



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

May 23, 2012

CERTIFIED MAIL # 7010 2780 0003 6529 7731

Kristopher Kitz, Director
Strategic Planning and Business Development
MultiCare Health System
Post Office Box 5299
Mailstop: 315-L4-SBD
Tacoma, Washington 98415

Re: CN #12-09

Dear Mr. Kitz:

Enclosed is Certificate of Need #1473 issued to MultiCare Health System approving the establishment of an ambulatory surgery center in Gig Harbor known as MultiCare Gig Harbor Ambulatory Surgery 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. 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

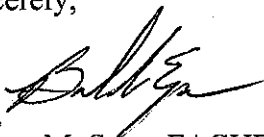


Kristopher Kitz
MultiCare Health System
May 23, 2012
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We monitor projects until completed or the expiration date, whichever occurs last. We do this with quarterly progress reports. At least 30 days before the report's due date, you will receive a form 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 #1473 is issued to:

Legal Name of Applicant: MultiCare Health System
Address of Applicant: 315 Martin Luther King Jr. Way, Tacoma, Washington 98415
Type of Service: Ambulatory Surgery Center
Facility Name: MultiCare Gig Harbor Ambulatory Surgery Center
Facility Address: 4545 Point Fosdick Drive Northwest, Gig Harbor, Washington 98335

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED MAY 10, 2012 (App #12-09)

Project Description:

The ASC is currently located at 4545 Point Fosdick Drive Northwest in Gig Harbor. The ASC will continue to operate at that site with two operating rooms and two procedure rooms. Services to be provided at the ASC include, but are not limited to, orthopedics, gynecology, ENT, minimally invasive back procedures, urology, podiatry, eye surgery, plastic surgery, and some GI procedures. Additionally, the ASC would offer some pediatric surgeries within those specialties, such as tonsillectomies and adenoidectomies [ENT] and application or removal of fixation devices [orthopedic].

Service Area
Central Pierce County

Conditions

The three conditions are identified on page 2 of this Certificate of Need.

Approved Capital Expenditure

The approved capital expenditure associated with this project is \$1,227,869, and is solely related to the additional equipment for the ambulatory surgery center.

This Certificate authorizes commencement of the project from May 23, 2012, to May 23, 2014, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: May 23, 2012


For Steven Saxe
Director, Health Professions and Facilities

This Certificate is not transferable.

CN #1473 Conditions

1. MultiCare Health System agrees with the project description above.
2. MultiCare Health System will limit the services to those services as described within the application.
3. MHS-Day Surgery of Gig Harbor will provide charity care in compliance with the charity care policies reviewed and approved by the Department of Health. MultiCare Health System will use reasonable efforts to provide charity care at Day Surgery of Gig Harbor r in an amount comparable to or exceeding the regional average amount of charity care provided by hospitals in the Puget Sound Region. Currently, this amount is 2.18% of gross revenue and 4.71% of adjusted revenue. Day Surgery of Gig Harbor will maintain records documenting the amount of charity care it provides and demonstrating compliance with its charity care policies.