

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

PO Box 47852•Olympia, Washington 98504-7852

May 17, 2019

CERTIFIED MAIL # 7018 2290 0001 8591 8438

John Wall, General Counsel Springstone, LLC 101 South 5th Street, #3850 Louisville, Kentucky 40202

RE: Certificate of Need Application #19-10

Dear Mr. Wall:

Enclosed is Certificate of Need #1590A issued to Springstone, Inc. approving the amendment to Certificate of Need #1590 by removing a condition attached to the initial approval. Issuance of this amended Certificate of Need does not change the validity period for the initial certificate. Further the department acknowledges that the project authorized under CN #1590 is complete and the psychiatric hospital is licensed and oprational.

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

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:

John Wall, Springstone, LLC Certificate of Need Application #19-10 May 17, 2019 Page 2 of 2

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, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,

Nancy Tyson Executive Director

Health Facilities and Certificate of Need

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 #1590A is issued to:

Applicant's Legal Name:

Springstone, Inc.

Applicant's Address:

101 South 5th Street, #3850, Louisville, Kentucky 40202

Facility Type

Psychiatric Hospital

Project Type Facility Name:

Psychiatric Hospital Rainier Springs

Facility Address:

2805 Northeast 129th Street, Vancouver, Washington 98686

ISSUANCE OF THIS AMENDED CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED MAY 3, 2019 (CN APP # 19-10)

Project Description

The Initial Certificate of Need approved the construction of a 72-bed psychiatric hospital that would provide a full range of psychiatric services, including inpatient services, voluntary and involuntary treatment services, adult and geropsychiatric services, and substance abuse treatment for patients 18 and older. The number of approved beds is below.

	Number of Beds
Psychiatric beds	72
Total Licensed Beds	72

Service Area

Clark County and surrounding communities

Conditions

The amended conditions are listed on page two of this certificate.

Approved Capital Expenditure

The approved capital expenditure for this amendment project is \$26,843,706.

This Amended Certificate authorizes commencement of the project from January 10, 2017 to January 10, 2019 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Amended Certificate Issued: May 17, 2019

Nancy Tyson, Executive Director

Health Facilities and Certificate of Need Washington State Department of Health

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This Certificate is not transferable

Certificate of Need #1590A Page Two

Conditions

- 1. Approval of the project description as stated above. Springstone, LLC 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. [condition met on 10/02/15 and is ongoing]
- 2. Prior to providing services at the hospital, Springstone, LLC will submit a copy of the adopted and approved Admission Policy for review and approval. The adopted policy must be consistent with the draft provided in the application. [condition met on 07/31/18]
- 3. Prior to providing services at the hospital, Springstone, LLC will submit a copy of the adopted Charity Care Policy approved by the Department of Health's Hospital and Patient Data System's office. [condition met October 2018]
- 4. The new 72-bed psychiatric hospital will provide charity care in compliance with its executed charity care policies reviewed and approved by the Department of Health, or any subsequent polices reviewed and approved by the Department of Health. The new 72-bed psychiatric hospital will use reasonable efforts to provide charity care equal to the amount identified in the application, but no less than the average amount of charity care provided by hospitals in the Southwest Region. Currently, this amount is 3.41% of gross revenue and 8.47% of adjusted revenue. The psychiatric hospital will maintain records documenting the amount of charity care provided and demonstrating its compliance with its charity care policies. [condition met on 10/02/15 and is ongoing]
- 5. Annual budgets, as required by WAC 246-454-030, submitted by the new 72-bed psychiatric hospital must include budgeted charity care amounts of at least the regional average amount of charity care provided by hospitals in the Southwest Region. [condition met on 10/02/15 and is ongoing]
- 6. Prior to providing services at the hospital, Springstone, LLC will submit to the department for review and approval an executed transfer agreement between Rainier Springs, LLC and a local hospital. The executed agreement must be consistent with the draft agreement provided in the application. [condition met on 07/31/18]
- 7. Prior to providing services at the hospital, Springstone, LLC will submit to the department for review and approval a listing of key staff for the hospital. Key staff includes all credentialed or licensed management staff, including the director of nursing and medical director. [condition met on 07/31/18]
- 8. Prior to providing services at the hospital, Springstone, LLC will submit to the department for review and approval a final listing of ancillary and support vendors for the 72-bed psychiatric hospital. [condition met on 07/31/18]
- 9. So long as the state desires to contract with the facility for providing care to Involuntary Treatment Act patients, Springstone, LLC will contract with the state to provide that care. An ITA referral may only be rejected if there are no beds available at the psychiatric hospital at the time of referral or if such referral is clinically inappropriate. [condition met on 10/02/15 and is ongoing]