July 10, 2024

Eric Hernandez, Program Manager
Certificate of Need Program
Department of Health

Via email: FSLCON@DOH.WA.GOV; eric.hernandez@doh.wa.gov

Dear Mr. Hernandez:

This letter serves as the letter of intent of PeaceHealth Southwest, LLC and PMB to establish a new Inpatient Rehabilitation Facility (IRF) in Clark County. Per WAC 246-310-080, the following information is provided:

## 1. A Description of the Extent of Services Proposed:

PMB, a healthcare real estate development company, will finance, construct, and own a building that will be leased to PeaceHealth Southwest LLC (the LLC), a joint venture of PeaceHealth and Lifepoint Rehabilitation. The LLC will purchase and install all moveable equipment and obtain Washington State licensure and Medicare/Medicaid certification and accreditation. The LLC will operate a 50-bed inpatient rehabilitation hospital.

The IRF will be licensed as an acute care hospital under RCW 70.41. When the IRF opens, a 14-bed acute rehabilitation unit currently operating at PeaceHealth Southwest Washington Medical Center will no longer provide acute rehabilitation, such that the net addition of IRF beds is only 36.

## 2. Estimated Cost of the Proposed Project:

The estimated capital expenditure for the project is estimated at \$92 million.

## 3. Description of the Service Area:

The service area for this project is Clark, Cowlitz, Skamania, Wahkiakum and Western Klickitat Counties.

Please contact me directly with any questions.

Sincerely,

Tracey Fernandez

Chief Financial Officer, PeaceHealth Columbia Network

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