

#### STATE OF WASHINGTON

### DEPARTMENT OF HEALTH

Certificate of Need Program

111 Israel Road Southeast – MS 4-7852
Olympia, Washington 98504

March 8, 2016

Andrew Kopstein, MD St. Mark's Micro Surgical Center, Inc. 502 South M Street Tacoma, Washington 98405

Dear Dr. Kopstein:

RE: DOR 15-38

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

## **INFORMATION CONSIDERED**

- Ambulatory Surgery Center (ASC) exemption application received March 30, 2015
- Supplemental information received May 12, 2015, June 12, 2015, July 14, 2015, August 24, 2015, October 6, 2015, October 7, 2015, December 8, 2015, March 2, 2016, and March 3, 2016
- Supplemental information received during phone calls with attorney, Patricia Kahn, on November 3, 2015, and March 3, 2016.
- 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)
- Certificate of Need historical files

## **FACTS CONSIDERED**

- On December 31, 1985, the Certificate of Need Program issued an exemption approval to physician Douglas MacLeod for the establishment of a surgery center at 502 South M Street in Tacoma [98405], within Pierce County.
- On July 15, 2014, the Certificate of Need Program re-confirmed that the surgery center owned and operated by Dr. MacLeod continued to operate in conformance with the December 31, 1985, exemption.

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- On December 16, 2014, the Certificate of Need Program received notification and documentation related to the sale of St. Mark's Microsurgical Center from Dr. MacLeod to Andrew Kopstein, MD.
- According to the Washington Secretary of State's office, St. Mark's Microsurgical Center, Inc. has been a registered professional corporation since On October 19, 1993. [source: Secretary of State website]
- St. Mark's Microsurgical Center, Inc. has been registered with the Washington State Department of Revenue since January 1, 1995. [source: Department of Revenue website]
- As of January 1, 2015, St. Mark's Microsurgical Center, Inc. is solely governed by Andrew Kopstein, MD.
- St. Mark's Microsurgical Center, Inc. has one practice site located at 502 South 'M' Street in Tacoma [98405], within Pierce County. Both the practice and the surgery center are located at that address.
- The ASC is operated under the practice corporation of St. Mark's Microsurgical Center, Inc.
- Only the sole owning physician, Andrew Kopstein, MD, will use the ASC. Future owners or employees may have access to the ASC. A table with specific physician credentialing information and practice association is below.

Name	<b>Credential Status</b>	<b>Practice Status</b>	Percent of Time
Andrew B. Kopstein	Active <sup>2</sup>	Member	100%

- The procedures proposed include those typically associated with outpatient ophthalmic, such as cataract, Lasik, and glaucoma procedures. A listing of common procedures is included in the exemption application.
- The ASC will not be operated as a separate legal entity from the St. Mark's Microsurgical Center, Inc. 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

<sup>1</sup> Employed physicians must be employed by St. Mark's Microsurgical Center, Inc. a minimum of 75% <u>and</u> perform their full range of services through St. Mark's Microsurgical Center, Inc.

<sup>&</sup>lt;sup>2</sup> Department of Health data shows a pending case [M2016-2097] related to Dr. Kopstein's license #00037629. As of the date of this letter, the license remains in the 'active' status.

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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.
- 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 St. Mark's Microsurgical Center, Inc.
- Use of the ASC is extended to any physician that is an independent contractor.
- The ASC obtains a new or separate Medicare certification from the clinical practice.
- 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 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.

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 decision, please call me at (360) 236-2955.

Sincerely,

Janis Sigman, Manager Certificate of Need Program Community Health Systems