

February 10, 2012

CERTIFIED MAIL # 7008 1300 0000 7202 9881

Robert Howie Eastside Medical Group, LLC 165 NW Juniper Street Issaquah, Washington 98027

RE: CN12-01

Dear Mr. Howie:

Enclosed is Certificate of Need #1462 issued to Eastside Medical Group, LLC approving the establishment of a ambulatory surgery center in Issaquah.

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

Robert Howie Eastside Medical Group, LLC February 10, 2012 Page 2 of 2

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 #1462 is issued to:

Legal Name of Applicant:

Eastside Medical Group, LLC

Address of Applicant:

1301 4th Avenue Northwest

Issaquah, Washington 98027

Type of Service:

Ambulatory Surgery

Facility Name:

Eastside Ambulatory Surgery Center

Facility Address:

1301 4th Avenue Northwest

Issaquah, Washington 98027

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED JANUARY 25, 2012 (App #12-01)

Project Description:

Establish a two-operating room ambulatory surgery center located at 1304 4th Avenue Northwest, #201 in Issaquah, within the East King county planning area.

Service Area

East King County

Conditions

Conditions identified on page two

Approved Capital Expenditure

The approved capital expenditure is \$2,778,538

This Certificate authorizes commencement of the project from <u>February 10, 2012</u> to <u>February 10, 2014</u>, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: February 10, 2012

Steven Saxe

Director, Health Professions and Facilities

This Certificate is not transferable.

CN 1462 Conditions:

- 1. Eastside Medical Group agrees with the project description as described above.
- 2. EMG's surgery center will provide charity care in compliance with the charity care policies provided in its Certificate of Need application and the requirements of the applicable law. EMG will use reasonable efforts to provide charity care in an amount comparable to the average amount of charity care provided by the two hospitals located in the East King County Planning Area during the three most recent years. For historical years 2007-2009, these amounts are 0.96% of total revenue and 1.55% of adjusted revenue. EMG will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies and applicable law.
- 3. The EMG surgery center is limited to two operating rooms at the surgery center.
- 4. EMG will provide the Department with an executed copy of a Patient Transfer Agreement for Department review and approval prior to commencement of services consistent with the draft agreement provided within the application.