

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

PO Box 47852 Olympia, Washington 98504-7852

May 5, 2016

CERTIFIED MAIL # 7012 1010 0000 5625 0556

Matthew Kollman, MS Chief Operating Officer Memorial Physicians, PLLC 3800 Summitview Avenue Yakima, Washington 98902

RE: Certificate of Need Application #16-13A

Dear Mr. Kollman:

Enclosed is Certificate of Need #1576 issued to Memorial Physicians, PLLC proposing to establish an ambulatory surgery center in Yakima County.

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

Physical Address:
Department of Health
Certificate of Need Program
111 Israel Road SE
Tumwater, WA 98501

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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:
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

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,

Bart Eggen, Acting Director

Office of Community Health Systems

Enclosure



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 #1576 is issued to:

Legal Name of Applicant:

Memorial Physicians, PLLC

Address of Applicant:

3800 Summitview Avenue, Yakima Washington 98902

Type of Service:

Ambulatory Surgery Center

Facility Name:

Yakima Gastroenterology Associates

Facility Address:

3909 Creekside Loop, #120, Yakima Washington 98902

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED APRIL 18, 2016, (CN App #16-13A).

Project Description

This certificate approves the establishment of a three-operating room endoscopy ambulatory surgery center in Yakima, within Yakima County. The surgery center currently provides gastroenterology services that can be performed appropriately in an outpatient setting, such as colonoscopies, flexible sigmoidoscopies, esophageal dilation, and esophagogastroduodenoscopies. Memorial Physicians, PLLC does not intend to expand the scope of services beyond those currently provided at the surgery center.

Service Area Yakima County

Conditions

- 1. Memorial Physicians, PLLC agrees with the project description as stated above. Memorial Physicians, PLLC 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. Before commencement of the project, Memorial Physicians, PLLC must provide to the department, for review and approval, a final copy of the Charity Care Policy for the surgery center. This policy must be facility-specific and shall include the required non-discrimination language referenced in this approval.
- 3. The ambulatory surgery center will provide charity care in compliance with the charity care policy provided in the application, or any subsequent polices reviewed and approved by the Department of Health. Memorial Physicians, PLLC will use reasonable efforts to provide charity care at the ambulatory surgery center in an amount comparable to or exceeding the average amount of charity care provided by the four hospitals in Central Washington Region. Currently, this amount is 2.05% for gross revenue and 4.78% for adjusted revenue. Memorial Physicians, PLLC will maintain records at the ambulatory surgery center documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.
- 4. Memorial Physicians, PLLC must maintain Medicare and Medicaid certifications at the surgery center.

Approved Capital Expenditure

There is no capital expenditure associated with this project.

This Certificate authorizes commencement of the project from May 5, 2016, to May 5, 2018, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: May 5, 2016

Bart Eggen, Acting Director

Office of Community Health Systems

This Certificate is not transferable