

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

Olympia, Washington 98504

January 11, 2022

Dave Shelton Atteberry, M.D. Direct Imaging P.C. 6101 Summit Avenue, Suite #200 Yakima, WA 98908

Sent via email: <u>Dave@directimagingyakima.com</u>

RE: Determination of Reviewability #22-12 - Department's Decision

Dr. Atteberry:

The Department of Health has completed its review of the determination of reviewability request submitted by Direct Imaging P.C. The request proposes exemption from Certificate of Need review for the establishment of an ambulatory surgery center (ASC) in Yakima, within Yakima County.

BACKGROUND AND FACTS

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

- The applicant is Direct Imaging P.C. (Direct Imaging) registered with the Washington State Secretary of State's Office in May 2020.
 - o Direct Imaging is a Washington professional service corporation with the unified business identifier [UBI] 604 621 908.
 - O Direct Imaging is currently owned¹ and governed by² its sole member³, Dave Atteberry, M.D.
 - Direct Imaging currently has a license pending to become credentialled as an ambulatory surgical facility by the Washington State Department of Health.⁴

¹ Director's Meeting minutes (dated December 8, 2021) and Direct Imaging P.C.'s Operating Agreement (dated June 7, 2020)

² Washington Secretary of State website, UBI 604 621 908

³ Director's Meeting minutes (dated December 8, 2021) and Direct Imaging P.C.'s Operating Agreement (dated June 7, 2020)

⁴ ASF.FS.61187358

Dave Shelton Atteberry, M.D., Direct Imaging P.C. Determination of Reviewability #22-12 January 11, 2022 Page 2 of 3

- O Direct Imaging has a past Certificate of Need Determination of Reviewability⁵ that also proposed an exempt facility. This exemption was granted to a facility with one operating room.⁶
- Direct Imaging is located at 6101 Summitview Avenue, Suite 200 in Yakima, Washington [98908].
- Once the facility is operational:
 - O Dave Atteberry M.D. will continue to own and operate both Direct Imaging's clinical practice and surgery center.
 - The use of the facility will be limited to member or employee-physicians of Direct Imaging. Revenues or visits used to determine primary purpose have been limited to those members.
 - o Clinical and surgical services provided at Direct Imaging include gastroenterology, pain management, and neurosurgery procedures.
 - o Direct Imaging will have two operating rooms.⁷
- The expected operational date of the facility is February 2022.

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 01-18⁸

THE PRIMARY PURPOSE OF THE FACILITY

- After the establishment of the facility, the anticipated revenue from surgical services provided at Direct Imaging will be approximately 31% of the total revenue generated by the facility. This percent is assumed based on Direct Imaging's current clinical practice experience.
- After the establishment of the facility, the anticipated patient visits for surgical services provided at Direct Imaging will be approximately 17% of the total patient visits to the facility. This percent is assumed based on Direct Imaging's current clinical practice experience.

CONCLUSION

Based on the totality of information in the request for determination of reviewability, screening responses, and resulting research, the department concludes that the operation of Direct Imaging P.C. located at 6101 Summitview Avenue, Suite 200 in Yakima, Washington [98908] does not require a Certificate of Need at this time. This exemption from certificate of need review supersedes DOR#21-04, issued December 17, 2020.

⁵ DOR #21-04, decision issued on December 17, 2020.

⁶ For certificate of need purposes, operating and procedure rooms are both defined as operating rooms.

⁷ For certificate of need purposes, operating and procedure rooms are both defined as operating rooms.

⁸ Approved by the Washington State Secretary of Health, John Wiesman, DrPH, MPH, effective January 19, 2018

Dave Shelton Atteberry, M.D., Direct Imaging P.C. Determination of Reviewability #22-12 January 11, 2022 Page 3 of 3

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,

Eric Hernandez, Program Manager

Certificate of Need

Office of Community Health Systems