

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

PO Box 47852•Olympia, Washington 98504-7852

August 30, 2016

CERTIFIED MAIL # 7008 1830 0002 8022 0847

Theresa Boyle, SVP Strategy and Business Development MultiCare Health System 315 Martin Luther King Jr. Way Tacoma, Washington 98415

RE: Certificate of Need Application #16-22

Dear Ms. Boyle:

Enclosed is Certificate of Need #1586 issued to MultiCare Health System approving the addition of 66 acute care beds to Good Samaritan Hospital in Pierce 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

Theresa Boyle, MultiCare Health System CN Application #16-22 August 30, 2016 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:
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 #1586 is issued to:

Legal Name of Applicant:

MultiCare Health System

Address of Applicant:

315 Martin Luther King Jr. Way, Tacoma, Washington 98415

Type of Service:

Acute Care Bed Addition

Facility Name:

Good Samaritan Hospital

Facility Address:

401 – 15th Avenue Southeast, Puyallup, Washington 98372

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED AUGUST 12, 2016 (CN App #16-22)

Project Description

This certificate approves the addition of 66 acute care beds to Good Samaritan Hospital. Based on Good Samaritan Hospital's current licensed bed capacity of 286, at project completion, Good Samaritan Hospital will be operating a total of 352 acute care beds.*

Type	Total # of Beds
Medical Surgical	316
Level II Intermediate Care Nursery	11
Level I Rehabilitation	25
Total	352

^{*} Once Certificate of Need #1582 is fully implemented, the total number of beds at Good Samaritan Hospital will be 375. [352 + 23 level I rehabilitation beds.]

Service Area

Pierce County and surrounding communities

Conditions

- 1. Approval of the project description as stated above. MultiCare Health System 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. MultiCare Health System shall finance the project using cash reserves as described in the application.
- 3. Before providing services in the CUPW program, MultiCare Health System shall provide to the Department of Health with a copy of the executed addendum attached to the Physician Services Agreement. The executed addendum must be consistent with the draft addendum provided in the application.

Approved Capital Expenditure

The approved estimated capital expenditure for this project is \$44,523,918.

This Certificate authorizes commencement of the project from <u>August 30, 2016</u> to <u>August 30, 2018</u> unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: August 30, 2016

Bart Eggen, Acting Director

Office of Community Health Systems

This Certificate is not transferable