

October 12, 2011

CERTIFIED MAIL # 7009 2250 0001 8668 5951

Caitlin Hillary Moulding, Vice President Strategy, Marketing, and Community Outreach Overlake Hospital Medical Center 1035 – 116th Avenue Northeast Bellevue, Washington 98004

RE: CN11-18

Dear Ms. Moulding:

Enclosed is Certificate of Need #1456 issued to Overlake Hospital Medical Center approving 12 level II intermediate care nursery beds to the hospital's license.

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. Any affected 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 Other Than By Mail
Adjudicative Clerk Office
310 Israel Road SE, Building 6
Tumwater, WA 98501

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

Sincerely

Steven M. Saxe, FACHE

Director, Health Professions and Facilities

Enclosure

cc: Linda Foss, Department of Health, Investigations and Inspections Office

Karen Stricklett, Customer Service Office



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 #1456 is issued to:

Legal Name of Applicant:

Overlake Hospital Medical Center

Address of Applicant:

1035 – 116th Avenue Northeast Bellevue, Washington 98004

Type of Service:

Level 2 Intermediate Care Nursery

Facility Name:

Overlake Hospital Medical Center

Facility Address:

1035 – 116th Avenue Northeast Bellevue, Washington 98004

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED AUGUST 12, 2011 (App #11-18) AND THE REVISED PROJECT DESCRIPTION DATED SEPTEMBER 21, 2011

Project Description:

Subject to Overlake Hospital Medical Center's agreement to the conditions set forth below in their entirety, this project approves the addition of 12 intermediate care nursery beds to the hospital license, resulting in a license increase from 337 to 349. At project completion, the allocation of Overlake Hospital Medical Center's 349 beds for Certificate of Need purposes is as follows:

Bed Type	# of Licensed Beds
General Medical/Surgical	297
Level II ICN	12
Level III NICU	6
Dedicated Psychiatric	34
Total Number of Licensed Beds	349

Service Area

King County and surrounding areas

Conditions on the attached page

Approved Capital Expenditure

There is no capital expenditure associated with this project.

This Certificate authorizes commencement of the project from October 12, 2011 to October 12, 2013, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: October 12, 2011

Steven Saxe

Director, Health Professions and Facilities

This Certificate is not transferable.

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Conditions

- 1. Overlake Hospital Medical Center agrees with the project description stated above.
- 2. Overlake Hospital Medical Center will provide charity care in compliance with the charity care policies provided in this Certificate of Need application, or any subsequent polices reviewed and approved by the Department of Health. Overlake Hospital Medical Center will use reasonable efforts to provide charity care in an amount comparable to or exceeding the average amount of charity care provided by hospitals in the King County Region. Currently, this amount is 1.42% for gross revenue and 2.51% for adjusted revenue. Overlake Hospital Medical Center will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.
- 3. By September 30, 2011, Overlake Hospital Medical Center will provide to the department for review and approval a final and signed Medical Director Agreement. The final and signed agreement must be consistent with the draft agreement provided in the application.