

STATE OF WASHINGTON DEPARTMENT OF HEALTH Olympia, Washington 98504

April 6, 2022

Cara Waller Seattle Surgery Center 900 Terry Avenue, 3rd floor Seattle WA 98104 Email: <u>caramwaller@gmail.com</u>

RE: Determination of Reviewability #22-16R – Department's Decision

Cara Waller:

This revised letter is being issued to clarify potential confusion brought to the Program's attention by the applicant.

The Department of Health has completed its review of the determination of reviewability request submitted regarding Seattle Surgery Center. The following information was considered during the review process and is recorded here for historical purposes.

BACKGROUND AND FACTS

- CN #1001 was issued to First Hill Surgery Center on November 21, 1989, which later became Seattle Surgery Center.
- Seattle Surgery Center is currently owned by Proliance Surgeons, Inc. P.S. (Proliance).
- The purpose of this determination of reviewability is for Seattle Surgery Center to operate under their own practice and separate from Proliance.
- The surgery center would operate under Orthopedic Physician Associates (OPA Ortho).
- OPA Ortho proposes to operate both the clinical practice and surgery center at the current location: 900 Terry Ave, 3rd floor, Seattle WA 98104 within King County.
- Clinical and surgical services to be provided at Seattle Surgery Center will be limited to orthopedics, ophthalmology, neuro spine surgery, and pain management.
- The surgery center will have 7 operating rooms.¹

¹ For certificate of need purposes, operating and procedure rooms are both defined as operating rooms.

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The request outlines a proposed change in ownership for Seattle Surgery Center, an existing CN-approved ambulatory surgical facility in King County. Seattle Surgery Center asserts that the issued Certificate of Need (#1001) should remain with Seattle Surgery Center if a separation from Proliance occurs.

RELEVANT CRITERIA

The department reviews requests for compliance with the applicable sections of <u>chapter</u> 70.38 RCW and <u>chapter 246-310 WAC</u>.

CONCLUSION

The separation described in the DOR application is a change of ownership. Specific to the CN approved facility (CN #1001), the approval is both site and service specific. Once the facility is operational, the surgery center may undergo change of ownership without prior Certificate of Need review and approval, if the surgery center:

- remains at the same location;
- does not increase its number of ORs; and
- does not expand the type of services provided.

The Certificate of Need program does not have authority to determine which entity retains ownership of the CN approved facility (CN #1001); Seattle Surgery Center and Proliance Surgeons must determine who will retain the CN approved facility (CN #1001).

If the CN approved facility (CN #1001) is assigned to Proliance, no change of ownership application is necessary because the facility is already licensed under Proliance Surgeons, Inc. PS [ASF license #60101072].

If Seattle Surgery Center retains the CN approved facility (CN #1001), a change of ownership application submitted to the Department of Health's licensing office is necessary. This allows the CN Program to update its files.

Lastly, if the entity that does not retain the CN approved facility (CN #1001) wishes to operate an ASC, a new CN application or exemption would need to be approved for the project.

CHANGES THAT MAY AFFECT THIS DECISION

Changes, including but not limited to the following, that would likely either prompt Certificate of Need review or necessitate a new determination of reviewability:

- Expansion of services at the CN-approved surgery center;
- The addition of operating rooms; or
- A change in location, either within or outside of the current planning area.

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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 chapter 34.05 RCW and WAC 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 <u>Physical Address</u> 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 Office of Community Health Systems