



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH

January 21, 2014

CERTIFIED MAIL #7011 1570 0002 7802 6609

Martina Sze, Vice President  
US Health Vest  
32 East 57<sup>th</sup> Street, 17<sup>th</sup> Floor  
New York, New York 10022

Dear Ms. Sze:

Enclosed is Certificate of Need #1518 issued to US HealthVest approving the establishment of a 75-bed psychiatric hospital in Snohomish County, within Washington State.

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. 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:

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



Martina Sze, Vice President  
US Health Vest  
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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



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 #1518 is issued to:**

**Legal Name of Applicant:** US HealthVest  
**Address of Applicant:** 32 East 57<sup>th</sup> Street, 17<sup>th</sup> Floor  
New York, New York 10022  
**Type of Service:** Psychiatric Hospital  
**Facility Name:** Not Yet Identified  
**Facility Address:** 15621 Smokey Point Boulevard  
Marysville, Washington 98270

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF JANUARY 14, 2014. (App #13-40)**

**Project Description:**

This certificate approves the establishment of a new 75-bed psychiatric hospital to be located in Marysville, within Snohomish County. Psychiatric services would be available for patients five years of age and older. Services include a full range of psychiatric services, including inpatient services, voluntary and involuntary treatment, day hospital/partial hospitalization, substance abuse treatment, and intensive outpatient services. The number of approved beds is summarized below.

	<b>Number of Beds</b>
Psychiatric beds	75
<b>Total Licensed Beds</b>	<b>75</b>

**Service Area**

Snohomish County and surrounding communities

**Conditions**


See Page Two

**Approved Capital Expenditure**

The approved capital expenditure for this project \$18,830,000.

This Certificate authorizes commencement of the project from January 21, 2014, to January 21, 2016, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

**Date Certificate Issued:** January 21, 2014

  
\_\_\_\_\_  
Steven Saxe, Director  
Community Health Systems

**This Certificate is not transferable.**



## **Certificate of Need #1518**

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#### **Conditions:**

1. Approval of the project description as stated above. US HealthVest 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.
2. Prior to providing services at the hospital, US HealthVest will submit a copy of the adopted and approved Admission Policy for review and approval. The final policy must be consistent with the draft provided in the application.
3. Prior to providing services at the hospital, US HealthVest will submit a copy of the adopted Charity Care Policy approved by the Department of Health's Hospital and Patient Data System's office.
4. The new 75-bed psychiatric hospital will provide charity care in compliance with its final charity care policies reviewed and approved by the Department of Health, or any subsequent policies reviewed and approved by the Department of Health. The new 75-bed psychiatric hospital 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 Puget Sound Region. Currently, this amount is 2.40 % of gross revenue and 5.21% of adjusted revenue. The psychiatric hospital will maintain records documenting the amount of charity care provided and demonstrating its compliance with its charity care policies.
5. Annual budgets, as required by WAC 246-454-030, submitted by the new 75-bed psychiatric hospital must include budgeted charity care amounts of at least the regional average amount of charity care provided by hospitals in the Puget Sound Region.
6. Prior to commencement of the project, US HealthVest will submit to the department for review and approval an executed Purchase and Sales Agreement between Vest Seattle Realty, LLC and Smokey Point Boulevard, LLC for the site.
7. Prior to providing services at the hospital, US HealthVest will submit to the department for review and approval a listing of key staff for the hospital. Key staff includes all credentialed or licensed management staff, including the director of nursing and medical director.
8. Prior to providing services at the hospital, US HealthVest will submit to the department for review and approval a final listing of ancillary and support vendors for the 75-bed psychiatric hospital.