



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

January 13, 2017

CERTIFIED MAIL # 7015 0640 0000 6441 5997

Christina Lombardi, Regional Director
Clinical Operations and Market Integration, Seattle Region
Group Health Cooperative
201 16th Avenue East, D640
Seattle WA 98112-5260

Susan E. Mullaney, Regional President Designate
Kaiser Foundation Health Plan of Washington
500 NE Multnomah Street
Portland, OR 97232

RE: CN Application 17-02

Enclosed is Certificate of Need #1592 issued to co-applicants Group Health Cooperative and Kaiser Foundation Health Plan of Washington to continue operation of the Group Health Capitol Hill Procedure Center. 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.

Christina Lombardi, Regional Director
Group Health Cooperative

Susan E. Mullaney, Regional President Designate
Kaiser Foundation Health Plan of Washington

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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

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

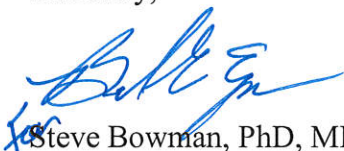
Physical Address

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,



Steve Bowman, PhD, MHA
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 #1592 is issued to:

Legal Name of Applicant: Group Health Cooperative
Kaiser Foundation Health Plan of Washington
Address of Applicant: 201 16th Avenue East, D640 Seattle WA, 98112
Type of Service: Ambulatory Surgery Center
Facility Name: Group Health Capitol Hill Procedure Center
Facility Address: 125 16th Avenue East, Suite CSB-2 Seattle, Washington 98112

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED DECEMBER 20, 2016, (CN App #17-02)

PROJECT DESCRIPTION:

This certificate approves the continued operation of the five operating room ambulatory surgery center in Seattle, within Central King County following the transaction in which Kaiser Foundation Health Plan of Washington will become the sole member of Group Health Cooperative. The types of procedures to be performed at the ambulatory surgery center include gastroenterology procedures, manometry, EBUS, and TEE. The surgery center provides care to adult patients that can be served appropriately in an outpatient setting. Patients in need of care beyond the 23 hours and 59 minutes allowable within an ASC would be transferred in accordance with the transfer agreement between the Group Health Capitol Hill Procedure Center and Swedish Health Services.

Conditions:
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Approved Capital Expenditure

There is no capital expenditure related to this project.

This Certificate authorizes commencement of the project from January 13, 2017 to January 13, 2019, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: January 13, 2017


Steve Bowman, PhD, MHA
Director, Office of Community Health Systems

This Certificate is not transferable.

Certificate of Need #1592

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Conditions

1. Approval of the project description as stated above. Group Health Cooperative and Kaiser Foundation Health Plan of Washington further agree that any change to the project as described in the project description is a new project and requires a new Certificate of Need.
2. Consistent with Revised Code of Washington 70.38.115(3), the Group Health Capitol Hill Procedure Center may not be sold, leased, or have a change in control without first obtaining a Certificate of Need.
3. The Group Health Capitol Hill Procedure Center shall cease dual-licensing of the facility immediately upon receipt of AAAHC accreditation. GHC will submit an amended hospital license application removing the Group Health Capitol Hill Procedure Center from the hospital's license within five working days of receiving accreditation.