

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

Olympia, Washington 98504

October 21, 2015

CERTIFIED MAIL #7015 0640 0000 6441 5645

Martina Sze, Vice President US HealthVest 32 East 57th Street, 17th Floor New York, New York 10022

Dear Ms. Sze:

We have completed review of US HealthVest's request for a six-month extension to Certificate of Need #1518. Enclosed is Certificate of Need #1518E.

Certificate of Need #1518E extends the expiration date beginning January 22, 2016, to July 22, 2016. 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, Office of Community Health Systems

Enclosure



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 #1518E is issued to:

Legal Name of Applicant:

US HealthVest

Address of Applicant:

32 East 57th Street, 17th Floor New York, New York 10022

Type of Service:

Psychiatric Hospital

Facility Name:

Not Yet Identified

Facility Address:

3955 – 156th Street

Marysville, Washington 98271

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF JANUARY 14, 2014. (App #13-40). ISSUANCE OF THE SIX-MONTH EXTENSION IS BASED ON DOCUMENTS PROVIDED IN DETERMINATION OF REVIEWABILITY #16-09

Project Description:

This certificate approves the establishment of a new 75-bed psychiatric hospital to be located in Marysville, within Snohomish County. Psychiatric services would be available for patients five years of age and older. Services include a full range of psychiatric services, including inpatient services, voluntary and involuntary treatment, day hospital/partial hospitalization, substance abuse treatment, and intensive outpatient services. The number of approved beds is summarized below.

	Number of Beds
Psychiatric beds	75
Total Licensed Beds	75

Service Area

Snohomish County and surrounding communities

Conditions

See Page Two

Approved Capital Expenditure

The approved capital expenditure for this project \$18,830,000.

This Extended Certificate of Need is effective from <u>January 22, 2016</u>, to <u>July 22, 2016</u>, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: October 21, 2015

Steven Saxe, Director

Community Health Systems

This Certificate is not transferable.

Certificate of Need #1518E Page 2

Conditions:

- 1. Approval of the project description as stated above. US HealthVest 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.
- 2. Prior to providing services at the hospital, US HealthVest will submit a copy of the adopted and approved Admission Policy for review and approval. The final policy must be consistent with the draft provided in the application.
- 3. Prior to providing services at the hospital, US HealthVest will submit a copy of the adopted Charity Care Policy approved by the Department of Health's Hospital and Patient Data System's office.
- 4. The new 75-bed psychiatric hospital will provide charity care in compliance with its final charity care policies reviewed and approved by the Department of Health, or any subsequent polices reviewed and approved by the Department of Health. The new 75-bed psychiatric hospital will use reasonable efforts to provide charity care in an amount comparable to or exceeding the average amount of charity care provided by hospitals in the Puget Sound Region. Currently, this amount is 2.40 % of gross revenue and 5.21% of adjusted revenue. The psychiatric hospital will maintain records documenting the amount of charity care provided and demonstrating its compliance with its charity care policies.
- 5. Annual budgets, as required by WAC 246-454-030, submitted by the new 75-bed psychiatric hospital must include budgeted charity care amounts of at least the regional average amount of charity care provided by hospitals in the Puget Sound Region.
- 6. Prior to commencement of the project, US HealthVest will submit to the department for review and approval an executed Purchase and Sales Agreement between Vest Seattle Realty, LLC and Smokey Point Boulevard, LLC for the site.
- 7. Prior to providing services at the hospital, US HealthVest will submit to the department for review and approval a listing of key staff for the hospital. Key staff includes all credentialed or licensed management staff, including the director of nursing and medical director.
- 8. Prior to providing services at the hospital, US HealthVest will submit to the department for review and approval a final listing of ancillary and support vendors for the 75-bed psychiatric hospital.