



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

April 22, 2021

Alan Curryer, CEO, Rockwood at Hawthorne
E-mail: alan@rockwoodretirement.org

DOR #21-22 – Replacement Authorization Application for Rockwood at Hawthorne
DOR #21-23 – Explanation of Two Projects

Dear Mr. Curryer:

The Department of Health has completed its review of the two Determination of Reviewability (DOR) requests related to Rockwood at Hawthorne (#21-22) and Rockwood Skilled Nursing South Hill (#21-23), both located in Spokane County.

Background and Facts

Rockwood at Hawthorne

Rockwood at Hawthorne is a 20-bed community-based skilled nursing facility located at East 101 Hawthorne Road in Spokane [99218] within Spokane County. The licensee for this facility is Spokane United Methodist Homes [license #1283].

According to department files, this facility was established prior to Certificate of Need (CN) laws becoming effective in 1971. In 1996, the facility obtained approval for replacement at its current site.¹ As a community based skilled nursing facility, Rockwood at Hawthorne accepts Medicare, Medicaid, and private pay individuals.

Rockwood South Hill

Rockwood South Hill is a Certificate of Need approved Type A Continuing Care Retirement Community (CCRC) located at East 2903 25th Avenue in Spokane [99223] within Spokane County. The licensee for this facility is also Spokane United Methodist Homes [license #457]. The nursing home is currently operating with 45-bed Type A CCRC beds.

According to department files, this facility was established as a Type A CCRC nursing home. This is evidenced by the issuance of CN #913 on January 11, 1988, approving the increase of nursing home beds at Rockwood South Hill from 44 to 59. Information provided during the review of the project confirmed that the facility met the requirements for a Type A CCRC nursing home outlined in Revised

¹ Renovation Authorization #002 issued on January 5, 1996.

Code of Washington 70.38.105(4)(e) and Washington Administrative Code (WAC) 248-19-328(3)(b)(ii).^{2 3}

According to department files, on March 29, 2000, Replacement Authorization #037 was issued to Spokane United Methodist Homes approving the replacement of the Type A CCRC nursing home at its current site. Once replaced, the number of Type A CCRC beds was reduced from 54 to 45. Rockwood South Hill continues to operate 45 Type A CCRC beds at the current site.

Department's Review of DORs #21-22 Rockwood at Hawthorne and #21-23 Rockwood South Hill

With DOR #21-22, Spokane United Methodist Homes requests to relocate the 20-bed community-based skilled nursing facility, Rockwood at Hawthorne, into space at the 45-bed Type A CCRC nursing facility, Rockwood South Hill. Information provided in DOR #21-23 states that the 45-bed Type A CCRC will reduce its nursing home beds by 20 to accommodate the Rockwood at Hawthorne's 20 community-based nursing home beds. Single line drawings provided in the DOR application indicate that the 20-community-based nursing home beds would be comingled with the Type A CCRC beds at Rockwood South Hill.

WAC 246-310-010(16), restated below, provides the definition for "*continuing care retirement community*."

"Continuing care retirement community (CCRC)" means any of a variety of entities, unless excluded from the definition of health care facility under RCW 70.38.025(6), which provides shelter and services based on continuing care contracts with its residents which:

Maintains for a period in excess of one year a CCRC contract with a resident which provides or arranges for at least the following specific services:

- (a) Independent living units;*
- (b) Nursing home care with no limit on the number of medically needed days;*
- (c) Assistance with activities of daily living;*
- (d) Services equivalent in scope to either state chore services or Medicaid home health services;*
- (e) Continues a contract, if a resident is no longer able to pay for services;*
- (f) Offers services only to contractual residents with limited exception during a transition period; and*
- (g) Holds the Medicaid program harmless from liability for costs of care, even if the resident depletes his or her personal resources."*

If 20 community-based nursing home beds are relocated from Rockwood at Hawthorne to Rockwood South Hill as described in the two DOR requests, Rockwood South Hill would be operating out of compliance with its Type A CCRC approval and WAC 246-310-010(16) referenced above. While the DOR suggests that the 25 remaining Type A CCRC beds would not accept Medicaid patients as required

² With the creation of the Department of Health in 1989, this rule was recodified as WAC 246-310-041.

³ Correspondence between the facility's Vice President of Operations and the Department of Health's Certificate of Need and the Construction Review Services offices dated October 12, 2009, confirm that the facility was operating as a Type A CCRC and remained in compliance with associated law and rules. Additional correspondence dated November 29, 2000, between Rockwood South Hill's attorney, Randall Stamper, and the CN Program also confirms that Rockwood South Hill is a Type A CCRC and remained in compliance with associated law and rules.

Alan Curryer, CEO, Rockwood at Hawthorne and Rockwood South Hill
Determinations of Reviewability #21-22 and #21-23
April 22, 2021
Page 3 of 3

by rule, there are no provisions under the CCRC requirements to allow the comingle of beds and patients at Rockwood South Hill.

In summary, the projects described in DORs #21-22 and #21-23 are inconsistent with the Type A CCRC rules and regulations and the two DORs are denied.

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:

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

Physical Address

Department of Health
Adjudicative Service Unit
111 Israel Road SE
Tumwater, 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
Community Health Systems