



STATE OF WASHINGTON

DEPARTMENT OF HEALTH

*PO Box 47852 • Olympia, Washington 98504-7852*

July 31, 2015

CERTIFIED MAIL # 7015 0640 0000 6441 5591

John Gallagher, Chief Executive Officer  
Sunnyside Community Hospital  
1016 Tacoma Avenue  
Sunnyside, Washington 98944

RE: Certificate of Need Application #15-12

Dear Mr. Gallagher:

Enclosed is Certificate of Need #1556 issued to Sunnyside Community Hospital for the establishment of a 10-bed PPS exempt psychiatric bed unit. 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. 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

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

John Gallagher, Chief Executive Officer  
Sunnyside Community Hospital  
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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:

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

Physical Address:

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,



Steven M. Saxe, FACHE  
Director, Office of Community Health Systems

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 #1556 is issued to:**

**Legal Name of Applicant:** Sunnyside Community Hospital Association  
**Address of Applicant:** 1016 Tacoma Avenue, Sunnyside Washington 98944  
**Type of Service:** Psychiatric Hospital Beds  
**Facility Name:** Sunnyside Community Hospital  
**Facility Address:** 1016 Tacoma Avenue, Sunnyside Washington 98944

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT’S RECORD AND EVALUATION DATED JUNE 15, 2015, (CN App #15-12)**

**PROJECT DESCRIPTION:**

This Certificate of Need approves Sunnyside Community Hospital Association to establish a ten-bed PPS exempt psychiatric unit at Sunnyside Community Hospital in Yakima County. Psychiatric services to be provided in the ten-bed unit include inpatient psychiatric care for patients 18 years of age and older, including geriatric patients. The patients typically have acute psychiatric disorders and cognitive impairments. In addition, Sunnyside Community Hospital intends to secure certification to admit the involuntary detained patient commonly referenced as an 'ITA patient.' At project completion, Sunnyside Community Hospital would be licensed for 35 acute care beds, shown in the breakdown below.

Type	Approved
General Medical/Surgical	25
Psychiatric	10
<b>Total</b>	<b>35<sup>1</sup></b>

**Service Area**  
Yakima County

**Conditions:**  
See page #2

**Approved Capital Expenditure**

The approved capital expenditure associated with the establishment of the ten-bed psychiatric unit at Sunnyside Community Hospital is \$3,486,607, and includes construction, equipment, and associated fees and taxes.

**This Certificate authorizes commencement of the project from July 31, 2015 to July 31, 2017, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.**

**Date Certificate Issued:** July 31, 2015

  
Steven Saxe, Director

**This Certificate is not transferable.**

**Certificate of Need #1556**  
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**Conditions:**

1. Sunnyside Community Hospital Association agrees with the project description stated above. Sunnyside Community Hospital Association 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. Prior to providing services, Sunnyside Community Hospital Association will provide the approved version of the adopted medical director job description and identification of the medical director for the department's review and approval. Copy of the adopted document must be consistent with the draft document provided in the application.
3. Prior to providing services, Sunnyside Community Hospital Association will provide the approved versions of the adopted policies listed below for the department's review and approval. Copies of the adopted policies must exclude the following language identified in the draft policies.

*"Printed copies are for reference only. See the hospital intranet for approved version."*

- Patient's Rights Policy
  - Informed Consent Policy
  - Nondiscrimination Policy
  - Charity Care Policy 1
4. Prior to providing services, Sunnyside Community Hospital Association will provide the approved psychiatric admission policy for the department's review and approval. The adopted policy must be consistent with the draft policy provided in the application.
  5. So long as the state desires to contract with the facility for providing care to Involuntary Treatment Act patients, Sunnyside Community Hospital will contract with the state to provide that care. An ITA referral may only be rejected if there are no beds available at Sunnyside Community Hospital at the time of referral or if such referral is clinically inappropriate.
  6. Sunnyside Community Hospital will provide charity care in compliance with the charity care policy referenced above, or any subsequent policies reviewed and approved by the Department of Health. Sunnyside Community Hospital will use reasonable efforts to provide charity care at the amount identified in the application or comparable to the average amount of charity care provided by the hospitals in the Central Region. Currently, this amount is 2.34% for gross revenue and 5.39% for adjusted revenue. Sunnyside Community Hospital will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.

<sup>1</sup>Under the provisions of RCW 70.38.105(4)(e)(iii), If Sunnyside Community Hospital relinquishes its Critical Access Hospital (CAH) designation it may revert back to 38 licensed medical surgical beds, in addition to the ten dedicated psychiatric beds, for a facility total of 48 licensed acute care beds without having to obtain a new Certificate of Need.