

February 14, 2014

CERTIFIED MAIL #7011 2000 0000 5081 8814

Constance Kanter, CFO Seattle University 901 – 12th Avenue Seattle, Washington 98122

Dear Ms. Kanter:

Enclosed is Certificate of Need #1524 issued to Seattle University approving the establishment of a 46-bed community based nursing home in King County using beds banked under the full facility closure provisions of Revised Code of Washington 70.38.115(13)(b).

The certificate is not approval for any other local, federal, or state statutes, rules, or regulations. Such a project may also need Department of Health approval for a construction plan and facility licensing or certification, as well as other federal or local jurisdiction permits.

The Certificate of Need is valid for two years. The project must begin during this time. If there is substantial and continuing progress, we may extend the certificate for one six month period. For an extension, you must submit an extension request at least 120 days before the expiration. You cannot begin a project after the expiration date.

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

Appeal Option 1:

Any person with standing 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 following addresses:

Mailing Address:
Department of Health
Certificate of Need Program
Mail Stop 47852
Olympia, WA 98504-7852

Other Than By Mail: Department of Health Certificate of Need Program 111 Israel Road SE Tumwater, WA 98501 Constance Kanter, CFO Seattle University February 14, 2014 Page 2 of 2

Appeal Option 2:

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 following addresses:

Mailing Address: Adjudicative Service Unit Mail Stop 47879 Olympia, WA 98504-7879 Other Than By Mail
Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

We monitor projects until completed or the expiration date, whichever occurs last. We do this with quarterly progress reports. At least 30 days before the report's due date, you will receive a form to complete and return.

If you have any questions, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely

Steven M. Saxe, FACHE

Director, Community Health Systems

Enclosure

cc: Department of Social and Health Services



This Certificate is granted under the authority of RCW 70.38. Issuance of this Certificate does not constitute approval under any other local, federal, or state statute, implementing rules, and regulations. Examples where additional approval may be necessary include, but are not limited to, construction plan approval through the Construction Review Unit of the Department of Health, facility licensing/certification through the Department of Social and Health Services or Department of Health, and other federal or local jurisdiction permits.

Certificate of Need #1524 is issued to:

Legal Name of Applicant:

Seattle University

Address of Applicant:

901 – 12th Avenue Seattle Washington 98122

Type of Service:

Community Based Nursing Home

Facility Name:

Mirabella

Facility Address:

116 Fairview Avenue North Seattle Washington 98109

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF JANUARY 30, 2014. (App #14-02)

Project Description:

Seattle University is approved to establish a 46-bed Medicare and Medicaid certified nursing home in King County by converting 46 beds banked under the full facility closure provisions of Revised Code of Washington 70.38.115(13)(b). The 46 beds would become licensed in two phases. Phase one is the establishment of a 22-bed nursing home. Phase two is the addition of 24 nursing home beds to the facility.

Service Area

King County and surrounding communities

Conditions

See Page Two

Approved Capital Expenditure

The approved capital expenditure for this project is \$1,568,547, and is solely related to phase two of the project.

This Certificate authorizes commencement of the project from <u>February 14, 2014</u>, to <u>February 14, 2016</u>, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: February 14, 2014

Steven Saxe, Director

Community Health Systems

This Certificate is not transferable.

Certificate of Need #1524 Page 2

Conditions:

- 1. Seattle University agrees with the project description as stated above. Seattle University further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
- 2. Seattle University must remain the licensee of Seattle U-Mirabella at least through completion of phase two.
- 3. Seattle University will obtain its Medicare and Medicaid provider numbers for the nursing home within 60 days of the issuance of a nursing home license.
- 4. The nursing home must maintain its Medicare and Medicaid certification throughout the operation of the facility, regardless of ownership.
- 5. Seattle University will provide the following information related to patient days: total patient days, Medicare patient days, and Medicaid patient days. This information will be reported quarterly in the progress reports developed by the department.
- 6. Seattle University and any subsequent owners of the nursing home must not develop any policies or practices that discriminate against admission of patients based on payer source.
- 7. Seattle University will provide to the department an executed Medical Director Agreement for review and approval. The executed agreement must reference Seattle University and be consistent with the draft agreement provided in the application.
- 8. Seattle University will provide to the department an executed Lease Agreement for review and approval. The executed agreement must be consistent with the draft agreement provided in the application.
- 9. Seattle University will provide to the department an executed Management Services Agreement for review and approval. The executed agreement must be consistent with the draft agreement provided in the application.