

October 25, 2013

David Neil, DDS Neil & Hillyard PLLC 2501 Northeast 134th Street, #105 Vancouver, Washington 98686

Dear Dr. Neil:

RE: DOR 14-08

The Department of Health has completed its review of your exemption request regarding the proposed construction of an ambulatory surgery center in Vancouver, within Clark County. Below is the information considered and the facts relied upon by the department's Certificate of Need Program in reaching its conclusion regarding your project.

INFORMATION CONSIDERED

- Ambulatory Surgery Center (ASC) exemption application submitted August 27, 2013
- Supplemental information submitted on October 3, 2013¹
- Revised Code of Washington (RCW) 70.38
- Washington Administrative Code (WAC) 246-310
- Washington Secretary of State and Department of Revenue information obtained from the respective websites
- Department of Health external provider look-up
- Department of Health Integrated Licensing and Regulatory System (ILRS)

FACTS CONSIDERED

- On April 12, 2006, David S. Neil established a professional services corporation with the Washington Secretary of State's office. The corporation name is 'David S. Neil, DDS, PS.'
- On January 3, 2008, Todd L. Hillyard established a professional services corporation with the Washington Secretary of State's office. The corporation name is 'Todd L. Hillyard, DDS, PC.'
- On February 20, 2008, the Neil & Hillyard, PLLC was established with the Washington Secretary of State's office. The two members of this corporation are David Neil and Todd Hillyard. The exemption application was submitted under Neil & Hillyard, PLLC, practice.

¹ Supplemental information submitted by Kevin McHugh, consultant with Strategic Ancillaries, LLC.

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 Neil & Hillyard, PLLC has one operational practice site, a second practice site under construction, and a third practice site to be constructed. The practice sites are identified below.

Status	Address	City	Zip
Current	2501 Northeast 134 th Street, #105	Vancouver	98686
Under Construction	900 Northeast 139 th Street, #106	Vancouver	98685
To Be Established	14411 Northeast 20th Avenue	Vancouver	98686

- Neil & Hillyard, PLLC intends to build the third practice site listed in bold above. This
 practice site would include an attached ASC. The ASC will be located in dedicated space at
 the clinical practice.
- The ASC will be operated under the practice corporation of Neil & Hillyard, PLLC.
- At this time, only three physicians intend to use the ASC. Future owners or employees may have access to the ASC. Specific physician credentialing information is below.

Name	Credential Status	Practice Status
David S. Neil	Active	Owner
Todd L. Hillyard ²	Active	Owner
Joshua Ryan Twiss	Active	Employee

- The procedures proposed include those typically associated with dental surgery. A listing of common procedures and associated 'D' codes is included in the exemption application.
- The ASC will not be operated as a separate legal entity from the Neil & Hillyard, PLLC practice.
- No management agreement is proposed.

CONCLUSION

Based on the totality of information considered, the department concludes the proposed ASC would be exempt from Certificate of Need review. This exemption is not transferable and the conclusions reached concerning this proposed ASC are based on the facts about this facility and it should not be assumed the department would reach the same conclusion in future exemption requests for other future ASCs.

If changes are made in the operation or ownership of this proposed ASC, the ASC may no longer be eligible for this exemption. In that case, prior Certificate of Need review and approval or new exemption would be required. Examples of such changes include the following. This list is not intended to be all inclusive.

• The scope of services is expanded to include services subject to Certificate of Need review under the provisions of WAC 246-310-020.

² Dr. Hillyard holds two Washington State licenses: a dentist license and conscious sedation license.

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- The provision of any procedure as identified under WAC 246-310-705(4).
- The ASC is operated under a management agreement.
- The ASC is organized as a separate legal entity from the practice.
- The ASC is moved to a different site than identified in the exemption application.
- Use of the ASC is extended to any physician who is not a member/owner or employed by Neil & Hillyard, PLLC.
- The ASC ceases operations or relinquishes its Medicare certification and then chooses to resume services as an ASC.
- The ASC or the practice is purchased or leased.
- ASC patients are routinely transferred from the ASC for observation care at one of the area's hospitals.

APPEAL OPTIONS

This decision may be appealed. The two appeal options are listed below.

Appeal Option 1:

You or any interested or affected person 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 addresses below.

Mailing Address:Other Than By MailDepartment of HealthDepartment of HealthCertificate of Need ProgramCertificate of Need ProgramMail Stop 47852111 Israel Road SEOlympia, WA 98504-7852Tumwater, WA 98501

Appeal Option 2:

You 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 below.

Mailing Address:Other Than By MailDepartment of HealthDepartment of HealthAdjudicative Service UnitAdjudicative Service UnitMail Stop 47879111 Israel Road SEOlympia, WA 98504-7879Tumwater, WA 98501

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Please call me at (360) 236-2957 if you have any questions regarding this determination.

Sincerely,

Karen Nidermayer, Analyst Certificate of Need Program Community Health Systems

Department of Health, Investigations and Inspections Office Department of Health, Construction Review Services Kevin McHugh, Consultant [via pdf]