DOR21-01

RECEIVED
JUL 01 2020
CERTIFICATE OF NEED PROGRAM
DEPARTMENT OF HEALTH

Certificate of Need
Determination of Reviewability
Ambulatory Surgical Facility and Ambulatory Surgery Center
(Do not use this form for any other type of ASC/F project)

Certificate of Need submissions must include a fee in accordance with Washington Administrative Code (WAC) 246-310-990.

The Department of Health (department) will use this form to determine whether my ambulatory surgical center or facility requires a Certificate of Need under state law and rules. Criteria and consideration used to make the required determinations are Revised Code of Washington (RCW) 70.38 and Washington Administrative Code (WAC) 246-310. I certify that the statements in the submissions are correct to the best of my knowledge and belief. I understand that any misrepresentation, misleading statements, evasion, or suppression of material fact in this application may be used to take actions identified in WAC 246-310-500.

My signature authorizes the department to verify any responses provided. The department will use such information as appropriate to further program purposes. The department may disclose this information when requested by a third party to the extent allowed by law.

Owner/Operator Name of the surgical facility as it appears on the UBI/Master Business License **Olympia Orthopaedic Associates, PLLC**	
Clinical Practice UBI #: **601-617-151** Surgery Center UBI #: **601-617-151**	Federal Tax ID (FEIN) # **91-1674528**
Mailing Address **2421 Heritage Court SW, Suite 201** **Olympia, WA 98502**	Surgery Center Address **7770 Britton Parkway NE** **Lacey, WA 98516** **Parcel # 1180-23-40401**
Website Address: **http://www.olyortho.com**	
Phone number (10-digit): **360-570-3465**	Email Address: **jforsman@olyortho.com**
Name and Title of Responsible Officer (Print): **Jessica Forsman** **VP, Business Development**	Signature of Responsible Officer: Jessica J Forsman Date of Signature: 6/25/2020

Identify the purpose of your request:

☒	New Facility	☐	Facility Expansion – Operating Room Increase
☐	Change of Ownership	☐	Facility Expansion – Service Increase
☐	Facility Relocation	☐	Other (please provide a letter describing)

Existing Facility Status, complete for all applications concerning existing facilities

1. The CN Program previously determined the facility was not subject to CN Review (if yes, attach DOR letter)

   ☐ Yes ☒ No

Surgical Facility Owner/Operator Information

2. Provide a copy of any applicable governance documents, including operating agreements, shareholder agreements or corporate governing documents.

Facility Information

3. Although you are not required to apply for an ASF license before a CN determination is issued, have you or do you intend to, apply for a license?*

   ☒ Yes ☐ No

   *Your answer to this question will allow the CN program to effectively coordinate the licensure process with other DOH offices.

4.

Number of existing operating and procedure rooms:	**0**
Number of new operating and procedure rooms:	**6**
Total:	**6**

Clinical and Surgical Services

5. Check all surgical procedures currently performed in the facility.

☐	Ear, Nose, & Throat	☐	Gynecology	☐	Oral Surgery
☐	Plastic Surgery	☐	Gastroenterology	☐	Maxillo facial
☐	Orthopedics	☐	Podiatry	☐	General Surgery
☐	Ophthalmology	☐	Pain Management	☐	Urology
☐	Other (describe)				
☒	This is a new facility, no surgical procedures are currently performed				

Check all new surgical procedures proposed to performed in the facility

☐	Ear, Nose, & Throat	☐	Gynecology	☐	Oral Surgery
☐	Plastic Surgery	☐	Gastroenterology	☐	Maxillo facial
☒	Orthopedics	☐	Podiatry	☐	General Surgery
☐	Ophthalmology	☒	Pain Management	☐	Urology
☒	Other (**ASC-eligible spine and neurosurgery procedures**)				

6. A facility that receives more than 50% of their income or 50% of their visits from surgeries is subject to CN requirements. In order to determine if your project is subject to CN review, please provide the current (existing facility) or proposed (new facility) percentages of income and visits for clinical and surgical services. Include all assumptions used to determine the percentages provided.

	Most recent full year of operation at current surgical site	Projected first full year of operation after the change in location
Total revenue for clinical services provided at this site.	N/A - new facility	$22,027,992
Total revenue for this site.	N/A - new facility	$39,119,625
Total clinical patient visits for this site.	N/A - new facility	68,579
Total surgical visits at this site.	N/A - new facility	3,327
Total patient visits at this site.	N/A - new facility	71,906

These numbers are based on the following assumptions:

The new site, including the new ASF, will open at the end of 2023. The above calculations are projections for 2024, which will be the first full year of operation. In addition to surgical services, the new site will include an outpatient clinic, diagnostic imaging, physical therapy, durable medical equipment, and orthopedic urgent care.

We plan to relocate two of our existing outpatient clinic locations to the new site once open. Revenue and volume assumptions for clinical services and surgical services were calculated using 2019 actual numbers for existing providers who are expected to practice at the new location. An average of comparable providers was used for any known new recruits.

We factored in a modest 2% annual growth in volumes across existing service lines, as well as expected growth in payer reimbursement. We also accounted for any anticipated shift in sites of care for specific procedures, such as total joint replacement surgery and carpal tunnel release.

Surgery is expected to represent 4.63% of the total patient visits and 43.69% of the total revenue for this site.

Appendices:

Certificate of Need Program Revised Code of Washington (RCW) and Washington Administrative Code (WAC)

Certificate of Need Program laws RCW 70.38

Certificate of Need Program rules WAC 246-310

WAC Reference	Title/Topic
246-310-010	Certificate of Need Program —Definitions
246-310-270	Certificate of Need Program —Ambulatory Surgery

Licensing Resources:
Ambulatory Surgical Facilities Laws, RCW 70.230
Ambulatory Surgical Facilities Rules, WAC 246-330
Ambulatory Surgical Facilities Program Web Page

Construction Review Services Resources:
Construction Review Services Program Web Page
Phone: (360) 236-2944
Email: CRS@doh.wa.gov

OLYMPIA
ORTHOPAEDIC
ASSOCIATES Inc
Your Life in Motion
www.olyortho.com

Jessica Forsman
Olympia Orthopaedic Associates
2421 Heritage Court SW, # 201
Olympia WA, 98502

June 25, 2020

Certificate of Need Program
Department of Health
111 Israel Rd SE
Tumwater, WA 98501

RE: Olympia Orthopaedic Associates Ambulatory Surgery Center/Facility Certificate of Need Determination of Reviewability Packet

On behalf of Olympia Orthopaedic Associates, I am pleased to submit a certificate of need exemption request to establish and operate a new ambulatory surgery facility ("ASF"), in Lacey, WA.

The new site, including the new ASF, will be located at 7770 Britton Parkway NE, Lacey WA, 98516, Parcel # 1180-23-40401. As this is a new development site, the final address may change once construction is complete and an address has been assigned by the city of Lacey. However, the location would remain the same and will not change.

Thank you for your interest in this matter. Please feel free to contact me directly with any questions. I can be reached at jforsman@olyortho.com or 360-570-3465.

Respectfully,

Jessica J Forsman

Jessica Forsman

VP, Business Development

APP

STATE of WASHINGTON SECRETARY of STATE

I, Ralph Munro, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF FORMATION

to

OLYMPIA ORTHOPEDIC ASSOCIATES PROFESSIONAL
LIMITED LIABILITY COMPANY

a Washington Professional Limited Liability Company was/were filed for record in this office on the date indicated below.

U B I Number: 601 617 151

Date: March 28, 1995
Given under my hand and the seal of the State of Washington, at Olympia, the State Capitol.

Ralph Munro

Ralph Munro, Secretary of State

2-508612-5

SSF 6-A

1995 3154 7407 0434-0436

601-617-1

FILED
STATE OF WASHINGTON
MAR 2 8 1995
RALPH MUNRO
SECRETARY OF STATE

CERTIFICATE OF FORMATION
OLYMPIA ORTHOPEDIC ASSOCIATES PROFESSIONAL LIMITED LIABILITY COMPANY

Pursuant to Title 25 of the Revised Code of Washington, the undersigned does hereby submit this Certificate of Formation for the purpose of a limited liability company.

1. The name of the limited liability company is: OLYMPIA ORTHOPEDIC ASSOCIATES PROFESSIONAL LIMITED LIABILITY COMPANY.

2. The latest date on which the limited liability company is to dissolve is: April 1, 2045.

3. The name of the initial registered agent is: STEPHEN J. BEAN.

4. The initial registered office, which address is identical to the business office of the registered agent in Washington is: 320 North Columbia, Olympia, Washington 98501.

4A. (Optional) The post office box address, located in the same city as the Washington registered office address, which may be used for mailing purposes only, is: P.O. Box 2317, Olympia, Washington 98507.

CONSENT TO APPOINTMENT AS REGISTERED AGENT

I, STEPHEN J. BEAN, hereby consent to serve as Registered Agent in the state of Washington for the above named limited liability company. I understand that as agent for the limited liability company, it will be my responsibility to accept Service of Process on behalf of the limited liability company; to forward license renewals and other mail to the limited liability company; and to immediately notify the Secretary of State in the event of my resignation or of any changes in the Registered Office address.

3-17-95 STEPHEN J. BEAN

5. The address of the principal place of business of the limited liability company is: 3525 Ensign Road NE, Suite E, Olympia, Washington 98506.

6. Management of the limited liability company is not vested in one or more managers. It is member-managed.

Val: 03/28/1995 - 38356
$245.00 on 03/28/1995
Check - 03/28/1995 - 7673

1995 3154 7407 0435

7. The name and address of each person executing this certificate is:

Name	Address
LOUIS A. ROSER, M.D., INC., P.S.	3525 Ensign Road NE, Suite E, Olympia, WA 98506
KENNETH L. PARTLOW III, M.D., INC., P.S.	3525 Ensign Road NE, Suite E, Olympia, WA 98506
JEROME P. ZECHMANN, M.D.	3525 Ensign Road NE, Suite E, Olympia, WA 98506
P. BRODIE WOOD, M.D.	3525 Ensign Road NE, Suite E, Olympia, WA 98506

8. These Articles will be effective upon filing.

DATED: 3-28, 1995.

LOUIS A. ROSER, M.D., INC., P.S.

KENNETH L. PARTLOW III, M.D., INC., P.S.

JEROME L. ZECHMANN, M.D.

P. BRODIE WOOD, M.D.

Office of the Secretary of State
Corporations & Charities Division

Filed
Secretary of State
State of Washington
Date Filed: 12/30/2019
Effective Date: 01/01/2020
UBI #: 601 617 151

EXPRESS ANNUAL REPORT WITH CHANGES

BUSINESS INFORMATION

Business Name:
OLYMPIA ORTHOPAEDIC ASSOCIATES, P.L.L.C.

UBI Number:
601 617 151

Business Type:
WA PROFESSIONAL LIMITED LIABILITY COMPANY

Business Status:
ACTIVE

Principal Office Street Address:
2421 HERITAGE CT SW # 201, OLYMPIA, WA, 98502-6031, UNITED STATES

Principal Office Mailing Address:
PO BOX 368, OLYMPIA, WA, 98507-0368, UNITED STATES

Expiration Date:
03/31/2021

Jurisdiction:
UNITED STATES, WASHINGTON

Formation/Registration Date:
03/28/1995

Period of Duration:
PERPETUAL

Inactive Date:

Nature of Business:

REGISTERED AGENT RCW 23.95.410

Registered Agent Name	Street Address	Mailing Address
BEN SHAH	2421 HERITAGE CT SW # 201, OLYMPIA, WA, 98502-6031, UNITED STATES	PO BOX 368, OLYMPIA, WA, 98507-0000, UNITED STATES

PRINCIPAL OFFICE

Phone:
3604555144

Email:
MFLEMM@OLYORTHO.COM

Street Address:
2421 HERITAGE CT SW # 201, OLYMPIA, WA, 98502-6031, USA

Mailing Address:
PO BOX 368, OLYMPIA, WA, 98507-0368, USA

GOVERNORS

Title	Type	Entity Name	First Name	Last Name
GOVERNOR	INDIVIDUAL		GREGORY	BYRD
GOVERNOR	INDIVIDUAL		CLYDE	CARPENTER
GOVERNOR	INDIVIDUAL		THOMAS	HELPENSTELL
GOVERNOR	INDIVIDUAL		ANDREW	MANISTA
GOVERNOR	INDIVIDUAL		P BRODIE	WOOD
GOVERNOR	INDIVIDUAL		ZACHARY	ABBOTT
GOVERNOR	INDIVIDUAL		L ANTHONY	AGTARAP
GOVERNOR	INDIVIDUAL		WILLIAM	PETERSON
GOVERNOR	INDIVIDUAL		YOSHIHIRO	YAMAMOTO
GOVERNOR	INDIVIDUAL		TRENT	MCKAY
GOVERNOR	INDIVIDUAL		RYAN	HALPIN
GOVERNOR	INDIVIDUAL		JEROME	ZECHMANN
GOVERNOR	INDIVIDUAL		TIMOTHY	DUMONTIER
GOVERNOR	INDIVIDUAL		DOUGLAS	TAYLOR
GOVERNOR	INDIVIDUAL		BRADLEY	CHRIST
GOVERNOR	INDIVIDUAL		MILAN	MOORE
GOVERNOR	INDIVIDUAL		ADAM	GRAVER
GOVERNOR	INDIVIDUAL		RICHARD	LAMOUR

NATURE OF BUSINESS

- HEALTH CARE, SOCIAL ASSISTANCE & SERVICE ORGANIZATION

EFFECTIVE DATE

Effective Date:
01/01/2020

CONTROLLING INTEREST

1. Does your company own real property (including leasehold interests) in Washington?
NO
2. Has there been a transfer of stock, other financial interest change, or an option agreement exercised during the last 12 months that resulted in a transfer of controlling interest?
NO
3. Has an option agreement been executed in the last 12 months allowing for the future purchase or acquisition of the entity, that, if exercised would result in a transfer of controlling interest?

NO

You must contact the Washington State Department of Revenue to report a Controlling Interest Transfer **IF**:

* This company owns land, buildings or other real estate in Washington State,

AND

* Answered "YES" to questions 2 or 3 above.

Failure to report a Controlling Interest Transfer is subject to penalty provisions of RCW 82.45.220.

For more information on **Controlling Interest**, please call the Department of Revenue at (360) 534-1503, option 1, or visit www.dor.wa.gov/REET

RETURN ADDRESS FOR THIS FILING

Attention:

Email:

SNEUMANN@OLYORTHO.COM

Address:

PO BOX 368, OLYMPIA, WA, 98507-0368, USA

EMAIL OPT-IN

☐ By checking this box, I hereby opt into receiving all notifications from the Secretary of State for this entity via email only. I acknowledge that I will no longer receive paper notifications.

AUTHORIZED PERSON

Person Type:

INDIVIDUAL

First Name:

SAMANTHA

Last Name:

NEUMANN

Title:

STAFF ACCOUNTANT

☑ This document is hereby executed under penalty of law and is to the best of my knowledge, true and correct.

Ambulatory Surgery Center/Facility Certificate of Need Determination of Reviewability Packet

Contents:

Submission Instructions:
Provide either a paper or electronic version of the form.

To be accepted, the form must include:
- A completed and signed Certificate of Need form, including the face sheet
- A check or money order for the review fee of **$1,925** payable to **Department of Health.**
- Mail or deliver the form and review fee to:

Mailing Address:

Department of Health
Certificate of Need Program
P O Box 47852
Olympia, Washington 98504-7852

Other Than By Mail:

Department of Health
Certificate of Need Program
111 Israel Road SE
Tumwater, Washington 98501

Contact Us:
Certificate of Need Program Office 360-236-2955

Definitions

The Certificate of Need (CN) Program will use the information you provide to determine if your project meets the applicable review criteria. These criteria are included in state law and rules. Revised Code of Washington (RCW) 70.38 and Washington Administrative Code (WAC) 246-310.

"Primary purpose" is defined as the majority of income or patient visits for the site,* inclusive of all clinical services provided at the site, are derived from the specialty or multi-specialty surgical services. Department of Health website, frequently asked questions, informed by the licensing rules definition for ambulatory surgical facility.

*The site subject to a determination of reviewability is limited to a specific, physical address where an entity under single ownership provides or will provide specialty or multispecialty surgical services. A site whose "primary purpose" is specialty or multispecialty surgical services is required to obtain a certificate of need.

"Ambulatory surgical facility" or "**ASF**" means any free-standing entity, including an ambulatory surgery center that operates primarily for the purpose of performing surgical procedures to treat patients not requiring hospitalization. This term does not include a facility in the offices of private physicians or dentists, whether for individual or group practice, if the privilege of using the facility is not extended to physicians or dentists outside the individual or group practice. WAC 246-310-010(5)

"Ambulatory surgical center" or "**ASC**" is also a term for a facility that provides ambulatory surgical procedures. The Centers for Medicare and Medicaid use this term for billing purposes. CN review is not required for an ambulatory surgical center unless it also fits the definition of an ambulatory surgical facility in WAC 246-310-010(5).

"Ambulatory surgical facility" or "**ASF**" as defined by licensing rules, and relied on by the CN Program for consistency, means any distinct entity that operates for the primary purpose of providing specialty or multispecialty outpatient surgical services in which patients are admitted to and discharged from the facility within twenty-four hours and do not require inpatient hospitalization, whether or not the facility is certified under Title XVIII of the federal Social Security Act. An ambulatory surgical facility includes one or more surgical suites that are adjacent to and within the same building as, but not in, the office of a practitioner in an individual or group practice, if the primary purpose of the one or more surgical suites is to provide specialty or multispecialty outpatient surgical services, irrespective of the types of anesthesia administered in the one or more surgical suites. An ambulatory surgical facility that is adjacent to and within the same building as the office of a practitioner in an individual or group practice may include a surgical suite that shares a reception area, restroom, waiting room, or wall with the office of the practitioner in an individual or group practice. WAC 246-330-010(5)

"Change of ownership" as defined by licensing rules, and relied on by the CN Program, is defined as (a) A sole proprietor who transfers all or part of the ambulatory surgical

facility's ownership to another person or persons; (b) The addition, removal, or substitution of a person as a general, managing, or controlling partner in an ambulatory surgical facility owned by a partnership where the tax identification number of that ownership changes; or (c) A corporation that transfers all or part of the corporate stock which represents the ambulatory surgical facility's ownership to another person where the tax identification number of that ownership changes. WAC 246-330-010(8)

"Person" means an individual, a trust or estate, a partnership, any public or private corporation (including associations, joint stock companies, and insurance companies), the state, or a political subdivision or instrumentality of the state, including a municipal corporation or a hospital district. WAC 246-310-010(42)

Instructions

General Instructions:

- Include a table of contents for sections and appendices/exhibits
- Number **all** pages consecutively
- **Do not** bind or 3-hole punch the application.
- Make the narrative information complete and to the point.
- If any sections are not large enough to contain your response, please attach additional pages as necessary. Ensure that any attached pages are clearly labeled with the applicable question or section.

- If any of the documents provided in the form are in draft format, a draft is acceptable only if it includes the following elements:
  a. identifies all entities associated with the agreement,
  b. outlines all roles and responsibilities of all entities,
  c. identifies all costs associated with the agreement, and
  d. includes all exhibits that are referenced in the agreement.
  e. any agreements in draft form must include a document signed by both entities committing to execute the agreement as submitted following CN approval.

Do not skip any questions. If you believe a question is not applicable to your project, provide rationale as to why it is not applicable.