

February 7, 2012

CERTIFIED MAIL # 7009 2250 0001 8668 6132

Elaine Couture, CEO Providence Health & Services 101 West 8th Avenue Spokane, WA 99204

Dear Ms. Couture:

Enclosed is Certificate of Need Certificate of Need #1422R issued to Sacred Heart Medical Center and Children's Hospital for the 75-bed acute care bed expansion.

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 during which time you must start the project. 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.

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 question, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely

Steven M. Saxe, FACHE

Director, Health Professions and Facilities

Enclosure

cc: Linda Foss, 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 #1422R is issued to:

Legal Name of Applicant:

Providence Sacred Heart Medical Center and Children's Hospital

Address of Applicant:

101 Eighth Avenue, Spokane, Washington 99204

Type of Service:

Acute Care services

Facility Name:

Providence Sacred Heart Medical Center and Children's Hospital

Facility Address:

101 Eighth Avenue, Spokane, Washington 99204

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORDS AND THE STIPULATION & AGREED ORDER SIGNED FEBRAURY 3, 2012

(CN App #09-09 & No. 11-2-02725-7)

Description/Services To Be Provided:

This certificate approves the addition of 75 acute care beds to Sacred Heart Medical Center and Children's Hospital. The 75 beds are to be re-located from Holy Family Hospital to Sacred Heart. At project completion, the licensed bed capacity at Holy Family Hospital will be reduced from 272 to 197 (188 Med/Surg. and 9 ICN Level II bassinets).

Sacred Heart Approved Bed Totals

Satisfacial Property and Locals		
Med/Surg. Beds (511+75)		586
Psychiatric Beds		72
ICN level II Bassinettes		21
NICU level III bassinettes		40
	Total Acute Care Beds	719

Service Area Spokane County

Approved Capital Expenditure

The approved capital expenditure is \$54,013,224

This Certificate authorizes commencement of the project from February 7, 2012, to February 7, 2014, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: February 7, 2012

Steven Saxe

Director, Health Professions and Facilities

This Certificate is not transferable.