



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

June 20, 2013

W. John Bullis, MD
Athenix Physicians Group Northwest, PLLC
636 – 120th Avenue Northeast, #202
Bellevue, Washington 98005

DOR #13-41

Dear Dr. Bullis:

The department has completed the review of your exemption request regarding the establishment of an ambulatory surgery center in Bellevue, within King 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

- Ambulatory Surgery Center (ASC) exemption application submitted May 29, 2013
- Your supplemental information received June 19 and 20, 2013¹
- 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
- Department of Health external provider look-up
- Department of Health Integrated Licensing and Regulatory System (ILRS)

FACTS CONSIDERED

- Athenix Physicians Group Northwest, PLLC is an active corporation governed by W. John Bullis, MD. [source: Secretary of State website]
- Athenix Physicians Group Northwest, PLLC is registered with the Department of Revenue under UBI #603248886 [source: Department of Revenue website]
- Athenix Physicians Group Northwest, PLLC has one practice site located at 626 – 120th Avenue Northeast, #202 in Bellevue [98005].
- Athenix Physicians Group Northwest, PLLC does not have any out-of-state practices.
- Athenix Physicians Group Northwest, PLLC uses the trade name of “Athenix Body Sculpting Institute.” The trade name is owned by the management company, Northwest Surgical Development, Inc., who licenses the name with other practices. One practice is located in

¹ Supplemental information submitted via e-mail by Mr. Donald Black, Attorney.



California. None of the other practices that use the trade name are associated with Athenix Physicians Group Northwest, PLLC. A copy of the licensing agreement between Athenix Physicians Group Northwest, PLLC and Northwest Surgical Development, Inc. was provided.

- The Athenix Physicians Group Northwest, PLLC practice is owned by you, and employs one additional physician—Lisa Precht, MD. Information related to both physicians is below.

Name	Credential Status	Member/Employed	% of Time Employed by Practice
W. John Bullis	Active	Member/Manager	100%
Lisa Precht	Active	Employee	75%

- As shown above, Dr. Precht spends 75% of her time at the Athenix Physicians Group Northwest, PLLC practice. The remaining 25% of her time is spent at her own practice known as Premier Cosmetic Surgery & Medispa located in Seattle.
- Athenix Physicians Group Northwest, PLLC intends to establish an exempt ASC at the practice site in Bellevue.
- Athenix Physicians Group Northwest, PLLC has already had a technical assistance meeting with Department of Health Construction Review staff.²
- The proposed ASC would operate under the corporation of Athenix Physicians Group Northwest, PLLC.
- No other entity would have ownership of the proposed ASC.
- Procedures to be performed at the ASC include those surgeries typically associated with cosmetic and plastic surgery, including tummy tucks and liposuction. A listing of common procedures was provided with the application.
- Athenix Physicians Group Northwest, PLLC contracts with a separate corporation for management services. A copy of the management agreement was provided in the application.
- The management corporation is Northwest Surgical Development, Inc., which is governed by James Clark and James Haefner, both of Aliso Viejo, California. [source: Secretary of State website]

CONCLUSION

Based on the totality of information considered, the department concludes the proposed ASC qualifies for an exemption from Certificate of Need review. This exemption is not transferable and the conclusions reached concerning this proposed ASC are based on the facts about this facility and it should not be assumed the department would reach the same conclusion in future exemption requests for other future ASCs. If changes are made in the operation or ownership of this proposed ASC, the ASC may no longer be eligible for this exemption. In that case, prior Certificate of Need review and approval or new exemption would be required. Examples of such changes include the following. This list is not intended to be all inclusive.

² CRS #60234702.

- The scope of services is expanded to include services subject to Certificate of Need review under the provisions of WAC 246-310-020.
- The provision of any procedure as identified under WAC 246-310-705(4).
- The ASC is operated under a management agreement.
- The ASC is organized as a separate legal entity from the practice.
- The ASC is moved to a different site than identified in the exemption application.
- Use of the ASC is extended to any physician who is not a member of the practice or at least 75% employed by Athenix Physicians Group Northwest, PLLC.
- The ASC ceases operations or relinquishes its Medicare certification and then chooses to resume services as an ASC.
- The ASC or the practice is purchased or leased.
- ASC patients are routinely transferred from the ASC to a hospital for observation care.

APPEAL OPTIONS

This decision may be appealed. The two appeal options are listed below.

Appeal Option 1:

You or any interested or affected person 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

Other Than By Mail

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

Appeal Option 2:

You or any affected 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

Other Than By Mail

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

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Page 4 of 4

If you have any questions regarding the exemption approval, you may call me directly at 360-206-2957.

Sincerely,



Karen Nidermayer, Analyst
Certificate of Need Program
Office of Certification and Technical Support

Enclosure

cc: Department of Health, Investigations and Inspections Office
Department of Health, Construction Review Services
Donald Black, Attorney, Ogden Murphy Wallace