



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
*Olympia, Washington 98504*

August 10, 2016

Kevin Abel, CEO  
Lake Chelan Community Hospital  
503 East Highland Avenue  
PO Box 908  
Chelan, WA 98816-0908

RE: DOR 16-32

Dear Mr. Abel:

The Department of Health has completed its review of your exemption request for Lake Chelan Community Hospital to increase its total number of swing beds from 5 to 25. 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**

- Exemption request received on June 2, 2016
- Supplemental information received on August 1, 2016
- Revised Code of Washington (RCW) 70.38
- Washington Administrative Code (WAC) 246-310
- Department of Health Integrated Licensing and Regulatory System (ILRS) data
- DSHS Nursing Home Locator Tool
- Certificate of Need Program historical files

**FACTS CONSIDERED**

- Lake Chelan Community Hospital is a Critical Access Hospital located at 503 E Highland Avenue in Chelan, within Chelan County [98816].
- The hospital is currently licensed for 34 acute care beds, but operates as a 25-bed critical access hospital. The 25 set-up beds include 5 swing beds<sup>1</sup> and 14 beds available for alcohol and chemical dependency services.
- This project proposes to increase the number of swing beds by twenty. The total number of swing beds would increase from 5 to 25.

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<sup>1</sup> Swing beds are designated by an eligible rural hospital and are available to provide either acute care or nursing home services (WAC 246-310-010(58)).

- The total number of licensed beds would remain at 34. Lake Chelan would continue to operate as a 25-bed critical access hospital.
- All 25 set-up beds would be swing beds as defined in Washington Administrative Code 246-310-010(58). 14 beds would continue to be available for alcohol and chemical dependency services, within the total set-up bed count. Below is a breakdown, by type, of the 25 set-up beds:

<b>Bed Type</b>	<b>Number of Beds</b>
Total Licensed Beds	34
Total Set-Up Beds <sup>2</sup>	25
Total Critical Access Beds (within set-up beds)	25

- There are four nursing homes located in Chelan County. One is located in Cashmere and three in Wenatchee.<sup>3</sup> Neither Cashmere nor Wenatchee is within Chelan County Public Hospital District #2, which includes Stehekin, Chelan, Manson, Holden Village, and Chelan Falls. Cashmere is located 44 miles from Chelan and Wenatchee is located 40 miles from Chelan.

### **CONCLUSION**

Based on the totality of information considered, the department concludes the proposed increase in swing beds would be exempt from Certificate of Need review as allowed under Revised Code of Washington 70.38.105(4)(e). This exemption is not transferable and the conclusions reached concerning this project 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. This 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.

### **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 below.

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

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<sup>2</sup> The 14 beds available for alcohol and chemical dependency services are within the 25 set-up beds

<sup>3</sup> Cashmere Convalescent Center is located in Cashmere. Central Washington Hospital Transitional Care Unit, Colonial Vista Care Centers, LLC, and Regency Wenatchee Rehabilitation and Nursing Center are located in Wenatchee.


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We monitor projects until completed. 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 regarding this determination, you can call me at (360) 236-2955.

Sincerely,

A handwritten signature in blue ink that reads "Karen Redman". The signature is written in a cursive style.

 Janis Sigman, Manager  
Certificate of Need Program  
Community Health Systems

cc: Department of Health, Construction Review Services