

STATE OF WASHINGTON DEPARTMENT OF HEALTH

Olympia, Washington 98504

November 5, 2020

Abel Li, M.D., Owner Central Washington Eye Clinic, PLLC 3902 Creekside Loop, Suite 110 Yakima, WA 98902

Sent via email: yl.cweye@gmail.com

RE: Determination of Reviewability #21-06

Dear Dr. Li:

The Department of Health has completed its review of the determination of reviewability request submitted by Central Washington Eye Clinic, PLLC (CWEC). The request proposes exemption from Certificate of Need review, the operation of an ambulatory surgery center (ASC) in Renton, within King County following a change of ownership from its current owner, Valley Eye and Laser Inc, PS to the purchasing entity and applicant, CWEC.

BACKGROUND AND FACTS

The following information was considered during the review process, and is recorded here for historical purposes:

- The purchasing entity and applicant is Central Washington Eye Clinic, PLLC (CWEC)
 - o CWEC is a Washington professional limited liability company with the unified business identifier [UBI] 602 240 044.
 - o CWEC is currently owned¹ and governed by² its sole member³, Abel Li, M.D.
 - CWEC does not have and does not at this time require⁴ a license for the ASC from the Washington State Department of Health.

¹ Operating Agreement of Central Washington Eye Clinic, PLLC

² Washington Secretary of State website, UBI 602 240 044

³ Operating Agreement of Central Washington Eye Clinic, PLLC

⁴ In accordance with Revised Code of Washington 70.230.040(3)

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- Once the change of ownership is complete:
 - Abel Li, M.D. will own and will operate both CWEC's clinical practice and surgery center located at 4011 Talbot Road South, Suite 210A, Renton, Washington [98055].
 - The use of the ASC will be limited to member or employee-physicians of CWEC. Revenues or visits used to determine primary purpose have been limited to those members.
 - Clinical and surgical services to be provided at CWEC are not expected to change with the change in ownership and will continue to include ophthalmologic procedures.
 - o CWEC will continue to have one operating room⁵.
- The change of ownership is expected to be complete in November of 2020.

RELEVANT CRITERIA

The department reviews requests for compliance with the following:

- Applicable sections of both <u>Revised Code of Washington 70</u> and <u>Washington Administrative Code 246-310</u>; and
- The Washington State Department of Health's Interpretive Statement CN 01-18⁶

THE PRIMARY PURPOSE OF THE FACILITY

- After the change of ownership, the anticipated revenue from surgical services provided at the Renton location will be approximately 28.95% of the total revenue generated by the facility. This percent is assumed based on the current owner's revenue ratio. This is a reasonable assumption since operations, services, patients, and credentialed employees are not expected to change with the change in ownership.
- After the change of ownership, the anticipated patient visits for surgical services provided at the Renton location will be approximately 9.33% of the total patient visits to the facility. This percent is assumed based on the current owner's patient visit ratio. This is a reasonable assumption since operations, services, patients, and credentialed employees are not expected to change with the change in ownership.

CONCLUSION

Based on the totality of information in the request for determination of reviewability, screening responses, resulting research, the department concludes that the operation of Central Washington Eye Clinic, PLLC following the change of ownership of the facility at 4011 Talbot Road South, Suite 210A, Renton, Washington [98055] does not require a Certificate of Need at this time.

⁵ For certificate of need purposes, operating and procedure rooms are both defined as operating rooms.

⁶ Approved by the Washington State Secretary of Health, John Wiesman, DrPH, MPH, effective January 19, 2018

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CHANGES THAT MAY AFFECT THIS DECISION

A facility can make changes that may impact the primary purpose of the facility. Such as, if the revenues or patient visits related to surgical services begin to regularly exceed half of the facility's operations. Changes, including but not limited to the following, will likely either prompt Certificate of Need review or necessitate a new determination of reviewability:

- A change of ownership;
- Operational changes;
- Expansion of services;
- The addition of operating rooms;
- A change in location; or
- If the physicians or use of the facility change, resulting in different total revenues or visits.

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 on the following page.

Mailing Address:Physical AddressDepartment of HealthDepartment of HealthAdjudicative Service UnitAdjudicative Service UnitMail Stop 47879111 Israel Road SEOlympia, WA 98504-7879Tumwater, WA 98501

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

Sincerely,

John Williams, Executive Director

Community Health Systems