



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
PO Box 47852 • Olympia, Washington 98504-7852

January 9, 2019

CERTIFIED MAIL #7016 3010 0001 0575 1171

Kevin Michelson, CEO
Walla Walla Clinic, Inc. PS
55 West Tietan Street
Walla Walla, Washington 99362

RE: Certificate of Need Application #18-14-Walla Walla Clinic

Dear Mr. Michelson:

Enclosed is Certificate of Need #1764 issued to Walla Walla Clinic, Inc. PS approving the establishment of an ambulatory surgery center in Walla Walla, within Walla Walla County.

The certificate is not an 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

Physical Address:
Department of Health
Certificate of Need Program
111 Israel Road SE
Tumwater, WA 98501

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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:

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

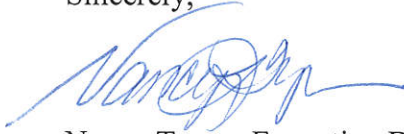
Physical Address

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

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,



Nancy Tyson, Executive Director
Health Facilities and Certificate of Need
Washington State Department of Health

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 #1764 is issued to:

Legal Name of Applicant: Walla Walla Clinic, Inc. PS
Address of Applicant: 55 West Tieton Street, Walla Walla, Washington 99362
Type of Service: Ambulatory Surgery Center
Facility Name: Walla Walla Clinic Surgery Center
Facility Address: 55 West Tieton Street, Walla Walla, Washington 99362

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED DECEMBER 31, 2018 (CN App #18-14)

Project Description

This certificate approves the establishment of a three-operating room ambulatory surgical facility in Walla Walla, within Walla Walla County. The surgery center will serve patients from one year and older that require surgical services that can be served appropriately in an outpatient setting. Walla Walla Surgery Center currently performs procedures under both general and local anesthesia in the following specialties: gastroenterology, general surgery, obstetrics and gynecology, orthopedics/interventional pain, otolaryngology, plastic surgery, podiatry and urology. The types of surgeries and procedures will remain the same.

Service Area

Walla Walla County

Conditions

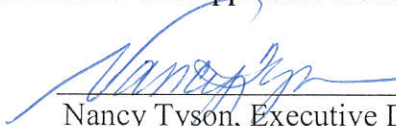
1. Walla Walla Clinic agrees with the project description as stated above. Walla Walla Clinic further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
2. Walla Walla Clinic will provide charity care in compliance with its charity care. Walla Walla Clinic will use reasonable efforts to provide charity care consistent with the regional average or the amount identified in the application – whichever is higher. The regional charity care average from 2015-2017 was 0.81% of gross revenue and 2.54% of adjusted revenue. Walla Walla Clinic will maintain records of charity care applications received and the dollar amount of charity care discounts granted at the location of the surgery center. The records must be available upon request.
3. Walla Walla Clinic agrees that the surgery center will maintain Medicare and Medicaid certification, regardless of facility ownership.

Approved Capital Expenditure

The approved capital expenditure associated with this project is \$175,000. The costs are solely related to the equipment needed for the expansion of the number of physicians and number of procedures that would be provided at the surgery center.

This Certificate authorizes commencement of the project from January 9, 2019, to January 9, 2021, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: January 9, 2019



Nancy Tyson, Executive Director
Health Facilities and Certificate of Need
Washington State Department of Health

This Certificate is not transferable