



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

December 15, 2015

John Gallagher, Chief Executive Officer
Sunnyside Community Hospital and Clinics
1016 Tacoma Avenue
Post Office Box 719
Sunnyside, Washington 98944

DOR #16-12

Dear Mr. Gallagher:

The Department of Health has completed the review of your exemption request regarding the replacement of Sunnyside Community Hospital located in Sunnyside, within Yakima County. Below is the information considered and the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding your project.

INFORMATION CONSIDERED

- Sunnyside Community Hospital's exemption letter received October 29, 2015
- Sunnyside Community Hospital's supplemental information received December 3, 2015
- Certificate of Need #1556 issued on July 31, 2015
- Revised Code of Washington (RCW) 70.38
- Washington Administrative Code (WAC) 246-310
- Washington Secretary of State and Department of Revenue information obtained from the respective websites
- 2013 Critical Access Hospital listing provided by the Department of Health's Rural Health office
- Department of Health Integrated Licensing and Regulatory System (ILRS)
- Previous Determination of Reviewability decisions issued by the department for Critical Access Hospital replacement projects.

FACTS CONSIDERED

- Sunnyside Community Hospital Association [SCHA] is a non-profit corporation governed by three members.
- SCHA is currently registered with both the Washington State Secretary of State office and the Department of Revenue. [source: Washington State Secretary of State and Washington State Department of Revenue websites]
- SCHA owns and operates Sunnyside Community Hospital located in Yakima County. The hospital provides healthcare services to the residents of Yakima and Benton counties through its healthcare clinics.
- Sunnyside Community Hospital is currently licensed for 38 acute care beds and is designated by the Department of Health as a level IV adult trauma center.
- SCHA intends to relocate Sunnyside Community Hospital in its entirety to a new site in Sunnyside. The postmaster has not assigned an address to the new site, however, the site is located at 1780 and 1790 Alexander Road in Sunnyside.
- SCHA will continue to own and operate the hospital at the new site.
- Current operational staff and medical services will relocate to the replacement hospital in their entirety.
- No hospital services will continue to operate at the current location.
- The site for the replacement hospital is located within Yakima County, which is the planning area for the existing hospital.
- On July 31, 2015, CN #1556 was issued to SCHA approving the establishment of a ten-bed psychiatric unit within space at Sunnyside Community Hospital. Within the September 2015 progress report for CN #1556, SCHA acknowledged that an amended Certificate of Need must be obtained before Sunnyside Community Hospital may begin providing psychiatric services at the new site.
- No tertiary services will be offered as a result of the replacement hospital project.
- No new services that require their own Certificate of Need will be offered as a result of the replacement hospital project.

CONCLUSION

Based on the totality of information considered, the department concludes the replacement of Sunnyside Community Hospital to the site identified above is exempt from Certificate of Need review. This exemption is not transferable and the conclusions reached concerning this replacement hospital exemption are based on the facts and it should not be assumed the department would reach the same conclusion in future exemption requests for other future hospital replacements.

Please note that an amended certificate for CN #1556 must be issued before the expiration date of July 31, 2017. Further, commencement of the replacement hospital does not constitute commenced of the project for CN #1556 unless the amended Certificate of Need has been issued.

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APPEAL OPTION

This decision may be appealed. You or 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 addresses listed below.

Mailing Address:

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

Physical Address

Department of Health
Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

If you have any questions or would like to arrange for a meeting to discuss this decision, please call me at (360) 236-2955.

Sincerely,



Janis Sigman, Manager
Certificate of Need Program
Community Health Systems

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