



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

December 8, 2014

Ben Kocaj, Executive Director  
Puget Sound Surgical Center, PS  
21911 – 76<sup>th</sup> Avenue West, #106  
Edmonds, Washington 98026

RE: DOR #15-08

Dear Mr. Kocaj:

The Department of Health has completed the review of your exemption request regarding the proposed ambulatory surgery center in Shoreline, within King County. Below is the information considered and the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding your project.

**INFORMATION CONSIDERED**

- Ambulatory Surgery Center (ASC) exemption application received August 4, 2014
- Supplemental information received December 5, 2014
- Revised Code of Washington (RCW) 70.38
- Washington Administrative Code (WAC) 246-310
- Washington Secretary of State and Department of Revenue information obtained from the respective websites
- Department of Health external provider look-up
- Department of Health Integrated Licensing and Regulatory System (ILRS)
- Certificate of Need historical files

**FACTS CONSIDERED**

- Puget Sound Surgical Center, PS has been registered with the Washington State Secretary of State's office as a professional corporation since July 23, 2004.
- The corporation has two governing officers. Robert Landerholm, MD holds the positions of president, treasurer, chairman, and director. Peter Billing, MD holds the positions of vice president and secretary.
- The corporation has been registered with the Department of Revenue since August 1, 2014.
- The two governing physicians are the sole owners of the group practice known as Puget Sound Surgical Center, PS.

- Puget Sound Surgical Center, PS has five practice sites. The location of each practice site is listed below.

Address	City/Zip	County
21911 – 76 <sup>th</sup> Avenue West, #106	Edmonds/98026	Snohomish
2930 Newmarket Street, #115	Bellingham/98226	Whatcom
11102 Sunrise Boulevard East, #106	Puyallup/98374	Pierce
17924 – 140 <sup>th</sup> Avenue Northeast, #100	Woodinville/98072	King
<b>19930 Ballinger Way Northeast</b>	<b>Shoreline/98155</b>	<b>King</b>

- On June 29, 2006, Puget Sound Surgical Center, PS was issued an exemption from Certificate of Need for the establishment of a surgery center located at the Edmonds site.
- This application proposes establishment of an exempt ASC at the Shoreline site identified in bold above.
- The exemption application identifies eight physicians that would use the surgery center. The eight physicians include the two owning physicians and six employed physicians. All eight physicians are 100% employed by the practice. Identification of the physicians is below.

Name	Credential Status	Practice Status
Peter S. Billing	Active	Partner
Matthew R. Crouthamel	Active	Employee
Eric A. Harris	Active	Employee
Jedediah A. Kaufman	Active	Employee
Magid Keramati	Active	Employee
Robert William Landerholm	Active	Partner
Andrew James Pastor	Active	Employee
Craig Joseph Pastor	Active	Employee

- The proposed ASC would be operated under the corporation of Puget Sound Surgical Center, PS.
- Procedures to be performed at the ASC are those typically associated with general surgery. A listing of most common procedures was provided in the application.
- The proposed ASC would not be operated under a management agreement.
- The Department of Health’s Construction Review Services has already completed a technical assistance review for the surgery center.<sup>1</sup>

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<sup>1</sup> CRAS #60493119.

## **CONCLUSION**

Based on the totality of information considered, the department concludes the proposed ASC would be exempt from Certificate of Need review. This exemption is not transferable and the conclusions reached concerning this proposed ASC are based on the facts about this facility and it should not be assumed the department would reach the same conclusion in future exemption requests for other future ASCs.

If changes are made in the operation or ownership of this proposed ASC, the ASC may no longer be eligible for this exemption. In that case, prior Certificate of Need review and approval or new exemption would be required. Examples of such changes include the following. This list is not intended to be all inclusive.

- The scope of services is expanded to include services subject to Certificate of Need review under the provisions of WAC 246-310-020.
- The provision of any procedure as identified under WAC 246-310-705(4).
- The ASC is operated under a management agreement.
- The ASC is organized as a separate legal entity from the practice.
- The ASC is moved to a different site than identified in the exemption application.
- Use of the ASC is extended to any physician who is not a member/owner or employed by Puget Sound Surgical Center, PS.
- The ASC ceases operations or relinquishes its Medicare certification and then chooses to resume services as an ASC.
- The ASC or the practice is purchased or leased.
- ASC patients are routinely transferred from the ASC for observation care at one of the area's hospitals.

## **APPEAL OPTION**

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

### Appeal Option 1:

You 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 addresses listed below.

#### Mailing Address:

Department of Health  
Adjudicative Service Unit  
Mail Stop 47879  
Olympia, WA 98504-7879

#### Physical Address

Department of Health  
Adjudicative Service Unit  
111 Israel Road SE  
Tumwater, WA 98501

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Page 4 of 4

If you have any questions, you can e-mail me at [karen.nidermayer@doh.wa.gov](mailto:karen.nidermayer@doh.wa.gov) or call me directly at (360) 236-2957.

Sincerely,



Karen Nidermayer, Analyst  
Certificate of Need Program  
Community Health Systems

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