations in Washington State;*
- (iii) Federal Medicare and Medicaid certification requirements;*
- (iv) State licensing requirements;*
- (v) Applicable standards developed by other individuals, groups, or organizations with recognized expertise related to a proposed undertaking; and*
- (vi) The written findings and recommendations of individuals, groups, or organizations with recognized expertise related to a proposed undertaking, with whom the department consults during the review of an application.”*

WAC 246-310-290 contains service or facility specific criteria for hospice projects and must be used to make the required determinations. To obtain Certificate of Need approval, the applicant must demonstrate compliance with the applicable criteria found in WAC 246-310-210 (need); 246-310-220 (financial feasibility); 246-310-230 (structure and process of care); 246-310-240 (cost containment); and WAC 246-310-290 (hospice standards and forecasting method).³

³ Each criterion contains certain sub-criteria. The following sub-criteria are not discussed in this evaluation because they are not relevant to this project: WAC 246-310-210(3), (4), (5), and (6); WAC 246-310-220(2) and (3); and WAC 246-310-240(2) and (3).

RECONSIDERATION EVALUATION CRITERIA

As directed under WAC 246-310-290(3), the department accepted this initial project under the year 2012 Concurrent Review Cycle. No other hospice applications were submitted for the King County planning area during the 2012 review cycle. As allowed under WAC 246-310-290(5), this application was converted to a regular review. A chronological summary of the application review is shown below:

INITIAL APPLICATION CHRONOLOGY

Action	Dates
Letter of Intent Submitted	September 28, 2012
Application Submitted	October 31, 2012
Department's pre-review activities including screening questions and responses	October 31, 2012 through January 22, 2013
Department Begins Review of Application <ul style="list-style-type: none">• public comments accepted throughout review• No public hearing requested or conducted	January 23, 2013
End Public Comments/ Public Hearing	February 26, 2013
Rebuttal Comments Due	March 12, 2013
Department's Anticipated Decision Date	April 26, 2013
Department Actual Decision Date	August 14, 2013

RECONSIDERATION REVIEW CHRONOLOGY

Action	Date
Request for Reconsideration	September 11, 2013
Department Grants Reconsideration	October 11, 2013
Reconsideration Public Hearing Conducted in Tumwater	November 8, 2013
Reconsideration Rebuttal Comments Due	November 25, 2013
Department's Anticipated Reconsideration Decision Date	January 9, 2014
Department's Actual Reconsideration Decision Date	January 24, 2014

AFFECTED PERSONS

Washington Administrative Code 246-310-010(2) defines "affected person" as:
"...an "interested person" who:

- (a) *Is located or resides in the applicant's health service area;*
- (b) *Testified at a public hearing or submitted written evidence; and*
- (c) *Requested in writing to be informed of the department's decision"*

During the initial reviews of this project, the following four entities listed below sought and received affected person status under WAC 246-310-010(2)⁴.

- Providence Senior and Community Services a provider of in-home care services, including home care, senior care and Medicare and Medicaid certified hospice in King County.

⁴ Franciscan Hospice and Palliative Care requested interested persons status, but did not provide comments.

- Evergreen Health a provider of in-home care services including Medicare certified home health, hospice and other community health programs in King County.
- The Kline Galland Center a provider of in-home services including Medicaid certified home health and hospice, assisted living and skilled nursing and other community services in King County.
- Odyssey/Gentiva Health Services, Inc. a provider in-home services, including Medicare certified hospice services in King County.

During the reconsideration review of this project, one of the entities listed above maintained status under WAC 246-310-010(2). As a result, only Odyssey/Gentiva Health Services is considered an affected person under this reconsideration review.

INITIAL APPLICATION SOURCE INFORMATION REVIEWED

- Wesley Homes At Home Certificate of Need application received October 31, 2012
- Wesley Homes At Home supplemental information received January 15, 2013
- Public comment submitted by Odyssey/Gentiva Health Services, Inc. on February 26, 2013
- Public comments submitted by Evergreen Health on February 26, 2013
- Public comments submitted by The Kline Galland Center received on February 21, 2013
- Public comments submitted by Providence Senior and Community Services on February 26, 2013
- Rebuttal comments submitted by Wesley Homes At Home, LLC received on March 12, 2013
- April 12, 2012, Hospice Surveys
- Hospice Services Standards and Forecasting Methodology based consisted with WAC 246-310-290(7)
- Licensing and/or survey data provided by the Department of Health's Investigations and Inspections Office
- Population data obtained from the Office of Financial Management based on year 2012 census
- Data obtained from the Department of Health's Integrated Licensing & Regulatory System (ILRS)
- <http://www.medicare.gov/NursingHomeCompare/profile.aspx> - Compliance history –

RECONSIDERATION SOURCE INFORMATION REVIEWED

- Wesley Homes At Home Certificate of Need application received October 31, 2012
- The Department of Health's screening questions dated November 30, 2012
- Wesley Homes At Home supplemental information received January 15, 2013
- The Department of Health's initial evaluation released on August 14, 2013
- Wesley Homes At Home reconsideration request received September 11, 2013
- Wesley Homes At Home reconsideration information submitted at the November 8, 2013 reconsideration public hearing
- Odyssey/Gentiva Health Services, Inc. public comments received on November 8, 2013
- Odyssey/Gentiva Health Services, Inc. rebuttal comments received on November 14, 2013
- Wesley Homes At Home rebuttal comments received on November 25, 2013

RECONSIDERATION CONCLUSION

For the reasons stated in this reconsideration evaluation, the application submitted by Wesley Homes at Home, LLC proposing to establish a Medicare certified and Medicaid eligible home health agency to serve the residents of King County is not consistent with the applicable review criteria and a Certificate of Need is denied.

CRITERIA DETERMINATIONS

A. Need (WAC 246-310-210) and Need Forecasting Methodology (WAC 246-310-290)

Based on the source information reviewed the department concludes that Wesley Homes At Home, LLC's application did not meet the need criteria in WAC 246-310-210(1) and the need forecasting methodology and standards outline in WAC 246-310-290.

- (1) *The population served or to be served has need for the project and other services and facilities of the type proposed are not or will not be sufficiently available or accessible to meet that need.*

Initial Evaluation Summary

In its August 14, 2013, initial evaluation the department concluded that WHAH's application did not demonstrate need for a new agency in King County in year 2016, WHAH's projected third full year of operation. This conclusion was reached based on the following factors.

- The numeric methodology did not show need for another hospice agency in year 2016.
- Because of the anticipated delays in implementing any approval of this project, WHAH changed its commencement date from January 2016 to January 2017. [Source: August 14, 2013, initial evaluation, Pages 5-10]

Reconsideration Review

WHAH's reconsideration request alleges that after it submitted their initial application on October 31, 2012, the department changed their 2012 preliminary hospice need methodology posted on the website. The department did not notify WHAH when it finalized the preliminary methodology. Therefore, WHAH did not have the opportunity to provide input to the department's finalize year 2012 hospice need methodology.

[Comments received November 8, 2013]

- WHAH stated that the preliminary hospice need estimates posted on the department's website showed need for a hospice agency in King County as early as year 2012. Therefore, the department should have not have finalized the need method rather the department should have continued to rely on the preliminary estimates it posted on the website before the year 2012 application submission period.
- WHAH's hospice need calculations submitted on January 11, 2013, showed need for a new hospice agency in King County in years 2015 and 2016. WHAH's rebuttal responses indicated that its financial pro forma revised with third full year of operations in year 2017 supported its volumes.
- WHAH's January 11, 2013 supplemental information shows the proposed project pro-forma income statement and its assumptions and it provides support for projected hospice admissions, market share, patients and service mix. WHAH believes that whether the project commences in year 2016 or 2017, bears no relationships to the continuity of care because WHAH facilitates and ensure continuity of care from admission to discharge. WHAH was the only applicant proposing to establish hospice agency in King County and no other applicant applied.

The department received comments from Gentiva/Odyssey related to WHAH's reconsideration request. Summarized below are the comments.

Gentiva/Odyssey [Comments received November 8, 2013]

- Wesley Homes argues in another project that the department was prohibited by the courts from using the most recently available hospice volume data. This is incorrect and the fact remains Wesley Homes did not independently run its own need methodology calculations. It relied on the department's preliminary need methodology as the basis for its application to show need.
- Wesley Homes also argues that it was entitled to individual notice that the department's need calculations for the relevant target year were under revision. This argument lacks merit because Wesley Homes was notified during the application screening period that it needed to make its own calculations because the department's need methodology did not show need.
- For years, hospice applicants have had to calculate the need methodology on their own with limited data. Wesley's decisions to rely solely on the department's calculations posted on its website was made at its own peril, while ignoring the hospice rule requiring applicants to determine need in their applications through their own calculations.

In response to the comments submitted by Gentiva/Odyssey WHAH provided rebuttal comments summarized below.

WHAH [Rebuttal comments received November 25, 2013]

- Gentiva argues that Wesley did not conduct its own need calculation and the department can alter its estimates of need after formal review has commenced. Our record shows the department did not publish, and Wesley was not aware of new projections until the opportunity for any modification of our application lapsed. The department had multiple opportunities to post a new methodology in time for Wesley to respond.
- Wesley originally expected to begin offering services in January of 2014, but given the delays it anticipated related to Medicare certification, it now anticipated the hospice agency third full year of operation would be year 2017.
- If the department can confirm that Odyssey does not have a valid Certificate of Need and it is excluded from capacity, then there is need in year 2013.
- If the department corrects its need calculation and excludes Kline Galland from current capacity then it will find that need exist. Kline Galland received a determination of non-reviewability in 2009 therefore, its third year of operation is 2011. Comments provided by WHAH argued that, "*Based on (1) above..., its actual utilization and not an assumed ADC of 35 should have been incorporated into the methodology. When Kline Galland data is corrected, need exists in 2013*".

Department's Evaluation

The WHAH comments that the department did not publish and Wesley was not aware of new projections until the opportunity for any modification of its application lapsed, this assertion is without merit.

On November 30, 2012 the department's screening question #4 to the applicant stated, *"The preliminary hospice need methodology posted by the department on its website has been updated with current need data. The updated need methodology shows there is no need for new hospice agency in King County. Please provide your need calculations for King County using the updated hospice need data"*. On January 11, 2013, WHAH supplemental information stated, *"Based upon our December 10, 2012 meeting with the Department of Health (Department) and our follow-up conversation, we understand the Department has finalized its need methodology for the 2012 concurrent review cycle and has found that need for an additional provider exists in King County. Our need calculation closely parallels the Department's final calculation and included as Attachment 2"*. [Source: Supplemental information submitted by Wesley Homes At Home, LLC received on January 11, 2013]

The attachment #2 to supplemental information that WHAH referenced above, was a re-submitted copy of the department's hospice need methodology that did not show need for King County in year 2016, WHAH's projected third year of operation. As part of the supplemental information it submitted to the department, WHAH provided its projected patients census and average daily census, which is summarized in the table below. [Source: Supplemental information received January 15, 2013 pages 6-7]

Table 1
WHAH Projected Patient Census

	Year 1 – 2014	Year 2 – 2015	Year 3 – 2016
Admission	231	275	333
Average Length of Stay	55.2	55.2	55.2
Total Days	12,751	15,125	18,381
Average Daily Census	35.0	41.5	50.4

As shown in the table above, in year 2016 WHAH third year of operation, WHAH proposed that it would have an average daily census of 50.4. The department's need methodology for King County in year 2016 shows an unmet average daily census of 29. The department's unmet average daily census shows no need in year 2016, but for year 2017, it showed an unmet need of 37, which would allow approval for a program. Given there is no need for a new hospice agency for King County in year 2016, WHAH argued that it anticipates delays commencing⁵ its project in year 2014. Therefore, the third of operation and projection year should be 2017.

⁵ WAC 246-310-010 (13) "Commencing In the case of a construction project, means giving notice to proceed ... In the case of other projects, initiating a health service."

Therefore, it would like to move the stated third year of operation declared in its application to year 2017. The department granted WHAH's request for reconsideration because it stated the department materially failed to follow adopted procedures in reaching a decision related to its application, but as it has been shown, that is not the case. WHAH had the opportunity to submit its independently calculated hospice need methodology that supports its application, but it chose not to do so. On January 11, 2013, WHAH's screening responses to the department's stated, "*Per the requirement of WAC 246-310-090(2)(c)*⁶, *Wesley Homes at Home, LLC request that the Department of Health commence review*". WHAH's instructions to the department to commence review implies that it did not wish to submit any other documentation related to the application because it deemed its application complete to begin formal review. The department complied with WHAH request and began formal review of the application as requested on January 23, 2013.

WHAH argued that the department should continue to rely on the preliminary hospice calculation the department posted on the website because WHAH relied on that calculations when it submitted its application. During the 2012 hospice application submission period, updated state death and population data were missing in the preliminary calculation posted on the department website. The department updated its preliminary hospice calculation with current data when current year data became publicly available. WHAH's assertion that it was not notified that the department's preliminary 2012 hospice calculations have been updated is incorrect.

The department's screening questions dated November 30, 2012, mailed to WHAH specifically informed WHAH that the updated need calculation showed there is no need in King County. The department's record shows that WHAH did not provide a direct response to the question nor did it provide its own independently calculated hospice need methodology. WHAH also stated that Odyssey does not have a valid certificate of need because Gentiva acquired it before it commences the project. The department disagrees with that assertion.

Related to WHAH's other comments regarding Kline Galland's current capacity and the correct data to use, WAC 246-310-290(1)(c) provides and states,

- (i) *For hospice agencies that have operated (or been approved to operate) in the planning area for three years or more, the average number of admissions for the last three years of operation; and*
- (ii) *For hospice agencies that have operated (or been approved to operate) in the planning area for less than three years, an ADC of thirty-five and the most recent Washington average length of stay data will be used to calculate assumed annual admissions for the agency as a whole for the first three years.*

The department's record shows that Kline Galland received its CN exemption on October 20, 2009, to provide hospice services to its own patients.

⁶ WAC 246-310-090(2)(c)(2)(ii) "Submission of written supplemental information with a written request that review of the certificate of need application begin without the department notifying the applicant as to whether the supplemental information is adequate to complete the application."

The department also shows that Kline Galland submitted an application for a Certificate of Need and on October 19, 2010, CN#1428 was issued to Kline Galland approving a Medicare and Medicaid hospice services to the residents of King County. Based on the language of WAC 246-310-290(1)(c)(ii) above the department calculated Kline Galland current capacity using an ADC of 35.

Having considered WHAH's reconsideration comments, the department concludes that there was no additional information reviewed in this reconsideration that would change the initial evaluation conclusion. **This sub-criterion is not met.**

- (2) All residents of the service area, including low-income persons, racial and ethnic minorities, women, handicapped persons, and other underserved groups and the elderly are likely to have adequate access to the proposed health service or services.

Initial Evaluation Summary

In its August 14, 2013, initial evaluation the department concluded that WHAH's application met this sub-criterion. This conclusion was reached based on the documentation provide by the applicant. [Source: August 14, 2013, initial evaluation, Pages 13-14]

Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. **This sub-criterion remains met.**

B. Financial Feasibility (WAC 246-310-220)

Based on the source information reviewed, the department concludes Wesley Homes At Home, LLC did not meet the financial feasibility criteria in WAC 246-310-220.

- (1) The immediate and long-range capital and operating costs of the project can be met.

Initial Evaluation Summary

In its August 14, 2013, initial evaluation the department concluded that WHAH's application did not demonstrate need for a new agency in King County in year 2016, WHAH's projected third full year of operation. This conclusion was reached based on the following factors.

- The numeric methodology did not show need for another hospice agency in year 2016.
- Because of the anticipated delays in implementing any approval of this project, WHAH changed its third year of operation date from January 2016 to January 2017.

[Source: August 14, 2013, initial evaluation pages 14-17]

Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. **This sub-criterion remains unmet.**

C. Structure and Process (Quality) of Care (WAC 246-310-230)

Based on the source information reviewed the department concludes Wesley Homes At Home did not meet the structure and process (quality) of care criteria in WAC 246-310-230.

- (1) A sufficient supply of qualified staff for the project, including both health personnel and management personnel, are available or can be recruited.
- (2) The proposed service(s) will have an appropriate relationship, including organizational relationship, to ancillary and support services, and ancillary and support services will be sufficient to support any health services included in the proposed project.
- (3) There is reasonable assurance that the project will be in conformance with applicable state licensing requirements and, if the applicant is or plans to be certified under the Medicaid or Medicare program, with the applicable conditions of participation related to those programs.

Initial Evaluation Summary

In its August 14, 2013, initial evaluation the department concluded that WHAH met the three sub-criteria above, however the evaluation also concluded that WHAH did not meet the fourth sub-criterion under the WAC. The department initial evaluation concluded that WHAH met the three sub-criterion stated above based on the following factors:

- a review of the applicant's current and projected staffing for the hospice agency;
- a demonstration that the applicant can recruit personnel;
- the projected staffing;
- a review of documentation provided related to key personal and the care to be provided at the hospice agency;
- a review of the draft documentation related to the medical director for the hospice agency;
- a review of the listing of current and proposed vendors for ancillary and support services;
- a review of WHAH quality of care history providing skilled nursing care, assisted living care, and care through its home health agency; and
- a review of the medical director's quality of care history.

[Source: August 14, 2013, initial evaluation, Pages 17-18]

Reconsideration Review

In its August 14, 2013, initial evaluation the department concluded WHAH did not meet WAC 243-310-230(4). This conclusion was reached based on WHAH's denial under WAC 246-310-210 and WAC 246-210-290(7) of the initial evaluation. Once an applicant is denied under a sub-criterion, the department must also conclude that the application fail all criteria under review.

WHAH did not provide any additional information that the department could have used in its reconsideration related to WAC 243-310-230(4). Since the department's initial evaluation concluded that this sub-criterion was not met, then the same conclusion can also be reached in this reconsideration evaluation. Therefore, the department concludes that **these sub-criteria remain unmet.**

- (4) The proposed project will promote continuity in the provision of health care, not result in an unwarranted fragmentation of services, and have an appropriate relationship to the service area's existing health care system.

WAC 246-310 does not contain specific WAC 246-310-230(4) criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs how to measure unwarranted fragmentation of services or what types of relationships with a services area's existing health care system should be for a project of this type and size. Therefore, using its experience and expertise the department assessed the materials in the application.

Initial Evaluation Summary

In its August 14, 2013, initial evaluation the department concluded WHAH did not meet this sub-criterion. This conclusion was reached based on WHAH's denial under WAC 246-310-210 and WAC 246-210-290(7) and WAC 246-310-220 of the initial evaluation. Once an applicant is denied under a sub-criterion, the department must also conclude that the application would not promote continuity in the provision of health care services under this sub-criterion. [Source: August 14, 2013, initial evaluation, Pages 19-21]

Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. **This sub-criterion remains unmet.**

- (5) There is reasonable assurance that the services to be provided through the proposed project will be provided in a manner that ensures safe and adequate care to the public to be served and in accord with applicable federal and state laws, rules, and regulations.

Initial Evaluation Summary

In its August 14, 2013, initial evaluation the department concluded that WHAH met this sub-criterion based on its ability to meet the sub-criterion under WAC 246-310-230(3). [Source: August 14, 2013, Initial Evaluation, Page 20]

Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. **This sub-criterion remains met.**

D. Cost Containment (WAC 246-310-240)

Based on the source information reviewed, the department concludes Wesley Homes At Home, LLC did not meet the cost containment criteria in WAC 246-310-240.

- (1) Superior alternatives, in terms of cost, efficiency, or effectiveness, are not available or practicable.

Initial Evaluation Summary

In its August 14, 2013, initial evaluation the department concluded WHAH did not meet this sub-criterion. This conclusion was reached based on WHAH's denial under WAC 246-310-210 and WAC 246-210-290(7) and WAC 246-310-220 of the initial evaluation. Once an applicant is denied under a sub-criterion, the department must also conclude that the application is not the superior alternative. [Source: August 14, 2013, initial evaluation, Page 20]

Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. **This sub-criterion remains unmet**