



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
*Olympia, Washington 98504*

July 14, 2014

CERTIFIED MAIL # 7011 1570 0002 7809 5773-original  
Richard Petrich, VP  
Planning and Business Development  
Franciscan Health System  
Post Office Box 2197  
Tacoma, Washington 98401

CERTIFIED MAIL # 7011 1570 0002 7809 5773-copy  
Scott Bosch, President and CEO  
Harrison Medical Center  
2520 Cherry Avenue  
Bremerton, Washington 98310

RE: CN14-24

Dear Mr. Petrich and Mr. Bosch:

Enclosed is Certificate of Need #1463A-T approving the transfer of Certificates of Need #1463 and #1463A as allowed under Washington Administrative Code 246-310-500(7)(a).

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.

Issuance of Certificate of Need #1463A-T does not change the validity period of Certificate of Need #1463A. Documents provided in the transfer application demonstrate that the project is substantially complete.

This decision may be appealed. The appeal options are listed below.

Appeal Option 1:

Any person with standing may request a public hearing to reconsider this decision. The request must state the specific reasons for reconsideration in accordance with Washington Administrative Code 246-310-560. A reconsideration request must be received within 28 calendar days from the date of the decision at one of the following addresses:

Richard Petrich, Franciscan Health System  
Scott Bosch, Harrison Medical Center  
July 14, 2014  
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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

Appeal Option 2:

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 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

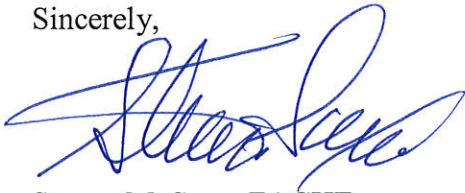
Other Than By Mail

Adjudicative Service Unit  
111 Israel Road SE  
Tumwater, WA 98501

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, Community Health Systems

Enclosure

cc: Department of Health, Investigations and Inspections Office  
Department of Health, Construction Review Services



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 #1463A-T is issued to:**

**Name and Address of Co-Applicant:** Franciscan Health System  
1717 South J. Street, Tacoma, Washington 98401

**Name and Address of Co-Applicant:** Harrison Medical Center-Bremerton Campus  
2520 Cherry Avenue, Bremerton, Washington 98310

**Type of Service:** Acute Care Hospital

**Facility Name and Address:** Harrison Medical Center-Silverdale Campus  
1800 Myhre Road, Silverdale, Washington 98383

**ISSUANCE OF THIS TRANSFER CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORDS AND EVALUATIONS DATED MAY 20, 2009 [App #09-12]; MAY 1, 2012, [App #12-10]; AND JUNE 12, 2014 [App #14-24]**

**Project Description:**

This certificate approves the transfer of Certificates of Need #1463 and #1463A issued to Harrison Medical Center on February 4, 2012, and May 22, 2012, respectively. The certificates are transferred from Harrison Medical Center to Harrison Medical Center and Franciscan Health System. All conditions, written or implied, attached to Certificates of Need #1468 and #1463A are also transferred to Harrison Medical Center and Franciscan Health System.

**Service Area**  
Kitsap County

**Conditions**


1. Approval of the project descriptions as stated above. Co-applicants Franciscan Health System and Harrison Medical Center further agree that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
2. Harrison Medical Center will provide charity care in compliance with the charity care policies reviewed and approved by the Department of Health. Harrison Medical Center will use reasonable efforts to provide charity care in an amount comparable to or exceeding the average amount of charity care provided by the applicable hospitals in the Puget Sound Region. For combined years 2009- 2011, this amount is 2.40% of gross revenue and 5.21% of adjusted revenue. Harrison Medical Center will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.

**Approved Capital Expenditure**

The capital expenditure approved by Certificate of Need #1463A supersedes the approved capital expenditure for Certificate of Need #1463. There is no capital expenditure associated with the transfer of the Certificates of Need. The approved capital expenditure associated with Certificate of Need #1463A is \$24,963,634.

**This Transfer Certificate authorizes commencement of the project from February 24, 2012 to February 24, 2014, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.**

**Date Transfer Certificate Issued:** July 14, 2014

  
Steven Saxe, Director  
Community Health Systems

**This Certificate is not transferable.**