

DEPARTMENT OF HEALTH

Olympia, Washington 98504

March 4, 2022

Alex Linde, CEO Apex Spine Institute PLLC 26405 S Sunset Meadow Loop Kennewick, WA 99338

email: alexlinde@apexspineinstitute.com

RE: Determination of Reviewability #22-15 – Department's Decision

Alex Linde:

The Department of Health has completed its review of the determination of reviewability request submitted by Apex Spine Institute PLLC. The request proposes exemption from Certificate of Need review for the establishment of an ambulatory surgery center (ASC) in Richland, within Benton County. This new facility is a split off of an existing facility, Tri-City Orthopaedics (TCO).

BACKGROUND AND FACTS

The following information was considered during the review process, and is recorded here for historical purposes:

- Apex Spine Institute PLLC is a Washington professional service corporation with the unified business identifier [UBI] 604 839 169.
- Apex Spine Institute PLLC is currently owned and governed by the following 2 members¹:
 - o Janmeet Sahota, MD
 - o Allen Shoham, MD
- Apex Spine Institute PLLC will also be governed by a yet to be determined board of managers once the change of ownership has become official.
- Apex Spine Institute PLLC will own and operate both the clinical practice and surgery center at the following location: 985 Goethals Dr Richland, WA 99352, within Benton County.

¹ Initial Operating Agreement, Professional Limited Liability Company, Apex Spine Institute, PLLC

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- The use of the ASC will be limited to member or employee-physicians of Apex Spine Institute PLLC. Revenues or visits used to determine primary purpose have been limited to those members.
- Clinical and surgical services to be provided at Apex Spine Institute PLLC will be limited to orthopedics and pain management services.
- The surgery center will have 3 operating rooms.²

RELEVANT CRITERIA

The department reviews requests for compliance with the following:

- Applicable sections of both chapter 70.38 RCW and chapter 246-310 WAC; and
- The Washington State Department of Health's Interpretive Statement CN 01-18³

THE PRIMARY PURPOSE OF THE FACILITY

- The anticipated revenue from surgical services provided at the surgery center will be approximately 30.7% of the total revenue generated by the facility.
- The anticipated patient visits for surgical services provided at the surgery center will be approximately 17.4% of the total patient visits to the facility.

CONCLUSION

 Based on the totality of information in the request for determination of reviewability and resulting research, the department concludes that the operation of Apex Spine Institute PLLC, to be located at 985 Goethals Dr Richland, WA 99352, within Benton County does not require a Certificate of Need at this time.

CHANGES THAT MAY AFFECT THIS DECISION

A facility can make changes that may impact the primary purpose of the facility, such as if the revenues or patient visits related to surgical services begin to regularly exceed half of the facility's operations. Changes, including but not limited to the following, will likely either prompt Certificate of Need review or necessitate a new determination of reviewability:

- A change of ownership;
- Operational changes;
- Expansion of services;
- The addition of operating rooms;
- A change in location; or
- If the physicians or the use of the facility changes which results in different total revenues or visits.

² For certificate of need purposes, operating and procedure rooms are both defined as operating rooms.

³ Approved by the Washington State Secretary of Health, John Wiesman, DrPH, MPH, effective January 19, 2018

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APPEAL OPTION

This decision may be appealed. You or any 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 chapter 34.05 RCW and WAC 246-310-610. A request for an adjudicative proceeding must be received within the 28 days at one of the following addresses.

Mailing Address:Physical AddressDepartment of HealthDepartment of HealthAdjudicative Service UnitAdjudicative Service UnitMail Stop 47879111 Israel Road SEOlympia, WA 98504-7879Tumwater, WA 98501

If you have any questions or would like to arrange for a meeting to discuss this determination, please call (360) 236-2955.

Sincerely,

Eric Hernandez, Pfogram Manager Office of Community Health Systems