



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

January 25, 2013

CERTIFIED MAIL # 7011 1570 0002 7809 5339

Kevin Brown, CSO & Vice President
Swedish Medical Center
747 Broadway
Seattle, Washington 98133

Re: CN #11-14

Dear Mr. Brown:

Based on the department's record and evaluation of August 11, 2011, and Adjudicative Services Unit Post Hearing Order #5¹, this letter serves as your conditional approval of the application proposing to establish a 14-bed neonatal intermediate care nursery and level obstetric services at the Issaquah Hospital campus. Before a Certificate of Need can be issued, Swedish Health Services must agree to the following in its entirety.

Project Description:

This Certificate approves the establishment of a 15-bed neonatal intermediate care nursery and level II obstetric services at the Issaquah Hospital campus. The 15-bed neonatal intermediate care nursery would be included within the hospital's 175 approved acute care beds identified in Certificate of Need #1379A2 issued on November 29, 2010.² The type of license and number of beds are summarized below.

Type	Approved
General Medical/Surgical	160
Level II Intermediate Care Nursery	15
Total	175

Conditions:

1. Approval of the project description as stated above. Swedish Health Services further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.

¹ M2011-1344 and M2011-1505.

² The total of 175 beds is based on Swedish Health Services' intent to meet Condition #2 attached to CN #1379A2.

2. Swedish Health Services will provide to the department, for review and approval, an executed Medical Director Agreement.
3. Swedish Health Services will provide a listing of ancillary and support services specific to the proposed intermediate care nursery and level obstetric services that to be either provided at the Issaquah Hospital campus or provided off campus.
4. Swedish Health Services will ensure that its Issaquah Hospital campus will provide charity care in compliance with the charity care policies reviewed and approved by the Department of Health. Swedish Health Services will use reasonable efforts to provide charity care in an amount comparable to the average amount of charity care provided by all hospitals in the King County Region (less Harborview). For historical years 2007-2009, these amounts are 1.64% gross revenue and 2.51% adjusted revenue. Swedish Health Services will maintain records at the facility documenting the amount of charity care it provides and demonstrating compliance with its charity care policies and applicable law.

Approved Costs:

The approved capital expenditure for this project is \$2,113,123.

Please notify the Department of Health within 20 days of the date of this letter whether you accept the above in its entirety. Your written response should be sent to the Certificate of Need Program, at one of the following addresses.

Mailing Address:
Department of Health
Certificate of Need Program
Mail Stop 47852
Olympia, WA 98504-7852

Other Than By Mail:
Department of Health
Certificate of Need Program
111 Israel Road SE
Tumwater, WA 98501

If you have any questions, or would like to arrange for a meeting to discuss our decision, please contact Janis Sigman with the Certificate of Need Program at (360) 236-2955.

Sincerely,



Steven M. Saxe, FACHE
Director, Health Professions and Facilities