

STUDEBAKER | NAULT

EMILY R. STUDEBAKER, ESQ.
11900 N.E. 1st Street, Suite 300
Bellevue, WA 98005
estudebaker@studebakernault.com

September 17, 2024

VIA U.S. MAIL

Eric Hernandez, Program Manager
Department of Health
Certificate of Need Program
111 Israel Road S.E.
Tumwater, WA 98501

Also sent via email: fslcon@doh.wa.gov; eric.hernandez@doh.wa.gov

Re: Optum Care Washington, PLLC

Dear Mr. Hernandez:

On behalf of Optum Care Washington, P.L.L.C. (“Optum Care Washington”), please find enclosed an “Ambulatory Surgery Center/Facility Certificate of Need Determination of Reviewability Packet” regarding its surgery center, which operates under the name “Pumphrey Surgery Center” and is located in Arlington, Washington.¹ Optum Care Washington is mailing a check for the review fee in the amount of \$1,925 directly and payable to the Department of Health.

Optum Care Washington was issued Determination of Reviewability #21-08 (“DOR #21-08”) on March 26, 2021.² Optum Care Washington is proposing to add the following surgical services to Pumphrey Surgery Center: ophthalmic surgery and general surgery. Therefore, it is submitting an application to amend DOR #21-08 to reflect that these additional surgical services will be offered at the surgery center.

Please advise us at your earliest convenience whether this application is deemed complete. If the Department of Health requires additional information for this application,

¹ The Everett Clinic, PLLC changed its name to Optum Care Washington, PLLC on February 13, 2024. *See* Appendix A, Amended Certification of Formation; Appendix B, Annual Report.

² *See* Appendix C, DOR #21-08.

Department of Health
September 17, 2024
Page 2

please promptly advise. Thank you in advance for your consideration. We look forward to working with you on this matter.

Regards,

STUDEBAKER NAULT, PLLC

A handwritten signature in black ink, appearing to read "E. Studebaker", written in a cursive style.

Emily R. Studebaker

cc: Optum Care Washington, PLLC

APPENDIX A
AMENDED CERTIFICATION OF FORMATION



WASHINGTON
Secretary of State
 Corporations & Charities Division

Overnight address by commercial carrier: 801 Capitol Way S Olympia, WA 98501-1226

Mailing Address (ALL USPS): PO Box 40234 Olympia, WA 98504-0234

Tel: 360.725.0377 | Website: www.sos.wa.gov/corporations-charities

Filing Fee \$30

To Expedite Filing, Add \$100

FILED
 Secretary of State
 State of Washington
 Date Filed: 02/15/2024
 Effective Date: 04/08/2024
 UBI No: 313 001 098

THIS BOX FOR OFFICE USE ONLY

AMENDED CERTIFICATE OF FORMATION

Limited Liability Company

RCW 25.15

All fields are **REQUIRED** unless otherwise specified

(1) UBI No.: 313 001 098

(2) NAME OF LIMITED LIABILITY COMPANY: (as currently recorded with the Office of the Secretary of State)
The Everett Clinic, PLLC

(3) BUSINESS TYPE:

Are you changing your business type? (Check one) **Yes** **No**

If **Yes**, select the change being made:

WA PROFESSIONAL LIMITED LIABILITY COMPANY

Additional requirements must be submitted if changing the business type, including a change to the name, see instructions for details.

(4) BUSINESS ENTITY NAME CHANGE: Are you changing your business name? (Check one) **Yes** **No**

New Name: Optum Care Washington, PLLC

If a designation is not provided, it will default to LLC

The name must contain the words "Limited Liability Company", "Limited Liability" and abbreviation "Co." or the abbreviation "L.L.C." or "LLC". For name requirements review the following RCW(s): RCW 23.95.305

Does the business have a name reserved? (Check one) **Yes** **No** If Yes, provide the Reservation Number

Reservation No.: _____

(5) PERIOD OF DURATION : *Required only if changed* Check ONE of the following

This Company shall have a perpetual duration (default) This Company shall have a duration of _____ years.

This Company shall expire on _____

(6) Has your registered agent or their contact details changed? (Check one) **Yes** **No** If Yes, complete page 2

(7) PRINCIPAL OFFICE: *Required only if changed* The location where the business's records are kept

Street Address (required) Must be a physical address; No PO Box or PMB	Mailing Address (optional) Check if mailing address is the same as street address
Address: _____	Address: _____
Zip: _____ City: _____	Zip: _____ City: _____
State: _____ Country: _____	State: _____ Country: _____
Phone: _____	Email: _____

(8) GOVERNOR(S): *Required only if changed* A business cannot serve as its own Governor.

Name: _____	Name: _____
Name: _____	Name: _____
Name: _____	Name: _____

(9) EFFECTIVE DATE: Check ONE of the following

Date of filing (default) this is the date that the submission is completed by our office

Specify a date 4/8/2024 (cannot be more than 90 days following the received date)

(10) RETURN ADDRESS FOR THIS FILING: *(Optional)*

If provided, the confirmation regarding this specific filing will be sent to the address below, in addition to the Registered Agent's address.

Attention: Meghan Huso-Higgins **Email:** meghan_huso-higgins@uhg.com

Address: 9900 Bren Road East, FL950-1000

City: Minnetonka **State:** MN **Zip:** 55343

(11) AUTHORIZED PERSON:

I hereby certify, under penalty of law, that the above information is accurate and complies with the filing requirements of state law.

<u>Ang V A</u>	Director of sole member, Everett Physicians, Inc. P.S.	<u>02/13/2024</u>
Signature of Authorized Person	Printed Name/Title	Date

APPENDIX B
ANNUAL REPORT



EXPRESS ANNUAL REPORT WITH CHANGES

BUSINESS INFORMATION

Business Name:

THE EVERETT CLINIC, PLLC

UBI Number:

313 001 098

Business Type:

WA PROFESSIONAL LIMITED LIABILITY COMPANY

Business Status:

ACTIVE

Principal Office Street Address:

3901 HOYT AVE, EVERETT, WA, 98201-4918, UNITED STATES

Principal Office Mailing Address:

3901 HOYT AVE, EVERETT, WA, 98201-4918, UNITED STATES

Expiration Date:

02/28/2025

Jurisdiction:

UNITED STATES, WASHINGTON

Formation/Registration Date:

02/09/1925

Period of Duration:

PERPETUAL

Inactive Date:

Nature of Business:

THE PURPOSE OF THE COMPANY IS TO PRACTICE MEDICINE AND TO DO ANY AND ALL THINGS NECESSARY, CONVENIENT OR INCIDENTAL TO THAT PURPOSE. [3/1/2016 SECTION 4 OF THE OPERATING AGREEMENT] CEF

REGISTERED AGENT [RCW 23.95.410](#)

Registered Agent Name	Street Address	Mailing Address
C T CORPORATION SYSTEM	711 CAPITOL WAY S, SUITE 204, OLYMPIA, WA, 98501-1267, UNITED STATES	711 CAPITOL WAY S, SUITE 204, OLYMPIA, WA, 98501-1267, UNITED STATES

PRINCIPAL OFFICE

Phone:

Email:

CLS-CTARMSEVIDENCE@WOLTERSKLWUER.COM

Street Address:

3901 HOYT AVE, EVERETT, WA, 98201-4918, USA

Mailing Address:

3901 HOYT AVE, EVERETT, WA, 98201-4918, USA

GOVERNORS

Title	Type	Entity Name	First Name	Last Name
GOVERNOR	ENTITY	EVERETT PHYSICIANS, INC. P.S.		

NATURE OF BUSINESS

- THE PURPOSE OF THE COMPANY IS TO PRACTICE MEDICINE AND TO DO ANY AND ALL THINGS NECESSARY, CONVENIENT OR INCIDENTAL TO THAT PURPOSE. [3/1/2016 SECTION 4 OF THE OPERATING AGREEMENT] CEF

EFFECTIVE DATE

Effective Date:

12/17/2023

CONTROLLING INTEREST

1. Does this entity own (hold title) real property in Washington, such as land or buildings, including leasehold improvements?

- No

2. In the **past 12 months**, has there been a transfer of at least 16-2/3 percent of the ownership, stock, or other financial interest in the entity?

- No

a. If "Yes", in the **past 36 months**, has there been a transfer of controlling interest (50 percent or greater) of the ownership, stock, or other financial interest in the entity?

- No

3. If you answered "Yes" to question 2a, has a controlling interest transfer return been filed with the Department of Revenue?

- No

You **must** submit a Controlling Interest Transfer Return form if you answered "yes" to questions 1 and 2a.

Failure to report a Controlling Interest Transfer is subject to penalty provisions of [RCW 82.45.220](#).

For more information on **Controlling Interest**, visit www.dor.wa.gov/REET.

RETURN ADDRESS FOR THIS FILING

Attention:

Email:

Address:

EMAIL OPT-IN

By checking this box, I hereby opt into receiving all notifications from the Secretary of State for this entity via email only. I acknowledge that I will no longer receive paper notifications.

AUTHORIZED PERSON

Person Type:

INDIVIDUAL

First Name:

KELLY

Last Name:

LETTMANN

Title:

POWER OF ATTORNEY

This document is hereby executed under penalty of law and is to the best of my knowledge, true and correct.

APPENDIX C
DOR #21-08



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

March 26, 2021

Shawn L. Slack, MD, Owner
The Everett Clinic, PLLC
E-mail: sslack@everettclinic.com

RE: Determination of Reviewability #21-08 The Everett Clinic-Arlington Project

Dear Dr. Slack:

The Department of Health has completed its review of the determination of reviewability request submitted by The Everett Clinic, PLLC. The request proposes exemption from Certificate of Need review for the operation of an ambulatory surgery center (ASC) in Arlington within Snohomish County.

BACKGROUND AND FACTS

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

- The Everett Clinic, PLLC is a Washington professional limited liability company with the unified business identifier [UBI] 313 001 098
- The Everett Clinic, PLLC is currently owned and governed by the eight members listed below
 - Alka Atal-Barrio, MD
 - Samantha A. Caldwell
 - Aric Coffman, MD
 - James K. Hilger
 - Chetan P. Mehta
 - Michael Millie, MD
 - Erica Peavey, MD
 - Shawn Slack, MD
- The Everett Clinic, PLLC will own and operate both the clinical practice and surgery center at the following location: 4011 – 172nd Street Northeast in Arlington [98223], within Snohomish County.
- The use of the ASC will be limited to member or employee-physicians of The Everett Clinic, PLLC. Revenues or visits used to determine primary purpose have been limited to those members.
- Clinical and surgical services to be provided at The Everett Clinic surgery center in Arlington will include: ENT, plastic, orthopedics, gynecology, gastroenterology, podiatry, pain management, urology and psychiatry.
- The surgery center will have three operating rooms.

RELEVANT CRITERIA

The department reviews requests for compliance with the following:

- Applicable sections of both [Revised Code of Washington 70.38](#) and [Washington Administrative Code 246-310](#); and
- The [Washington State Department of Health's Interpretive Statement CN 01-18](#)¹

THE PRIMARY PURPOSE OF THE FACILITY

- The anticipated revenue from surgical services provided at surgery center will be approximately 48.4% of the total revenue generated by the facility.
- The anticipated patient visits for surgical services provided at the surgery center will be approximately 7.4% of the total patient visits to the facility.

These projected percentages are based on historical data from The Everett Clinic physicians who will provide services at the site. The percentages are reasonable because they are based on actual recent experience.

CONCLUSION

Based on the totality of information in the request for determination of reviewability, screening responses, resulting research, the department concludes that the operation of the surgery center associated with The Everett Clinic, PLLC does not require a Certificate of Need at this time.

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.

¹ Approved by the Washington State Secretary of Health, John Wiesman, DrPH, MPH, effective January 19, 2018

Shawn L. Slack, MD, The Everett Clinic, PLLC
Determination of Reviewability #21-08-Arlington Project
March 26, 2021
Page 3 of 3

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

cc: Emily Studebaker, Attorney with Studebaker Nault
Sent by e-mail: estudebaker@studebakernault.com



Ambulatory Surgery Center/Facility Certificate of Need Determination of Reviewability Packet

Contents:

1.	260-014	Contents List/Mailing Information.....	1 Page
2.	260-014	Definitions.....	2 Pages
3.	260-014	Instructions.....	1 Page
4.	260-014	Determination of Reviewability Form.....	3 Page
5.	RCW/WAC and Website Links.....		1 Page

Submission Instructions:

- One electronic copy of your application, including any applicable attachments – no paper copy is required.
- A check or money order for the review fee of \$1,925 payable to Department of Health.

Include copy of the signed cover sheet with the fee if you submit the application and fee separately. This allows us to connect your application to your fee. We also strongly encourage sending payment with a tracking number.

Mail or deliver the application and review fee to:

Mailing Address:

Department of Health
Certificate of Need Program
P O Box 47852
Olympia, Washington 98504-7852

Other Than By Mail:

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

Contact Us:

Certificate of Need Program Office 360-236-2955 or FSLCON@doh.wa.gov.

Definitions

The Certificate of Need (CN) Program will use the information you provide to determine if your project meets the applicable review criteria. These criteria are included in state law and rules. Revised Code of Washington ([RCW 70.38](#)) and Washington Administrative Code ([WAC 246-310](#)).

“Primary purpose” is defined as the majority of income or patient visits for the site,* inclusive of all clinical services provided at the site, are derived from the specialty or multi-specialty surgical services. [Department of Health website, frequently asked questions](#), informed by the licensing rules definition for ambulatory surgical facility.

*The site subject to a determination of reviewability is limited to a specific, physical address where an entity under single ownership provides or will provide specialty or multispecialty surgical services. A site whose “primary purpose” is specialty or multispecialty surgical services is required to obtain a certificate of need.

“Ambulatory surgical facility” or **“ASF”** means any free-standing entity, including an ambulatory surgery center that operates primarily for the purpose of performing surgical procedures to treat patients not requiring hospitalization. This term does not include a facility in the offices of private physicians or dentists, whether for individual or group practice, if the privilege of using the facility is not extended to physicians or dentists outside the individual or group practice. [WAC 246-310-010\(5\)](#)

“Ambulatory surgical center” or **“ASC”** is also a term for a facility that provides ambulatory surgical procedures. The Centers for Medicare and Medicaid use this term for billing purposes. CN review is not required for an ambulatory surgical center unless it also fits the definition of an ambulatory surgical facility in [WAC 246-310-010\(5\)](#).

“Ambulatory surgical facility” or **“ASF”** as defined by licensing rules, and relied on by the CN Program for consistency, means any distinct entity that operates for the primary purpose of providing specialty or multispecialty outpatient surgical services in which patients are admitted to and discharged from the facility within twenty-four hours and do not require inpatient hospitalization, whether or not the facility is certified under Title XVIII of the federal Social Security Act. An ambulatory surgical facility includes one or more surgical suites that are adjacent to and within the same building as, but not in, the office of a practitioner in an individual or group practice, if the primary purpose of the one or more surgical suites is to provide specialty or multispecialty outpatient surgical services, irrespective of the types of anesthesia administered in the one or more surgical suites. An ambulatory surgical facility that is adjacent to and within the same building as the office of a practitioner in an individual or group practice may include a surgical suite that shares a reception area, restroom, waiting room, or wall with the office of the practitioner in an individual or group practice. [WAC 246-330-010\(5\)](#)

“Change of ownership” as defined by licensing rules, and relied on by the CN Program, is defined as (a) A sole proprietor who transfers all or part of the ambulatory surgical facility's ownership to another person or persons; (b) The addition, removal, or

substitution of a person as a general, managing, or controlling partner in an ambulatory surgical facility owned by a partnership where the tax identification number of that ownership changes; or (c) A corporation that transfers all or part of the corporate stock which represents the ambulatory surgical facility's ownership to another person where the tax identification number of that ownership changes. [WAC 246-330-010\(8\)](#)

“Person” means an individual, a trust or estate, a partnership, any public or private corporation (including associations, joint stock companies, and insurance companies), the state, or a political subdivision or instrumentality of the state, including a municipal corporation or a hospital district. [WAC 246-310-010\(42\)](#)

Instructions

General Instructions:

- Include a table of contents for sections and appendices/exhibits
- Number **all** pages consecutively
- **Do not** bind or 3-hole punch the application.
- Make the narrative information complete and to the point.
- If any sections are not large enough to contain your response, please attach additional pages as necessary. Ensure that any attached pages are clearly labeled with the applicable question or section.

- If any of the documents provided in the form are in draft format, a draft is acceptable only if it includes the following elements:
 - a. identifies all entities associated with the agreement,
 - b. outlines all roles and responsibilities of all entities,
 - c. identifies all costs associated with the agreement, and
 - d. includes all exhibits that are referenced in the agreement.
 - e. any agreements in draft form must include a document signed by both entities committing to execute the agreement as submitted following CN approval.

Do not skip any questions. If you believe a question is not applicable to your project, provide rationale as to why it is not applicable.

**Certificate of Need
Determination of Reviewability
Ambulatory Surgical Facility and Ambulatory Surgery Center
(Do not use this form for any other type of ASC/F project)**

Certificate of Need submissions must include a fee in accordance with Washington Administrative Code [\(WAC\) 246-310-990](#).

The Department of Health (department) will use this form to determine whether my ambulatory surgical center or facility requires a Certificate of Need under state law and rules. Criteria and consideration used to make the required determinations are Revised Code of Washington [\(RCW\) 70.38](#) and Washington Administrative Code [\(WAC\) 246-310](#). I certify that the statements in the submissions are correct to the best of my knowledge and belief. I understand that any misrepresentation, misleading statements, evasion, or suppression of material fact in this application may be used to take actions identified in [WAC 246-310-500](#).

My signature authorizes the department to verify any responses provided. The department will use such information as appropriate to further program purposes. The department may disclose this information when requested by a third party to the extent allowed by law.

Owner/Operator Name of the surgical facility as it appears on the UBI/Master Business License Optum Care Washington, PLLC	
Clinical Practice UBI #: 313 001 098 Surgery Center UBI #: 313 001 098	Federal Tax ID (FEIN) # 91-0214500
Mailing Address 3901 Hoyt Avenue Everett, WA 98201	Surgery Center Address 4011 172nd Street N.E. Arlington, WA 98223
Website Address: optum.com/wa	
Phone number (10-digit): (425) 317-3950	Email Address: George.Go@optum.everettclinic.com
Name and Title of Responsible Officer (Print): George Go, M.D., Owner	Signature of Responsible Officer: <u>George Go</u> <small>George Go (09/18/2024 12:22 PDT)</small> Date of Signature: September 17, 2024
Identify the purpose of your request:	
<input type="checkbox"/> New Facility	<input type="checkbox"/> Facility Expansion – Operating Room Increase
<input type="checkbox"/> Change of Ownership	<input checked="" type="checkbox"/> Facility Expansion – Service Increase
<input type="checkbox"/> Facility Relocation	<input type="checkbox"/> Other (please provide a letter describing)

Existing Facility Status

Complete for all applications concerning existing facilities

1. The CN Program previously determined the facility was not subject to CN Review (if yes, attach DOR letter)

Yes No

2. If this request is for a change in ownership provide the following information:

Current facility's name	
Current facility's address	
Current facility's license number	ASF.FS.
Current facility's Certificate of Need status	<input type="checkbox"/> Exempt DOR# _____
	<input type="checkbox"/> Approved CN# _____
Anticipated change of ownership month and year	

3. If this request is for the relocation of an existing facility, provide the following information:

Current facility's address	
Anticipated relocation month and year	

Facility Information

4. Although you are not required to apply for an ASF license before a CN determination is issued, have you or do you intend to, apply for a license?*

Yes, intend to apply No
 Yes, here is the facility's license #ASF.FS. 61416995

*Your answer to this question will allow the CN program to effectively coordinate the licensure process with other DOH offices.

- 5.

Number of existing operating and procedure rooms:	3
Number of new operating and procedure rooms:	0
Total:	3

For Certificate of Need purposes operating and procedure rooms are one in the same.

Clinical and Surgical Services

6. Check all surgical procedures currently performed in the facility.

Ear, Nose, & Throat Gynecology Oral Surgery
 Plastic Surgery Gastroenterology Maxillo facial
 Orthopedics Podiatry General Surgery
 Ophthalmology Pain Management Urology
 Other (describe) Physiatry
 This is a new facility, no surgical procedures are currently performed

Check all new surgical procedures proposed to be performed in the facility

- | | | |
|---------------------------------------------------|-------------------------------------------|-----------------------------------------------------|
| <input type="checkbox"/> Ear, Nose, & Throat | <input type="checkbox"/> Gynecology | <input type="checkbox"/> Oral Surgery |
| <input type="checkbox"/> Plastic Surgery | <input type="checkbox"/> Gastroenterology | <input type="checkbox"/> Maxillo facial |
| <input type="checkbox"/> Orthopedics | <input type="checkbox"/> Podiatry | <input checked="" type="checkbox"/> General Surgery |
| <input checked="" type="checkbox"/> Ophthalmology | <input type="checkbox"/> Pain Management | <input type="checkbox"/> Urology |
| <input type="checkbox"/> Other (describe) | | |

Primary Purpose of the Facility

- The Certificate of Need Program must understand how a facility operates in order to determine the facility's primary purpose. Typically, governance documents can aid the department in this understanding. These could be in the form of operating agreements, shareholder agreements, or corporate governing documents. Provide any documentation that could aid in this understanding.
- A facility that receives more than 50% of their income or 50% of their visits from surgeries is subject to CN requirements. In order to determine if your project is subject to CN review, please provide the current (existing facility) and proposed (new facility) percentages of income and visits for clinical and surgical services. Include all assumptions used to determine the percentages provided.

This site's revenue	Most recent full year of operation Year: <u>2024</u>	Projected first full year of operation after the proposed changes Year: <u>2025</u>
Total revenue for clinical services	\$10,135,549	\$10,642,327
Total revenue for surgical services	\$4,073,999	\$10,430,574
Total revenue	\$14,598,375	\$21,481,169

This site's patient visits	Most recent full year of operation Year: <u>2024</u>	Projected first full year of operation after the proposed changes Year: <u>2025</u>
Total clinical patient visits	42,726	44,862
Total surgical patient visits	2,431	5,546
Total patient visits	45,693	50,971

2024 data is annualized based on August 2024 YTD actuals

The projected total patient visits and the percentage of the total patient visits that will be clinical visits and surgical visits are based on historical data from the existing site. Similarly, the projected total revenue from clinical services and the percentage of the total revenue that will be from clinical services and surgical services are based on historical data from the existing site.

Certificate of Need Program Revised Code of Washington (RCW) and Washington Administrative Code (WAC)

Certificate of Need Program laws [RCW 70.38](#)

Certificate of Need Program rules [WAC 246-310](#)

References	Title/Topic
246-310-010	Certificate of Need Program —Definitions
246-310-270	Certificate of Need Program —Ambulatory Surgery
Interpretive Statement CN 01-18	Certificate of Need Program – Interpretation of WAC 246-310-010(5), Definition of Ambulatory Surgical Facility

Licensing Resources:

[Ambulatory Surgical Facilities Laws, RCW 70.230](#)
[Ambulatory Surgical Facilities Rules, WAC 246-330](#)
[Ambulatory Surgical Facilities Program Web Page](#)

Construction Review Services Resources:

[Construction Review Services Program Web Page](#)

Phone: (360) 236-2944

Email: CRS@doh.wa.gov