



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

March 14, 2014

CERTIFIED MAIL #7011 1570 0002 7809 5667

Nancy Tieman, Vice President
Strategy, Innovation, and Development
PeaceHealth St. Joseph Medical Center
2901 Squalicum Parkway
Bellingham, Washington 98225

Dear Ms. Tieman:

Enclosed is Certificate of Need #1525 issued to PeaceHealth approving the addition of two level I rehabilitation beds to St. Joseph Medical Center and relocate all rehabilitation services and beds to the main campus.

The certificate is not approval for any other local, federal, or state statutes, rules, or regulations. Such a project may also need Department of Health approval for a construction plan and facility licensing or certification, as well as other federal or local jurisdiction permits.

The Certificate of Need is valid for two years. The project must begin during this time. If there is substantial and continuing progress, we may extend the certificate for one six month period. For an extension, you must submit an extension request at least 120 days before the expiration. You cannot begin a project after the expiration date.

This decision may be appealed. The appeal options are listed below.

Appeal Option 1:

Any person with standing may request a public hearing to reconsider this decision. The request must state the specific reasons for reconsideration in accordance with Washington Administrative Code 246-310-560. A reconsideration request must be received within 28 calendar days from the date of the decision at one of the following addresses:

Mailing Address:
Department of Health
Certificate of Need Program
Mail Stop 47852
Olympia, WA 98504-7852

Other Than By Mail:
Department of Health
Certificate of Need Program
111 Israel Road SE
Tumwater, WA 98501



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PeaceHealth St. Joseph Medical Center
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Appeal Option 2:

Any 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:

Mailing Address:

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

Other Than By Mail

Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

We monitor projects until completed or the expiration date, whichever occurs last. We do this with quarterly progress reports. At least 30 days before the report's due date, you will receive a form to complete and return.

If you have any questions, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,



Steven M. Saxe, FACHE
Director, Community Health Systems

Enclosure

cc: Department of Health, Investigations and Inspections Office
Department of Health, Construction Review Services



This Certificate is granted under the authority of RCW 70.38. Issuance of this Certificate does not constitute approval under any other local, federal, or state statute, implementing rules, and regulations. Examples where additional approval may be necessary include, but are not limited to, construction plan approval through the Construction Review Unit of the Department of Health, facility licensing/certification through the Department of Social and Health Services or Department of Health, and other federal or local jurisdiction permits.

Certificate of Need #1525 is issued to:

Legal Name of Applicant: PeaceHealth
Address of Applicant: 1115 Southeast 164th Avenue, Vancouver, Washington 98683
Type of Service: Tertiary Health Service
Facility Name: St. Joseph Medical Center
Facility Address: 2901 Squalicum Parkway, Bellingham, Washington 98225

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF MARCH 3, 2014. (App #14-08)

Project Description:

This certificate approves the addition of two level I rehabilitation beds to St. Joseph Medical Center's 12-bed rehabilitation unit. This certificate also approves the relocation of the entire rehabilitation unit and services to the hospital's main campus on Squalicum Parkway in Bellingham. At project completion, the number and type of approved beds at each campus is below.

APPROVED CONFIGURATION – 255 TOTAL LICENSED BEDS			
SJMC-Main	# of Beds	SJMC-South	# of Beds
General Medical/Surgical	207		
Level 2 intermediate care nursery	14	No inpatient services or beds at this campus	
Psychiatric (10 PPS Exempt)	20		
Level I Rehabilitation PPS Exempt	14		
Total	255	Total	0

Service Area

Whatcom County and surrounding communities

Conditions

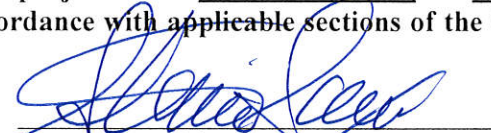
Approval of the project description as stated above. PeaceHealth further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.

Approved Capital Expenditure

The approved capital expenditure for this project is \$5,543,923.

This Certificate authorizes commencement of the project from March 14, 2014, to March 14, 2016, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: March 14, 2014


Steven Saxe, Director
Community Health Systems

This Certificate is not transferable.