



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

August 6, 2012

CERTIFIED MAIL # 7011 1570 0002 7808 8058

Theresa Boyle
Senior Vice President
MultiCare Health System
315 Martin Luther King Jr. Way
Tacoma, Washington 98415-0299

Re: CN #12-11

Dear Ms. Boyle:

Enclosed is Certificate of Need #1482 issued to MultiCare Health System approving the addition of 10 acute care beds at Mary Bridge Children's Hospital and Health Center within Pierce County.

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:

Department of Health
Adjudicative Service Unit
Mail Stop 47879
Olympia, WA 98504-7879

Other Than By Mail

Department of Health
Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

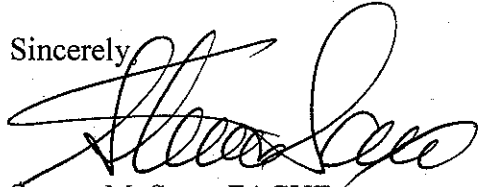


Theresa Boyle, Senior Vice President
MultiCare Health System
August 6, 2012
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We monitor projects until completed or the expiration date, whichever occurs last. We do this with quarterly progress reports. At least 30 days before the report's due date, you will receive a form to complete and return.

If you have any questions, 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 #1482 is issued to:

Legal Name of Applicant: MultiCare Health System
Address of Applicant: 315 Martin Luther King Jr. Way, Tacoma, Washington 98415-0299
Type of Service: Hospital bed addition
Facility Name: Mary Bridge Children's Hospital and Health Center
Facility Address: 317 Martin Luther King Jr. Way, Tacoma, Washington 98415-0299

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED JULY 20, 2012 (App #12-11)

Project Description:

Mary Bridge Children's Hospital and Health Center is approved to add 10 general acute care pediatric beds to Mary Bridge's current licensed capacity of 72 beds. At project completion Mary Bridge Children's Hospital and Health Center will have a total of 82 beds

Service Area
Pierce County

Conditions

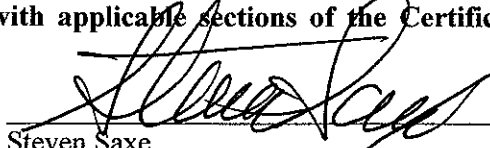
1. MultiCare Health System agrees to the above project description.
2. Mary Bridge will provide to the department, for review and approval, a revised Admission Policy to be used at the hospital. The revised policy must specifically address a patient's admission without regard to race, ethnicity, national origin, age, sex, pre-existing condition, physical or mental status and be consistent with the other components of the draft agreement provided in the application.

Conditions continued on page 2

Approved Capital Expenditure
Approved capital expenditure: \$16,726,895

This Certificate authorizes commencement of the project from August 6, 2012, to August 6, 2014, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: August 6, 2012


Steven Saxe
Director, Health Professions and Facilities

This Certificate is not transferable.

Certificate of Need #1482

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Conditions—Continued

3. Mary Bridge will provide charity care in compliance with the charity care policies provided in this Certificate of Need application, or any subsequent policies reviewed and approved by the Department of Health. Mary Bridge 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 Pierce County Region. Currently, this amount is 2.18% of total revenue and 4.71% of adjusted revenue. Mary Bridge will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.