



STATE OF WASHINGTON

DEPARTMENT OF HEALTH

PO Box 47852 • Olympia, Washington 98504-7852

April 8, 2016

CERTIFIED MAIL # 7012 1010 0000 5625 0518

Heidi Aylsworth
Chief Strategy Officer
Swedish Health Services
747 Broadway
Seattle, WA 98122

RE: CN: App #15-25

Dear Ms. Aylsworth:

We have completed review of the Certificate of Need (CN) application submitted by Swedish Health Services and Proliance Surgeons, Inc., P.S. proposing to construct a three-OR ambulatory surgery center in Redmond Washington. Enclosed is a written evaluation of the application.

For the reasons stated in the enclosed decision, the application is consistent with the applicable criteria of the Certificate of Need Program, provided Swedish Health Services and Proliance Surgeons, Inc., P.S. agree to the following in its entirety.

Project Description:

This certificate approves Swedish Health Services and Proliance Surgeons, Inc. P.S. to construct a three operating room ambulatory surgical center within existing spaces in the Swedish Redmond Ambulatory Care Center in the city of Redmond within King County.

Services to be provided at the ASC include eye surgeries, ear, nose and throat (ENT), gastrointestinal (GI), gynecology, general surgery, orthopedics, plastics, podiatry, urology, vascular surgery and some limited respiratory and cardiovascular cases.

Conditions:

1. Swedish Health Services and Proliance Surgeons, Inc. P.S. agree with the project description as stated above. Swedish Health Services and Proliance Surgeons, Inc. P.S. 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. Elective percutaneous coronary interventions (PCI), as defined in WAC 246-310-705, may not be performed at Redmond Ambulatory Surgery Center, LLC.

3. Prior to commencement, Swedish Health Services and Proliance Surgeons, Inc. P.S. must provide an executed copy of Redmond Ambulatory Surgery Center, LLC operating agreement for the department's review and approval. The executed LLC operating agreement must be consistent with the draft provided in the application.
4. Prior to providing services, Swedish Health Services and Proliance Surgeons, Inc. P.S. will provide copies of the adopted policies listed below for the department's review and approval.
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 - Redmond Ambulatory Surgery Center, LLC Non-Discrimination Policy
 - Redmond Ambulatory Surgery Center, LLC Charity Care Policy

The adopted policies specific to the Redmond ASC must be consistent with the draft policies provided in the application.

5. Prior to commencement, Swedish Health Services and Proliance Surgeons, Inc. P.S. must provide an executed copy of the management services agreement for the department's review and approval. The executed management services agreement must be consistent with the draft provided in the application.
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9. Redmond Ambulatory Surgery Center, LLC must maintain Medicare and Medicaid certification.

Heidi Aylsworth, Chief Strategy Officer
Swedish Health Services
April 8, 2016
Page 3

Approved Costs:

The approved capital expenditure for this project is \$8,500,916.

Please notify the Department of Health within 20 days of the date of this letter whether you accept the above project description, conditions, and capital costs for your project. If you accept these in their entirety, your application will be approved and a Certificate of Need sent to you.

If you reject any of the above provisions, your application will be denied. The department will send you a letter denying your application and provide you information about your appeal rights.

Send your written response to the Certificate of Need Program, at one of the following addresses.

Mailing Address:

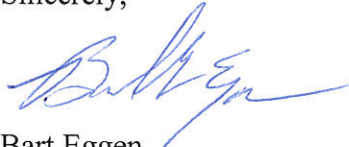
Department of Health
Certificate of Need Program
Mail Stop 47852
Olympia, WA 98504-7852

Physical Address:

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,



Bart Eggen
Acting Director
Community Health Systems

Enclosure



STATE OF WASHINGTON

DEPARTMENT OF HEALTH

PO Box 47852 • Olympia, Washington 98504-7852

April 8, 2016

CERTIFIED MAIL # 7012 1010 0000 5625 0501

David Fitzgerald, Chief Executive Officer
Proliance Surgeons, Inc., PS
805 Madison, Suite 901
Seattle, WA 98104

RE: CN: App #15-25

Dear Mr. Fitzgerald :

We have completed review of the Certificate of Need (CN) application submitted by Swedish Health Services and Proliance Surgeons, Inc., P.S. proposing to construct a three-OR ambulatory surgery center in Redmond Washington. Enclosed is a written evaluation of the application.

For the reasons stated in the enclosed decision, the application is consistent with the applicable criteria of the Certificate of Need Program, provided Swedish Health Services and Proliance Surgeons, Inc., P.S. agree to the following in its entirety.

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9. Redmond Ambulatory Surgery Center, LLC must maintain Medicare and Medicaid certification.

Approved Costs:

The approved capital expenditure for this project is \$8,500,916.

David Fitzgerald, Chief Executive Officer
Proliance Surgeons, Inc., PS
April 8, 2016
Page 3

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Certificate of Need Program
Mail Stop 47852
Olympia, WA 98504-7852

Physical Address:

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,



Bart Eggen
Acting Director
Community Health Systems

Enclosure

**EVALUATION DATED APRIL 8, 2016 FOR THE CERTIFICATE OF NEED APPLICATION
SUBMITTED BY SWEDISH HEALTH SERVICES AND PROLIANCE SURGEONS, INC. P.S..
PROPOSING TO ESTABLISH A NEW AMBULATORY SURGERY CENTER¹
IN THE EAST KING COUNTY**

APPLICANT DESCRIPTION

Swedish Health Services (Swedish) and Proliance Surgeons, Inc. P.S. (Proliance) submitted this joint application. Swedish and Proliance propose to form Redmond Ambulatory Surgery Center, LLC. Swedish and Proliance will jointly own Redmond Ambulatory Surgery Center, LLC. Proliance will contribute 51% and Swedish will contribute 49% towards the funding of Redmond Ambulatory Surgery Center, LLC. [Source: Application Page 9 and draft LLC Operating Agreement- received January 25, 2016] For purposes of this evaluation the joint applicants will be referred to as Swedish/Proliance.

Swedish Health Services

Swedish is a not-for-profit corporation and a 501(c)(3) exempt organization with 100% ownership of Swedish Medical Center². Swedish Medical Center is a Washington private, not-for-profit corporation and a 501(c)(3) exempt organization. Swedish Medical Center (SMC) provides Medicare and Medicaid acute care services at the following five hospitals. [Source: CN Historical File]

Name	Address/City	County
Swedish Medical Center(SMC)	747 Broadway, Seattle	King
SMC-Ballard Campus ³	5300 Tallman Avenue Northwest, Seattle	King
SMC-Cherry Hill	500 – 17th Avenue, Seattle	King
SMC-Issaquah Campus	751 Northeast Blakely Drive, Issaquah	King
Swedish Edmonds ⁴	21601 76th Avenue West, Edmonds	Snohomish

Proliance Surgeons Inc., P.S.

Proliance Surgeons, Inc., P.S. (Proliance) is a Washington State for-profit corporation comprised of care centers; ambulatory surgery centers (ASCs), physical therapy, occupational therapy, and magnetic resonance imaging (MRI) facilities. Information with the application stated Proliance manages and operates over 53 physician offices, located in Benton, King, Pierce, Skagit and Snohomish counties. [Source: Application Exhibit 5] Of the various types of healthcare facilities, own or operated by Proliance, only ASCs are subject to Certificate of Need review.

PROJECT DESCRIPTION

Swedish/Proliance propose to establish a three operating room multispecialty ambulatory surgical center within existing spaces in the Swedish Redmond Ambulatory Care Center in the city of Redmond within King County.

¹ Certificate of Need purposes, ambulatory surgery facility (ASF) and ambulatory surgery center (ASC) have the same meaning. For ease of reading, ASC will be used throughout this analysis.

² Swedish Health Services also has ownership percentages in a variety of other healthcare entities, such as home health and urgent care clinics. Since these entities are not pertinent to this project, they will not be discussed in this evaluation

³ SMC Ballard is licensed under the Swedish Medical Center license

⁴ On February 26, 2010, SHS created a separate corporation known as Swedish Edmonds, where SHS is 100% sole member. On August 26, 2010, CN #1426 was issued to Swedish Edmonds approving a long-term lease agreement with Public Hospital District #3-Stevens Hospital located in Edmonds, within Snohomish County. The lease agreement became effective September 1, 2010, and is expected to continue for 30 years, with two 10-year options to renew.

Services to be provided at the ASC include eye surgeries, ear, nose and throat (ENT), gastrointestinal (GI), gynecology, general surgery, orthopedics, plastics, podiatry, urology, and vascular surgery. In addition, Swedish/Proliance state the ASC would offer limited respiratory and cardiovascular cases. [Source: Application, Pages 9 and 13] Patients to be served by the ASC are those 12 years of age and older.

Redmond Ambulatory Surgery Center, LLC would be located at 181000 Union Hill Road in the city of Redmond within King County. If approved, Swedish/Proliance anticipate Redmond Ambulatory Surgery Center, LLC would be operational by January 1, 2016. Under this timeline, year 2016 is Redmond Ambulatory Surgery Center, LLC's first full calendar year of operation and year 2019 is year three. [Source: Application, Page 15]

The estimated capital expenditure for this project is \$8,500,916; of that amount, 45% or \$3,848,475 is related to building and construction, 41% or \$3,507,836 is for moveable equipment; 9% or \$779,000 is for architecture, consulting, supervision inspection fees, and the remaining 4% or 365,605 is for taxes. [Source: Application, Page 33]

APPLICABILITY OF CERTIFICATE OF NEED LAW

This project is subject to review under Revised Code of Washington 70.38.105(4)(a) and Washington Administrative Code 246-310-020(1) as the construction, development, or other establishment of a new healthcare facility.

EVALUATION CRITERIA

WAC 246-310-200(1)(a)-(d) identifies the four determinations that the department must make for each application. WAC 246-310-200(2) provides additional direction in how the department is to make its determinations. It states:

“Criteria contained in this section and in WAC 246-310-210, 246-310-220, 246-310-230, and 246-310-240 shall be used by the department in making the required determinations.

(a) In the use of criteria for making the required determinations, the department shall consider:

- (i) The consistency of the proposed project with service or facility standards contained in this chapter;*
- (ii) In the event the standards contained in this chapter do not address in sufficient detail for a required determination the services or facilities for health services proposed, the department may consider standards not in conflict with those standards in accordance with subsection (2)(b) of this section; and*
- (iii) The relationship of the proposed project to the long-range plan (if any) of the person proposing the project.”*

In the event the WAC 246-310 does not contain service or facility standards in sufficient detail to make the required determinations, WAC 246-310-200(2)(b) identifies the types of standards the department may consider in making its required determinations. Specifically WAC 246-310-200(2)(b) states:

“The department may consider any of the following in its use of criteria for making the required determinations:

- (i) Nationally recognized standards from professional organizations;*
- (ii) Standards developed by professional organizations in Washington state;*
- (iii) Federal Medicare and Medicaid certification requirements;*
- (iv) State licensing requirements;*
- (v) Applicable standards developed by other individuals, groups, or organizations with recognized expertise related to a proposed undertaking; and*

(vi) *The written findings and recommendations of individuals, groups, or organizations with recognized expertise related to a proposed undertaking, with whom the department consults during the review of an application.*”

To obtain Certificate of Need approval, the applicant must demonstrate compliance with the criteria found in WAC 246-310-210 (need); 246-310-220 (financial feasibility); 246-310-230 (structure and process of care); 246-310-240 (cost containment).⁵ WAC 246-310-270 (ambulatory surgery) contains service or facility specific criteria for ASC projects and must be used to make the required determinations.

TYPE OF REVIEW

This application was reviewed under the regular review timeline outlined in WAC 246-310-160. A summary of the review timeline is summarized below.

APPLICATION CHRONOLOGY

Action	Swedish/Proliance
Letter of Intent Submitted	January 30,2015
Application Submitted	March 13, 2015
Department’s pre-review activities <ul style="list-style-type: none"> • DOH 1st Screening Letter • Applicant’s Responses Received 	April 6, 2015 May 20, 2015
Beginning of Review	June 1, 2015
End of Public Comment <ul style="list-style-type: none"> • Public comments accepted through⁶ • Public hearing conducted⁷ • Rebuttal Comments Received 	July 6, 2015 N/A N/A
Department Declares Pivotal Unresolved Issue (PUI)	January 25, 2016
Applicant Submits PUI Documents	January 25, 2016
End Public Comments on PUI Documents ⁸	February 8, 2016
Rebuttal Comments Submitted for PUI Documents	February 23, 2016
Department's Anticipated Decision Date	March 24, 2016
Department's Actual Decision Date	April 8, 2016

On January 25, 2016, the department declared Pivotal Unresolved Issue (PUI) regarding this application because the applicants did not provide documentation related to the following items and the department failed to ask for these documents in screening.

PUI Documents

- Redmond Ambulatory Surgery Center, LLC certificate of formation
- Redmond Ambulatory Surgery Center, LLC draft operating agreement (LLC Agreement)
- Redmond Ambulatory Surgery Center, LLC draft management services agreements
- Redmond Ambulatory Surgery Center, LLC landlord letter of intent to lease site
- Redmond Ambulatory Surgery Center, LLC draft lease agreement

⁵ Each criterion contains certain sub-criteria. The following sub-criteria are not relevant to this project: WAC 246-310-210(3), (4), (5), and (6); and WAC 246-310-240 (3).

⁶ The department did not receive any public comment therefore; the applicants did not provide rebuttal comment.

⁷ The department did not conduct a public hearing.

⁸ There were no public comments submitted on the PUI documents. As a result, no rebuttal comments could be accepted

- Redmond Ambulatory Surgery Center, LLC revised pro forma financial income statement

AFFECTED PERSONS

Washington Administrative Code 246-310-010(2) defines “affected person” as:

“...an “interested person” who:

- Is located or resides in the applicant's health service area;*
- Testified at a public hearing or submitted written evidence; and*
- Requested in writing to be informed of the department's decision.”*

WAC 246-310-010(2) requires an affected person to first meet the definition of an “interested person”.

WAC 246-310-010(34) defines “interested person” as:

- The applicant;*
- Health care facilities and health maintenance organizations providing services similar to the services under review and located in the health service area;*
- Third-party payers reimbursing health care facilities in the health service area;*
- Any agency establishing rates for health care facilities and health maintenance organizations in the health service area where the proposed project is to be located;*
- Health care facilities and health maintenance organizations which, in the twelve months prior to receipt of the application, have submitted a letter of intent to provide similar services in the same planning area;*
- Any person residing within the geographic area to be served by the applicant; and*
- Any person regularly using health care facilities within the geographic area to be served by the applicant.*

For this project, there were two interested persons. These were Elena Zana, Ogden Murphy Wallace, PLLC and Lori Aoyama, Health Facilities Planning and Development. No public comments were received regarding this application. Therefore, no one qualified as an affected person.

SOURCE INFORMATION REVIEWED

- Swedish Health Services and Proliance Surgeons, Inc. P.S. Certificate of Need application received on March 13, 2015
- Swedish Health Services and Proliance Surgeons, Inc. P.S. supplemental information received May 20, 2015
- Swedish Health Services and Proliance Surgeons, Inc. P.S. Pivotal Unresolved Issue (PUI) documents received on January 25, 2016
- Year 2015 Annual Ambulatory Surgery Provider Survey for Surgical Procedures Performed During Calendar Year 2014 for hospitals, ambulatory surgery centers, or ambulatory surgical facilities located in east King County
- Department of Health's Integrated Licensing and Regulatory System [ILRS] data obtained for ambulatory surgery centers or ambulatory surgical facilities located in east King County.
- Year 2014 Claritas population data received in year 2015
- Washington State Department of Ecology King County zip code map prepared by GIS Technical Services and released August 3, 2006
- Licensing data provided by the Medical Quality Assurance Commission
- Washington State Secretary of State website at www.sos.wa.gov
- Joint Commission website at www.qualitycheck.org

CONCLUSION

For the reasons stated in this evaluation, the application submitted by Swedish Health Services and Proliance Surgeons, Inc. P.S. proposing to establish a three operating room ambulatory surgery center in Redmond within the east King County planning area is consistent with applicable criteria of the Certificate of Need Program provided Swedish Health Services and Proliance Surgeons, Inc. P.S. agree to the following conditions.

Project Description:

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9. Redmond Ambulatory Surgery Center, LLC must maintain Medicare and Medicaid certification.

Approved Costs:

The approved capital expenditure for this project is \$8,500,916.

CRITERIA DETERMINATIONS

A. Need (WAC 246-310-210)

Based on the source information reviewed and agreement to the conditions identified in the conclusion section of this evaluation, the department determines that Swedish Health Services and Proliance Surgeons, Inc. P.S. has met the applicable need criteria in WAC 246-310-210.

- (1) The population served or to be served has need for the project and other services and facilities of the type proposed are not or will not be sufficiently available or accessible to meet that need.

WAC 246-310-270(9)-Ambulatory Surgery Center Numeric Methodology

The Department of Health's Certificate of Need Program uses the numeric methodology outlined in WAC 246-310-270 for determining the numeric need for additional outpatient operating rooms in Washington State. The numeric methodology provides a basis of comparison of existing operating room (OR) capacity for both outpatient and inpatient ORs in a planning area using the current utilization of existing providers. The methodology separates Washington State into 54 secondary health services planning areas. Redmond Ambulatory Surgery Center, LLC would be located in Redmond within the east King County planning area.

The methodology estimates OR need in a planning area using multi-steps as defined in WAC 246-310-270(9). This methodology relies on a variety of assumptions and initially determines existing capacity of dedicated outpatient and mixed-use operating room in the planning area, subtracts this capacity from the forecast number of surgeries expected in the planning area in the target year, and examines the difference to determine:

- a) whether a surplus or shortage of ORs is predicted to exist in the target year; and
- b) if a shortage of ORs is predicted, the shortage of dedicated outpatient and mixed-use rooms are calculated.

Data used to make these projections specifically exclude special purpose rooms. Examples of excluded special purpose rooms are those dedicated for cystoscopic, open heart surgery, delivery rooms, and endoscopy rooms. The procedures performed in these rooms is also excluded.

Swedish/Proliance Numeric Methodology

Swedish/Proliance determined existing capacity in the east King County planning area to be 21 dedicated outpatient ORs and 38 mixed use ORs. Based on 2013 utilization and population data, Swedish/Proliance methodology identified a use rate of 107.72/1,000 population. Focusing on year 2018, the applicant projected east King County's population to be 605,256. Applying the use rate to the projected population and subtracting the existing number of ORs in the planning area, Swedish/Proliance projected a need for 17.6 dedicated outpatient ORs for the projection year 2018.

[Source: Application, Pages 17-23 and Exhibit 7]

Department's Numeric Methodology and Review

The numeric portion of the methodology requires a calculation of the annual capacity of the existing providers inpatient and outpatient OR's in a planning area – East King County. To determine the zip codes associated with East King County, the department relied on the map and breakdown of zip codes identified in the 1980 State Health Plan for East King County. While the State Health Plan was sunset in 1989, for some projects, it continues to be a reliable tool. The department continues to use the zip codes listed by planning area as a starting point for determining ASC planning area zip codes.

For ASC planning areas, the state health plan identifies 21 East King County zip codes.⁹ When the 21 zip codes are charted on the Department of Ecology King County zip code map, inclusion of another 11 zip codes appears reasonable based on the geographic location of the zip codes. Table 1 below shows the zip codes and associated cities for the 32 zip codes associated with East King County. [Source: 1980 SHP and Washington State Department of Ecology King County zip code map prepared by GIS Technical Services and released August 3, 2006]

Table 1
East King County Planning Area Zip Codes

Zip Code	City by Zip Code
98004	Bellevue
98005	Bellevue
98006	Bellevue
98007	Bellevue/Eastgate
98008	Bellevue
98009	Bellevue
98011	Black Diamond
98014	Carnation
98019	Duvall
98024	Fall City
98027	Issaquah
98028	Kenmore/Bothell
98029	Issaquah
98033	Redmond/Totem Lake
98034	Kirkland
98039	Medina
98040	Mercer Island
98045	North Bend
98050	Preston
98052	Redmond/Avondale
98053	Redmond
98065	Snoqualmie
98068	Snoqualmie Pass
98072	Woodinville
98073	Redmond
98074	Sammamish/Redmond
98075	Sammamish
98077	Woodinville
98083	Kirkland
98174	Seattle
98224	Baring
98288	Skykomish

⁹ Included in the SHP zip codes for East King County is zip 98026, for a total of 22 zip codes. 98026 is the city of Edmonds within Snohomish County and will not be included in the East King County zip codes.

According to the department’s historical records, there are 47 planning area providers – including the applicants – with OR capacity. Of the 47 providers, four are hospitals and 43 are ASCs. Below, Table 2 shows a listing of the four hospitals. [Source: CN historic files and ILRS]

**Table 2
East King County Planning Area Hospitals**

Hospitals	City/Zip
EvergreenHealth	Kirkland/98034
Overlake Hospital Medical Center	Bellevue/98004
Snoqualmie Valley Hospital	Snoqualmie/98065
Swedish Medical Center – Issaquah	Issaquah/98029

[Source: ILRS]

For the four hospitals, all known OR capacity and inpatient / mixed-use procedures are included in the methodology calculations for the planning area.

Because there is no mandatory reporting requirement for utilization of ASCs or hospital ORs, the department sends an annual utilization survey to all hospitals and known ASCs in the state. When this applications was put under review, the most recent utilization survey was mailed in May 2015 and collected data for year 2014, however not all providers had submitted responses. The data provided in the utilization survey is used, if available. All four of the hospitals completed and submitted the 2015 Annual Ambulatory Surgery Provider Survey.

Table 3, below, contains a listing of the 43 ASCs in the planning area.

**Table 3
East King County Planning Area Ambulatory Surgery Centers**

Ambulatory Surgery Centers	City/Zip
Aesthetic Facial Plastic Surgery	Bellevue/98004
Aesthetic Physicians dba Sono Bello	Bellevue/98004
Allure Laser Center	Kirkland/98033
Anderson Sobel Cosmetic Surgery	Bellevue/98004
Athenix Body Sculpting Institute	Bellevue/98005
Aysel Sanderson, MD	Kirkland/98033
Bellevue Plastic Surgery Center	Bellevue/98004
Bellevue Spine Specialists	Bellevue/98005
Bellevue Surgery Center	Bellevue/98009
Bel-Red ASF	Bellevue/98004
Center for Plastic Surgery	Bellevue/98004
Cosmetic Surgery and Dermatology of Issaquah	Issaquah/98027
Eastside Endoscopy Center-Bellevue site*	Bellevue/98004
Eastside Endoscopy Center-Issaquah site*	Issaquah/98027
Eastside Surgery Center	Issaquah/98027
Egrari Plastic Surgery Center	Bellevue/98004
Evergreen Endoscopy Center*	Kirkland/98034
EvergreenHealth Surgical Center	Kirkland/98034

Ambulatory Surgery Centers	City/Zip
Evergreen Surgical Clinic ASC	Kirkland/98034
Group Health Cooperative Bellevue Endoscopy	Bellevue/98004
John H. Brunsman, MD	Redmond/98073
Naficy Plastic Surgery and Rejuvenation Center	Bellevue/98004
Northwest Center for Aesthetic Plastic Surgery	Bellevue/98004
Northwest Laser and Surgery Center	Bellevue/98005
Northwest Nasal Sinus Center	Kirkland/98033
Overlake Reproductive Health, Inc.	Bellevue/98004
Overlake Surgery Center	Bellevue/98004
Pacific Cataract and Laser Institute-Bellevue	Bellevue/98004
Plastic Surgery Northwest	Kirkland/98034
Proliance Eastside Surgery Center	Kirkland/98034
Proliance Highlands Surgery Center	Issaquah/98029
Remington Plastic Surgery Center	Kirkland/98034
Retina Surgery Center	Bellevue/98004
Sammamish Center for Facial Plastic Surgery	Sammamish/98074
Seattle Children's-Bellevue	Bellevue/98004
SoGab Surgery Center	Kirkland/98033
Stern Center for Aesthetic Surgery	Bellevue/98004
Virginia Mason-Bellevue Endoscopy*	Bellevue/98004
Virginia Mason-Issaquah Endoscopy*	Issaquah/98027
Washington Institute Orthopedic Center	Kirkland/98034
Washington Urology Associates-Bellevue	Bellevue/98004
Washington Urology Associates-Kirkland	Kirkland/98034
Yarrow Bay Plastic Surgery Center	Kirkland/98033

[Source: ILRS]

Of the 43 ASCs shown above, five are endoscopy facilities (designated with an asterisk). The numeric methodology deliberately excludes the OR capacity and procedures from the numeric methodology.¹⁰ As a result, the ORs and procedures for these five facilities will not be counted in the numeric methodology.¹¹

For the remaining 38 ASCs, 28 are located within a solo or group practice (considered a Certificate of Need-exempt ASC) and the use of these ASCs is restricted to physicians that are employees or members of the clinical practices that operate the facilities. Therefore, these 28 facilities do not meet the ASC definition in WAC 246-310-010. For Certificate of Need-exempt ASCs, the number of surgeries, but not ORs, is included in the methodology for the planning area.

The remaining ten ASCs are Certificate of Need-approved facilities.¹² For these, the OR capacity and utilization is counted in the numeric methodology.

¹⁰ WAC 246-310-270(9)(iv).

¹¹ Five facilities include: Eastside Endoscopy-Bellevue; Eastside Endoscopy-Issaquah; Evergreen Endoscopy Center; Virginia Mason-Bellevue; and Virginia Mason-Issaquah.

¹² Ten facilities include: Bel-Red Ambulatory Surgical Facility [CN #1485]; Eastside Surgery Center [CN #1462]; Evergreen Surgical Center [under EvergreenHealth HAC license]; EvergreenHealth Ambulatory Surgical Care [CN #1549]; Northwest Nasal Sinus Center [CN #1250]; Overlake Surgery Center [CN #1192]; Proliance Eastside Surgery Center [CN #1342], Seattle Children's ASC [CN # 1395], The Retina Surgery Center [CN #1565], and Proliance Highland Surgery Center [CN #1567]..

In summary, data will be used for 28 Certificate of Need-exempt ASCs and ten Certificate of Need-approved ASCs. If a facility does not complete and return a utilization survey, then the other data source that can be used is the department’s internal database known as the Integrated Licensing and Regulatory System (ILRS). Per WAC 246-330-100(2), licensed ambulatory surgical facilities must submit to the department an annual update form. The data provided on this annual update includes the number of ORs and the approximate number of procedures performed at the facility during the year. This data is updated in ILRS as it is received. The department uses the listed number of surgical procedures and multiplies this number by 50 minutes – the default minutes per outpatient surgery as identified under WAC 246-310-270(9)(b)(iii).

The data points used in the department's numeric methodology are identified in Table 4. The methodology and supporting data used by the department is provided in Appendix A attached to this evaluation.

Table 4
Department’s Methodology Assumptions and Data

Assumption	Data Used
Planning Area	East King County
Population Estimates and Forecasts	Age Group: 10+ ¹³ Claritas Population Data released year 2015: Year 2014 – 513,237 Year 2019 – 552,579
Use Rate	Divide calculated surgical cases by 2014 population results in the service area use rate of 142.687/1,000 population
Year 2014 Total Number of Surgical Cases	23,418 – Inpatient or Mixed-Use; 48,316 – Outpatient 71,734 – Total Cases
Percent of surgery: ambulatory vs. inpatient	Based on DOH survey and ILRS data: 67.35% ambulatory (outpatient); 32.65% inpatient
Average minutes per case	Based on DOH survey and ILRS Data: Outpatient cases: 60.42 minutes Inpatient cases: 110.17 minutes
OR Annual capacity in minutes	68,850 outpatient surgery minutes; 94,250 inpatient or mixed-use surgery minutes (per methodology in rule)
Existing providers/ORs	Based on listing of East King County Providers: 32 dedicated outpatient ORs 39 mixed use ORs
Department’s Methodology Results	Numeric Need for an additional 13.65 outpatient ORs

¹³ Swedish/Proliance identify the age of patients to be served as 12 years and older. Claritas population data is not broken down into age groups 12 years and older. It does however have a age breakdown of 10 years and older. Therefore, the department included the two additional age groups (10 and 11) in its population figures. The impact to the OR project is minimal.

Based on the assumptions described in the table 4 above, the department's application of the numeric methodology indicates a need for 13.65 outpatient ORs in year 2019.

Within its projected volume in the application, Swedish/Proliance projected the Redmond Ambulatory Surgery Center, LLC would provide 5 respiratory and 16 cardiovascular procedures in 2019. Swedish/Proliance state *"In the Operations of the Cardiovascular System there is an ICD-9 procedure code, 00.66, percutaneous transluminal coronary angioplasty ("PTCA") that refer to a tertiary service. However, there are a number of other procedures within Operations on the Cardiovascular System, such as 00.53—implantation of cardiac pacemaker; 00.51—implantation of cardiac defibrillator, 00.53—implantations of replacement of pacemaker, pulse generator only; or 00.54—implantation of pulse maker pulse generator, device only, that could be performed in an ambulatory surgery facility ("ASF")."* [Source: PUI information received January 25, 2016, Pages 2-3] The department has defined those procedures under WAC 246-310-705, elective percutaneous coronary interventions that are considered a tertiary health service and which are not appropriate to be performed in an ASC. If this application is approved, a condition would be necessary clarifying that the ASC was not permitted to perform those procedures.

WAC 246-310-270(6)

WAC 246-310-270(6) requires a minimum of two ORs in an ASC. For this application, Swedish/Proliance propose a three operating room ASC. A review of the line drawings for the proposed ASC confirms it will have a total of three operating rooms. [Source: Application, Exhibit 9] **This sub-criterion is met.**

Based on the source information reviewed the department concludes that **this sub-criterion is met.**

- (2) All residents of the service area, including low-income persons, racial and ethnic minorities, women, handicapped persons, and other underserved groups and the elderly are likely to have adequate access to the proposed health service or services.

To evaluate this sub-criteria, the department evaluates an applicant's Admission policies, willingness to serve Medicare patients, Medicaid patients, and to serve patients that cannot afford to pay for services.

The Admission Policy provides the overall guiding principles of the facility as to the types of patients that are appropriate candidates to use the facility, and any assurances regarding access. The admission policies provided by the applicant demonstrates that patients would be admitted to the facility for treatment without regard to age, color, religion, sex national origin, handicap, or sexual preference, and will be treated with respect and dignity.

Medicare certification is a measure of an agency's willingness to serve the elderly. With limited exceptions, Medicare is coverage for individuals age 65 and over. It is also well recognized that women live longer than men and therefore more likely to be on Medicare longer.

Medicaid certification is a measure of an agency's willingness to serve low income persons and may include individuals with disabilities.

Charity care shows a willingness of a provider to provide services to individuals who do not have private insurance, do not qualify for Medicare, or do not qualify for Medicaid. With the passage of the Affordable Care Act, the amount of charity care is expected to decrease, but not disappear.

Both Swedish and Proliance currently provide healthcare services to the residents of east King County through their hospitals or healthcare facilities. Although sponsored by two existing health care operators the Redmond Ambulatory Surgery Center, LLC, is a new healthcare facility. As a new healthcare facility Redmond Ambulatory Surgery Center, LLC must demonstrate that it would be available to all residents of the planning area, including low income, racial and ethnic minorities, handicapped, and other underserved groups.

Admission Policy and Non-Discrimination Policy

Swedish/Proliance provided a draft Patient Rights and Responsibilities policy for Redmond Ambulatory Surgery Center, LLC. This policy would be used at the ASC if it is approved. [Source: Supplemental information received May 20, 2015, Appendix C] A draft non-discrimination policy was also provided. The necessary non-discrimination language was included in the draft policy. If this project is approved, the department would attach conditions that prior to providing services, Swedish/Proliance provide the department a copy of the adopted Patient Rights and Responsibilities policy and the non-discrimination policy for review and approval. The adopted policies must be consistent with the drafts provided in the application.

Medicare and Medicaid Programs

Swedish/Proliance stated that Redmond Ambulatory Surgery Center, LLC is not currently operational, but if approved would provide services to Medicare and Medicaid patients. To demonstrate compliance with this sub-criterion, Swedish/Proliance provided the ASC’s projected percentages by payer mix. Table 5 presents that information.

**Table 5
Percentage of Projected No. of ASC
Cases and Gross Revenue by Payer for 2018**

Payer	ASC Cases	Gross Revenue
Medicare	38.4%	36.9%
Medicaid	7.2%	5.3%
Commercial/Health Care Contractor	45.8%	51.6%
HMO	4.4%	3.3%
Other Government/L&I	1.2%	1.4%
Self-pay	3.0%	1.5%
Total	100%	100%

The projected pro forma income and expense statements demonstrate that Swedish/Proliance intend to provide services to Medicare and Medicaid patients. [Source: Supplemental information, received May 20, 2015, Page 9]

Charity Care Policy

To demonstrate compliance with this sub-criterion, Swedish/Proliance provided a draft Charity Care Policy and Financial Assistance Request policy. Redmond Ambulatory Surgery Center, LLC will use this policy if this project is approved. [Source: Supplemental information received May 20, 2015, Appendix C] The policy includes the process one must use to access charity care. If this project is approved, the department would attach a condition that prior to providing services, Swedish/Proliance must provide a copy of the adopted charity care policy for the department’s review and approval. The adopted policy must be consistent with the draft provided in the application. In addition to the draft charity care policy, the pro-forma financial income and expense statements include a charity care ‘line item.’ [Source: PUI information received January 25, 2016, Exhibit 5]

WAC 246-310-270(7) requires that ASCs shall implement policies to provide access to individuals unable to pay consistent with charity care levels reported by the hospitals affected by the proposed ASC. For charity care reporting purposes, Hospital and Patient Data Systems (HPDS), divides Washington State into five regions: King County, Puget Sound, Southwest, Central, and Eastern. Redmond Ambulatory Surgery Center, LLC would be located in east King County within the King County region. Currently, there are 21 hospitals operating in the region. Of those, four are acute care hospitals located in east King County and they could be affected by approval of this project.¹⁴

For this project, the department reviewed the most recent three years charity care data for the 21 existing hospitals currently operating within the King County Region and focused on the four general acute care hospitals located in east King County. The most recent three years charity care reviewed are 2012, 2013, and 2014.¹⁵ Table 6 is a comparison of the average charity care for King County Region as a whole, the four hospitals in east King County, and Redmond Ambulatory Surgery Center, LLC projected charity care.¹⁶ [Source: 2012-2014 HPDS charity care summaries]

Table 6
Charity Care Percentage Comparison

	% of Total Revenue	% of Adjusted Revenue
King County Region	1.73%	3.33%
Four Hospitals Combined	1.23%	2.23%
Redmond Ambulatory Surgery Center, LLC	2.50%	4.60%

As shown in Table 6, the proposed charity care level exceeds both the regional and four hospital average.¹⁷ Since the proposed ASC is not operational the department would attach a condition related to the percentage of charity care to be provided at the ASC. Based on the source documents reviewed in the applications and each applicant’s agreement to the conditions identified in the “conclusion” section of this evaluation, the department concludes that all residents including low income, racial and ethnic minorities, handicapped, and other under-served groups would have access to the services provided by the applicants. Therefore, for both applicants **this sub-criterion is met.**

B. Financial Feasibility (WAC 246-310-220)

Based on the source information reviewed and the applicant’s agreement to the conditions identified in the conclusion section of this evaluation, the department determines that Swedish Health Services and Proliance Surgeons, Inc. P.S. has met the applicable financial feasibility criteria in WAC 246-310-220.

¹⁴ Evergreen Health in Kirkland, Overlake Hospital Medical Center in Bellevue; Snoqualmie Valley Hospital in Snoqualmie; and Swedish Health Services-Issaquah in Issaquah.

¹⁵ As of the writing of this evaluation, year 2015 charity care data is not available.

¹⁶ Harborview Medical Center is subsidized by the state legislature to provide charity care services. Charity care percentages for Harborview make up almost 50% of the total percentages provided in the King County Region. Therefore, for comparison purposes, the department excludes Harborview Medical Center’s percentages.

¹⁷ The department acknowledges that the Affordable Care Act will likely have a long-term impact on the amount charity care provided by facilities. The regional average used to measure an applicant’s compliance with the charity care standard is a self-correcting three-year rolling average. The department expects the applicant to make documented reasonable efforts to meet that level of charity care.

(1) The immediate and long-range capital and operating costs of the project can be met.

WAC 246-310 does not contain specific WAC 246-310-220(1) financial feasibility criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs what the operating revenues and expenses should be for a project of this type and size. Therefore, using its experience and expertise the department evaluates if the applicant's pro forma income statements reasonably project the proposed project will be meeting its immediate and long-range capital and operating costs by the end of the third complete year of operation.

Swedish/Proliance

Table 7 below shows Swedish/Proliance's projected number of cases for years 2016 through 2019.

Table 7
Redmond Ambulatory Surgery Center, LLC
Projected Utilization 2016-2019

2016	2017	2018	20219
3,082	3,311	3,558	3,751

[Source: Application, Pages 14, 35-36, supplemental information received May 20, 2015, Pages 7- 8 and PUI comments received January 25, 2016, Exhibit 5]

Swedish/Proliance projected the revenue and expenses are presented in table 8. [Source: Application, Exhibit 17 and PUI information received January 25, 2016, Exhibit 5]

Table 8
Redmond Ambulatory Surgery Center, LLC
Projected Revenue and Expenses for Years 2016 through 2019

	Year 2016	Year 2017	Year 2018	Year 2019
Net Revenue	\$7,291,037	\$7,831,825	\$8,416,458	\$8,817,009
Total Expenses	\$6,815,163	\$7,623,011	\$8,197,968	\$8,423,202
Net Profit / (Loss)	\$475,874	\$208,814	\$218,490	\$393,807

Department Evaluation

The volume projections for the proposed ASC were compared to other similar type ASC projects previously reviewed by the department. Based on that comparison, the department concludes the projections are reasonable.

The department next reviewed the assumptions used by Swedish/Proliance to develop the income and expense projections for the ASC. The 'Net Revenue' line item in table 8 is gross patient revenue, minus any deductions from revenue for contractual allowances, bad debt, and charity care. The 'Total Expenses' line item includes salaries and wages and all costs associated with operations of an ASC. The 'Total Expense' line item also includes operating expenses, medical director fees, leases fees, management fees, depreciation of building and equipment, repair and maintenance. As shown above, Swedish/Proliance projected net profits in years 2016 through 2019.

Redmond Ambulatory Surgery Center, LLC would be located at 18100 Union Hill Road in Redmond. The ASC space is to be leased from HC Redmond I, LLC. This entity is the landlord of a medical office building known as the Swedish Redmond Ambulatory Care Center. Both Swedish and Proliance currently lease office space in this building. Swedish/Proliance provided a draft lease

agreement between HC Redmond I, LLC and Redmond Ambulatory Surgery Center, LLC. [Source: Application, Exhibit 10 and PUI information received January 25, 2016, Exhibit 3B] The draft agreement outlines the roles and responsibilities of the lease agreement with specific increases in lease costs for future years. A review of the lease amounts identified in the draft agreement are consistent with the information contained in the detailed projected income and expense statements. If this project is approved, the department would attach a condition that prior to providing services, Swedish/Proliance must provide a copy of the executed lease agreement for the department's review and approval. The executed lease must be consistent with the draft provided in the application.

The ASC would be operated under a management agreement. A draft management agreement between Proliance Surgeons, Inc. P.S. and Redmond Ambulatory Surgery Center, LLC. was provided. The draft agreement outlines the specific roles and responsibilities of Proliance Surgeons, Inc. P.S. and Redmond Ambulatory Surgery Center, LLC. It also includes the management agreement costs. These costs are consistent with the information contained in the detailed projected income and expense statements. [Source: Application, Page 36 and PUI information received January 25, 2015, Exhibit 2] If this project is approved, the department would attach a condition that prior to providing services, Swedish/Proliance must provide a copy of the executed management agreement for the department's review and approval. The executed management agreement must be consistent with the draft provided in the application.

Swedish/Proliance did not identify a specific medical director for the ASC. However, a draft medical director agreement was provided. The draft agreement outlines the roles and responsibilities of the Medical Director along with the annual compensation. These costs are consistent with the information contained in the detailed projected income and expense statements. If this project is approved, the department would attach a condition that prior to providing services, Swedish/Proliance must provide a copy of the executed Medical Director agreement for the department's review and approval. The Medical Director's agreement must be consistent with the draft provided in the application.

In addition to the pro-forma projected revenue and expense statements, Swedish/Proliance provided a projected balance sheets using calendar years 2016 through 2019. [Source: Application, Exhibit 17 and PUI information received January 25, 2015, Exhibits 4 and 5]

Table 9A
Redmond Ambulatory Surgery Center, LLC
Balance Sheet Year One - 2016

Assets		Liabilities	
Total Current Assets	\$1,542,418	Current Liabilities	\$1,070,045
Property Plant & Equipment	\$8,500,916	Net Income	\$475,873
Accumulated Depreciation	(\$1,200,875)	Residual Equity	\$7,296,541
Total Current Assets	\$8,842,459	Total Liabilities and Equity	\$8,842,459

Table 9B
Third Year of Operation (2019)

Assets		Liabilities	
Total Current Assets	\$5,716,459	Current Liabilities	\$601,860
Property Plant & Equipment	\$8,500,916	Net Income	\$393,805
Accumulated Depreciation	(\$4,803,500)	Residual Equity	\$8,418,210
Total Current Assets	\$9,413,875	Total Liabilities and Equity	\$9,413,875

Based on the source documents evaluated by the department, **this sub-criterion is met.**

- (2) The costs of the project, including any construction costs, will probably not result in an unreasonable impact on the costs and charges for health services.

WAC 246-310 does not contain specific WAC 246-310-220(2) financial feasibility criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs what an unreasonable impact on costs and charges would be for a project of this type and size. Therefore, using its experience and expertise the department compared the proposed project’s costs with those previously considered by the department.

Swedish/Proliance

Swedish/Proliance provided the following capital expenditure breakdown for the proposed Redmond Ambulatory Surgery Center, LLC. [Source: Application, Page 33]

**Table 10
Redmond Ambulatory Surgery Center, LLC's
Capital Expenditure Breakdown**

Item	Cost	% of Total
Building and Construction	\$3,848,475	45%
Movable Equipment	\$3,507,836	41%
Architect/Engineering/Consultant, Supervision/Inspection Fees	\$779,000	9%
Sales Tax	\$365,605	4%
Total Project Cost	\$8,500,916	100.0%

Table 11 presents the ASC’s projected cases and gross revenue by payer source.

**Table 11
Percentage of Projected No. of ASC
Cases and Gross Revenue by Payer for 2018**

Payer	ASC Cases	Gross Revenue
Medicare	38.4%	36.9%
Medicaid	7.2%	5.3%
Commercial/Health Care Contractor	45.8%	51.6%
HMO	4.4%	3.3%
Other Government/L&I	1.2%	1.4%
Self-pay	3.0%	1.5%
Total	100%	100%

Department Evaluation

The estimated capital expenditure for this project is \$8,500,916; of that amount, 45% or \$3,848,475 is related to building and construction, 41% or \$3,507,836 is for moveable equipment; 9% or \$779,000 is for architecture, consulting, supervision inspection fees, and the remaining 4% or 365,605 is for taxes. [Source: Application, Page 33] Swedish/Proliance provided a letter dated February 17, 2015 from David Ratzke, Executive Vice President, Director of Operations-Preconstruction from Sellen. Sellen Construction Company is the largest locally owned commercial construction firm in the Pacific

Northwest. [Source: Sellen website] The letter stated that based on the company's experience the projected construction costs were reasonable. The department has no reason to doubt this assessment.

The costs of the proposed ASC are similar to other projects approved by the department. Costs of surgical procedures performed in a non-provider based (free-standing) ASC are known to be less costly to patients.

Based on the information reviewed, the department concludes that the costs of this project will probably not result in an unreasonable impact to the costs and charges for health care services within the services area. **This sub-criterion is met.**

(3) *The project can be appropriately financed.*

WAC 246-310 does not contain specific source of financing criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs how a project of this type and size should be financed. Therefore, using its experience and expertise the department compared the proposed project's source of financing to those previously considered by the department.

Swedish/Proliance

Swedish/Proliance identify the estimated capital expenditure for this project is \$8,500,916. This project is expected to be financed with cash reserves of both Swedish and Proliance. Each organization's responsibility is to be based on its ownership shares (Swedish 49% and Proliance 51%).

Department Evaluation

The department received a letter dated February 26, 2015 from Pamela Gallagher Felt, Senior Director, Finance for Swedish Health Services. The letter stated Swedish commits from its corporate reserves, its 49% share of the funding for the estimated capital expenditures required for this health care facility. The department received a similar letter dated March 5, 2015 from David Fitzgerald, Chief Executive Officer for Proliance Surgeons, Inc., P.S. committing from its corporate reserves, its 51% share of the funding for the estimated capital expenditures required for this health care facility. [Source: Application Page 9 and Exhibit 7] Use of corporate reserves to finance a project like the proposed ASC is a cost effective way to finance such a project. This approach is consistent with other ASC projects reviewed by the department.

Both Swedish and Proliance provided historical financial statements for years 2011, 2012, and 2013. [Source: Application Appendix 18] After reviewing Swedish and Proliance historical statements, the department concludes that Swedish and Proliance have sufficient cash assets to fund the project. The department concludes the capital expenditure of \$8,500,916 is not expected to adversely affect reserves, total assets, total liability, or the general financial health of either organization. Based on the source documents evaluated, the department concludes the project can be appropriately financed. **This sub-criterion is met.**

C. Structure and Process (Quality) of Care (WAC 246-310-230)

Based on the source information reviewed and the applicant's agreement to the conditions identified in the conclusion section of this evaluation, the department determines that Swedish Health Services and Proliance Surgeons, Inc. P.S. has met the applicable structure and process of care criteria in WAC 246-310-230.

(1) A sufficient supply of qualified staff for the project, including both health personnel and management personnel, are available or can be recruited.

WAC 246-310 does not contain specific WAC 246-310-230(1) criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs what specific staffing patterns or numbers of FTEs that should be employed for projects of this type or size. Therefore, using its experience and expertise the department concludes that the planning would allow for the required coverage.

Swedish/Proliance

Swedish/Proliance provided a listing of the types and number of staff for the proposed ambulatory surgery center. Table 12 below, shows the proposed facility’s 2016 through 2019 projected FTE’s numbers by type of FTE’s.

**Table 12
Redmond Ambulatory Surgery Center, LLC
Years 2016– 2019 Projected FTEs**

Staff/FTEs	Year 2016	Year 2017 Increase	Year 2018 Increase	Year 2019 Increase	Year 2019 Increase	Total FTEs
Clerical	1.12	0.5	0.0	0.5	0.12	2.24
Schedulers	1.12	0.5	0.0	0.0	0.06	1.68
Billing and Collection	1.12	0.0	0.0	0.0	0.0	1.12
Medical Recorder/Trans	1.12	0.0	1.0	0.0	0.12	2.24
Room Prep	2.24	0.0	1.0	0.0	0.12	3.36
Registered Nurse	7.39	1.4	2.0	0.12	0.18	11.09
Operational Room Tech	2.24	1.0	0.0	0.0	0.12	3.36
Materials Management	1.12	0.0	0.0	0.0	0.0	1.12
Marketing and Sales	1.0	0.0	0.0	0.0	0.0	1.0
Manager	1.0	0.0	0.0	0.0	0.0	1.0
	19.47	3.9	2.9	1.0	0.0	28.21

To assure that staffing would be available to be hired, Swedish/Proliance stated, *“Both Swedish and Proliance employ a very large number of general and specialty care providers. Each has the ability to float selected administrative, clinical, and technical staff to the ambulatory surgery center as needed. The ASF will offer an attractive work environment and hours, thus attracting local area residents who are qualified. We do not expect any staffing challenges that would disrupt our ability to archive our goals and objectives relative to the ASF”*. [Emphasis added] [Source: Application, Page 39 and PUI information received January 25, 2016 Exhibit 5]

Department Evaluation

The types of personnel identified by Swedish/Proliance are ones that the department would expect for an ASC. The department notes that in the application Swedish/Proliance state *“Each has the ability to float selected administrative, clinical, and technical staff to the ambulatory surgery center as needed”*. The term “float” is not defined within the application. The department recognizes that staff of the ASC could be employed full-time by the ASC, part-time at the ASC and part-time at either Swedish and/or Proliance, or under contract to the ASC. The department is making the assumption that this is the staffing concept that Swedish/Proliance is proposing to use at the ASC. With the two organizations experience in hiring and retaining staff the department does not expect the proposed facility to have difficulty in hiring the needed staff.

Swedish/Proliance did not identify a specific physician to be medical director for the proposed ASC. Swedish/Proliance did however provide a draft medical director agreement. [Source: PUI information received January 25, 2015, Exhibit 4] The draft agreement outlines the specific roles and responsibilities of the position and the annual compensation for the Medical Director position. If this project is approved, the department would attached a condition requiring that prior to providing services, an executed medical director agreement identifying the specific physician and credential number be provided to for the department review and approval. The executed agreement must be consistent with the draft provided in the application.

The management of the ASC would be through a management agreement between Proliance Surgeons, Inc. P.S. and Redmond Ambulatory Surgery Center, LLC. A draft management agreement was provided that outlines the specific roles and responsibilities of Proliance Surgeons, Inc. P.S. and Redmond Ambulatory Surgery Center, LLC. . Under the draft management agreement, Proliance would be responsible for the following:

- Provide management services to the ASC subject to oversight by the LLC's board of governors;
- Provide strategic direction with regards to matters of the surgery center
- Maintain control of billing, payroll, and required reporting
- Provide day-to-day management and operation of the ASC facility
- Ensure compliance with all state and federal laws for the duration of the agreement with Redmond Ambulatory Surgery Center, LLC [Source: Application, Page 36 and Exhibit 17 and supplemental information received May 20, 2015, Appendix A and PUI information received January 25, 2015, Exhibit 2]

If this project is approved, the department would attached a condition requiring that prior to providing services, Swedish/Proliance must provide an executed management services agreement for the department review and approval. The executed agreement must be consistent with the draft provided in the application.

Based on the source documents evaluated, the department concludes **this sub criterion is met.**

- (2) *The proposed service(s) will have an appropriate relationship, including organizational relationship, to ancillary and support services, and ancillary and support services will be sufficient to support any health services included in the proposed project.*

WAC 246-310 does not contain specific WAC 246-310-230(3) criteria as identified in WAC 246-310-200(2)(a)(i). There are no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that a facility must meet when it is to be Medicare certified and Medicaid eligible. Therefore, using its experience and expertise the department assesses the applicant's history in meeting these standards at other facilities owned or operated by the applicant.

Swedish/Proliance

Imaging (MRI, CT, X-ray, ultrasound), emergency room, urgent care, lab, primary and specialty care physician offices, physical therapy and security services are currently provided by Swedish within the proposed location. Some of these services will also be purchased from community vendors through a RFP process. The final determination regarding which ancillary and support services will be provided on-site, from vendors in the community or through Swedish or Proliance has not yet been made. [Source: Application pg. 39]

Department Evaluation

The types of ancillary and support services identified by Swedish/Proliance are those the department would expect for an ASC. Although not stated, the department also assumes laundry services would also be included as services. Both Swedish and Proliance have existing relationships with vendors of ancillary and support services. The department does not expect this proposed ASC to have difficulty in ensuring sufficient ancillary and supports services for this project. **This sub criterion is met.**

- (3) There is reasonable assurance that the project will be in conformance with applicable state licensing requirements and, if the applicant is or plans to be certified under the Medicaid or Medicare program, with the applicable conditions of participation related to those programs.

WAC 246-310 does not contain specific WAC 246-310-230(3) criteria as identified in WAC 246-310-200(2)(a)(i). There are known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that an ASC must meet for state licensing and to be Medicare and Medicaid certified.

Swedish/Proliance

Neither Swedish nor Proliance have any convictions as defined in WAC 246-310-235(5)(a). All Swedish and Proliance facilities meet all relevant State and Federal rules and regulations. All current laws, rules and regulations will be applied to the ambulatory surgery center. All physicians performing surgeries at the ASF are required to be credentialed and privileged as a member of one or more of the Swedish or Proliance medical staffs and be in good standing.

Department Evaluation

As part of this review, the department must conclude that the proposed services would be provided in a manner that ensures safe and adequate care to the public. To make this evaluation, the department assesses the applicant’s past history in meeting licensing and/or Medicare certification standards. For this application, the department assessed both Swedish’s and Proliance’s history. Table 13 lists the facilities owned and/or operated by Swedish. Also included in the table is information of whether the facility is accredited by The Joint Commission¹⁸ or Det Norske Veitas Healthcare Hospital Accreditation¹⁹.

**Table 13
Swedish Healthcare Facilities**

Facility Name	Joint Commission Accreditation	DNV-GL Accreditation	Last Accreditation Survey Date
Swedish/First Hill	Yes		9/29/2014
Swedish/Cherry Hill	Yes		7/08/2014
Swedish /Ballard	Yes		9/29/2014
Swedish/Edmonds	Yes		5/09/2014
Swedish/Issaquah		Yes	10/9/2014

¹⁸ The Joint Commission accredits and certifies more than 20,000 health care organizations and programs in the United States. Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization’s commitment to meeting certain performance standards. Joint Commission accreditation is awarded to a healthcare organization that is in compliance with all standards at the time of the onsite survey or has successfully addressed requirements for improvement in an Evidence of Standards Compliance within 45 or 60 days following the posting of the Accreditation Summary Findings Report. [source: Joint Commission website]

¹⁹ Det Norske Veitas Healthcare Hospital Accreditation received CMS Deeming Authority in 2008, and since then have accredited nearly 500 hospitals of all sizes and in every region of the United States. They were the first and only accreditation program to integrate the CMS Conditions of Participation with the ISO 9001 Quality Management Program. Our collaborative survey teams visit your hospital annually. [Det Norske Veitas website]

[Source: Application pgs. 10- 11, ILRS]

The Department of Health Investigations and Inspections Office (IIO) conducts quality of care and compliance surveys for Swedish Medical Center Cherry Hill. Records indicate that IIO completed at least one compliance survey for the applicant since 2015²⁰. The compliance survey found no significant deficiencies. [Source: facility survey data provided by the Investigations and Inspections Office]

Table 14 identifies the ASC currently owned or operated by Proliance Surgeons, Inc., P.S. and the CN status of the facility.

Table 14
Proliance Surgeons, Inc., P.S. Ambulatory Surgery Centers

Facility	License Number	CN Status	Owned/Operated
Cascade Ear Nose and Throat Surgery Center	ASF.FS.60442571	Exempt	Owned
Edmonds Center for Outpatient Surgery	ASF.FS.60101035	Approved	Owned
Everett Bone and Joint Surgery Center	ASF.FS.60101038	Exempt	Owned
Evergreen Surgical Clinic ASC ²¹	ASF.FS.60101044	Exempt	Owned
Lakewood Surgery Center	ASF.FS.60101047	Approved	Owned
Overlake Surgery Center	ASF.FS.60101029	Approved	Operated
Plastic & Reconstructive Surgeons ASC	ASF.FS.60572737	Exempt	Owned
Proliance Orthopedic Associates ASC	ASF.FS.60101083	Exempt	Owned
Proliance Eastside Surgery Center	ASF.FS.60101042	Approved	Owned
Proliance Highlands Surgery Center	ASF.FS.60101051	Approved	Owned
Puyallup Ambulatory Surgery Center	ASF.FS.60534460	Exempt	Owned
Seattle Orthopedic Center – Surgery	ASF.FS.60101053	Exempt	Owned
Seattle Surgery Center	ASF.FS.60101072	Approved	Owned
Skagit Northwest Orthopedic ASC at Continental	ASF.FS.60442605	Exempt	Owned
Skagit Northwest Orthopedic ASC at LaVenture	ASF.FS.60101074	Approved	Owned
Southwest Seattle Ambulatory Surgery Center	ASF.FS.60101076	Approved	Owned
The Retina Surgery Center	ASF.FS.60278648	Approved	Owned
The Surgery Center at Rainier	ASF.FS.60101080	Approved	Owned
Tri-City Regional Surgery Center	ASF.FS.60100019	Approved	Operated

[Sources: Application, Exhibit 5, Department Certificate of Need historical files, and ILRS]

According to the Department of Health’s Office of Investigation and Inspections, all Proliance facilities are substantially in compliance with facility licensing standards. All Proliance facilities

²⁰ Survey July 11, 2015.

²¹ Change of ownership effective 9/29/2015. This facility is now owned by EvergreenHealth. [source: CN historical files]

have, or are pursuing, Medicare and Medicaid certification. Given the compliance history of the health care facilities owned and operated by Proliance, there is reasonable assurance proposed ASC would be operated and managed in conformance with applicable state and federal licensing and certification requirements.

Based on the above information, the department concludes that Swedish and Proliance demonstrated reasonable assurance that Redmond Ambulatory Surgery Center, LLC would be operated in compliance with state and federal requirements. **This sub criterion is met.**

- (4) The proposed project will promote continuity in the provision of health care, not result in an unwarranted fragmentation of services, and have an appropriate relationship to the service area's existing health care system.

WAC 246-310 does not contain specific WAC 246-310-230(4) criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs how to measure unwarranted fragmentation of services or what types of relationships with a services area's existing health care system should be for a project of this type and size. Therefore, using its experience and expertise the department assesses the materials in the application.

Swedish/Proliance

Swedish/Proliance state the ASC will have a strong working relationship with the other Swedish and Proliance services located within the same building as well as the Issaquah hospital. Patients requiring transfer to a higher level of care would either be transferred to Swedish Issaquah hospital or one of the other Swedish acute care facilities as appropriate. Swedish/Proliance provided a draft patient transfer policy. [Source: Screening Responses received May 20, 2015]

Department Evaluation

Swedish and Proliance both have existing relationships with existing providers in the East King County planning area. The construction of the new ASC is not expected to change these relationships. The draft transfer agreement is consistent with other transfer policies reviewed by the department. If this project is approved, the department would attached a condition requiring that prior to providing services, Swedish/Proliance must provide an adopted transfer agreement for the department review and approval. The adopted policy must be consistent with the draft provided in the application. Based on this information, the department concludes **this sub-criterion is met.**

- (5) There is reasonable assurance that the services to be provided through the proposed project will be provided in a manner that ensures safe and adequate care to the public to be served and in accord with applicable federal and state laws, rules, and regulations.

This sub-criterion is addressed in sub-section (3) above and is **considered met.**

D. Cost Containment (WAC 246-310-240)

Based on the source information reviewed and the applicant's agreement to the conditions identified in the conclusion section of this evaluation, the department determines that Swedish Health Services and Proliance Surgeons, Inc. P.S. has met the applicable cost containment criteria in WAC 246-310-240.

- (1) Superior alternatives, in terms of cost, efficiency, or effectiveness, are not available or practicable.
To determine if a proposed project is the best alternative, the department takes a multi-step approach. Step one determines if the application has met the other criteria of WAC 246-310-210 thru 230. If it

has failed to meet one or more of these criteria then the project is determined not to be the best alternative, and would fail this sub-criterion.

If the project has met the applicable criteria in WAC 246-310-210 through 230 criteria, the department then assesses the other options considered by the applicant. If the department determines the proposed project is better or equal to other options considered by the applicant and the department has not identified any other better options this criterion is determined to be met unless there are multiple applications.

If there are multiple applications, the department's assessment is to apply any service or facility superiority criteria contained throughout WAC 246-310 related to the specific project type. The superiority criteria are objective measures used to compare competing projects and make the determination between two or more approvable projects, which is the best alternative. If WAC 246-310 does not contain any service or facility type superiority criteria as directed by WAC 246-310-200(2) (a)(i), then the department would use WAC 246-310-200(2)(a)(ii) and (b) for criteria to make the assessment of the competing proposals. If there are no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b), then using its experience and expertise, the department assesses the competing projects and determine which project should be approved.

Swedish/Proliance

Swedish/Proliance considered multiple alternatives and evaluated them with respect to the following criteria: (1) access to needed services by planning area residents, (2) Swedish/Proliance current activities in the planning area, (3) quality of care, and (4) cost of care. Two alternatives besides the current project were considered. The two alternatives considered and rejected by Swedish/Proliance were:

- **Do nothing**
Swedish/Proliance stated doing nothing would not improve patient access to outpatient services in east King County therefore, this option was rejected. [Source: Application, Page 41]
- **Build a stand-alone CN-Exempt ASC**
Building a freestanding ASC was considered well aligned with Swedish/Proliance's intent to move care to appropriate, cost-effective settings. This option would not however allow a partnership; both Proliance and Swedish already have physicians practicing at the Swedish Redmond Ambulatory Care Center. If Proliance built and operated a CN-exempt ASC, it would have much smaller volumes, which Swedish/Proliance stated would be more costly and less efficient. Additionally, given the quantitative, projected net need for outpatient rooms, Swedish/Proliance stated only utilizing Proliance-employed physicians would insufficient to meet planning area demand. Therefore Swedish/Proliance rejected this option.

Department Evaluation

The department previously determined Swedish/Proliance met the applicable review criteria under WAC 246-310-210, 220, and 230. Therefore the first step in the department's WAC 246-310-240 evaluation is met. The department considered the other options presented by Swedish/Proliance. The department agrees with Swedish/Proliance's assessment of the alternatives considered and rejected. The department did not identify any other alternatives that would equal to or superior to the options Swedish/Proliance identified. There was no competing application so step 3 of this evaluation process is unnecessary. The department concludes the current proposed project is the best available

alternative. Based on the source information evaluated, the department concludes **this sub-criterion is met.**

(2) In the case of a project involving construction:

(a) The costs, scope, and methods of construction and energy conservation are reasonable:

In response to this sub-criterion, Swedish and Proliance stated it has extensive experience building and equipping ambulatory surgery centers and its costs estimates are based on its expertise. Based on the information provided in the application, the department concludes **this sub-criterion is met.**

(b) The project will not have an unreasonable impact on the costs and charges to the public of providing health services by other persons.

This sub-criterion is evaluated within the financial feasibility criterion under WAC 246-310-220(2). Based on that evaluation, the department concludes **this sub-criterion is met.**

APPENDIX A



**APPENDIX A
ASC Need Methodology
East King County**

	Service Area Population: 2019	552,579	Claritas	Age:10+									
	Surgeries @ 139.768/1,000:	77,233											
a.i.	94,250	minutes/year/mixed-use OR											
a.ii.	68,850	minutes/year/dedicated outpatient OR											
a.iii.	32	dedicated outpatient OR's x 68,850 minutes =			2,203,200	minutes dedicated OR capacity	36,466	Outpatient surgeries					
a.iv.	39	mixed-use OR's x 94,250 minutes =			3,675,750	minutes mixed-use OR capacity	33,366	Mixed-use surgeries					
b.i.		projected inpatient surgeries =	25,213	=	2,777,628	minutes inpatient surgeries							
		projected outpatient surgeries =	52,020	=	3,142,912	minutes outpatient surgeries							
b.ii.		Forecast # of outpatient surgeries - capacity of dedicated outpatient OR's											
		52,020	-	36,466	=	15,554	outpatient surgeries						
b.iii.		average time of inpatient surgeries		=	110.17	minutes							
		average time of outpatient surgeries		=	60.42	minutes							
b.iv.		inpatient surgeries*average time		=	2,777,628	minutes							
		remaining outpatient surgeries(b.ii.)*ave time		=	939,712	minutes							
					3,717,340	minutes							
c.i.		if b.iv. < a.iv. , divide (a.iv.-b.iv.) by 94,250 to determine surplus of mixed-use OR's											
		Not Applicable - Go to c.11. and ignore any value here.											
		3,675,750											
		- 3,717,340											
		-41,590	/	94,250	=	-0.44							
c.ii.		if b.iv. > a.iv., divide (inpatient part of b.iv - a.iv.) by 94,250 to determine shortage of inpatient OR's											
		USE THESE VALUES											
		2,777,628											
		- 3,675,750											
		(898,122)	/	94,250	=	-9.53							
		divide outpatient part of b.iv. By 68,850 to determine shortage of dedicated outpatient OR's											
		939,712	/	68,850	=	13.65							

**APPENDIX A
ASC Need Methodology
East King County**

Facility	Credential Number	ZIP Code	Special Procedure Rooms	Dedicated Inpatient ORs	Dedicated Outpatient ORs	Mixed Use ORs	Inpatient min/case	2014 Inpatient Cases in Mixed Use ORs	2014 Inpatient Mins. In Mixed Use ORs	Outpatient Min/Case	Outpatient Cases	Outpatient Mins.	Data Source
EvergreenHealth	HAC.FS.00000164	98034		0	0	8	113.0	6,989	790,045				Data obtained from Year 2014 survey.
Overlake Hospital Medical Center	HAC.FS.00000131	98004	4	0	1	18	115.1	11,543	1,328,058	50	231	11,550	Data obtained from Year 2014 survey. Mins/surg equaled 9. Not likely correct. Used default 50 min/case
Snoqualmie Valley Hospital	HAC.FS.00000195	98065	1	0	0	1	30.0	181	5,430				Data obtained from Year 2014 survey.
Swedish Medical Center-Issaquah	HAC.FS.60256001	98029	4	0	0	12	97.0	4,705	456,336				Data obtained from Year 2014 survey.
Aesthetic Facial Plastic Surgery, PLLC	ASF.FS.60429354	98004	0	0	1	0	0.0	0	0	50.0	601	30,050	Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2015 license renewal
Aesthetic Physicians dba Sono Bello	ASF.FS.60291172	98004	0	0	2	0	0.0	0	0	111.5	548	61,081	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Allure Laser Center	ASF.FS.60574719	98033	0	0	2	0	0.0	0	0	50.0	830	41,500	Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for FY 2014.
Anderson Sobel Cosmetic Surgery	ASF.FS.60278641	98004	0	0	1	0	0.0	0	0	133.8	86	11,508	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Athenix Body Sculpting Institute	ASF.FS.60329939	98005	0	0	2	0	0.0	0	0	50.0	639	31,950	Year 2014 data obtained from year 2015 survey. Did not provide minutes/case. Used 50 x # of cases.
Aysel K. Sanderson, MD, PS	ASF.FS.60101705	98033	0	0	1	0	0.0	0	0	219.0	83	18,180	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Bellevue Plastic Surgery Center [Newvue]	ASF.FS.60320007	98004	0	0	1	0	0.0	0	0	152.6	154	23,503	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Bellevue Spine Specialist	ASF.FS.60100993	98005	0	0	1	0				50.0	2,500	125,000	Per ILRS; outpatient minutes calculated using 50 x # of cases. 2009 data - still active per facility webiste http://www.bellevuespinespecialist.com/
Bellevue Surgery Center (Wash Center for Pain M)	ASF.FS.60287715	98004	0	0	2	0	0.0	0	0	14.1	915	12,920	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Bel-Red Ambulatory Surgical Facility	ASF.FS.60102983	98004	0	0	2	0	0.0	0	0	50.0	200	10,000	Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2015 license renewal
Center for Plastic Surgery (David Stephens, MD)	ASF.FS.60134975	98004	0	0	1	0	0.0	0	0	50.0	151	7,550	Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2015 license renewal
Cosmetic Surgery & Dermatology of Issaquah	ASF.FS.60100200	98027	0	0	2	0	0.0	0	0	60.0	1,011	60,660	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Eastside Endoscopy Center-Bellevue	ASF.FS.60100024	98004						ENDOSCOPY ORS & MINUTES NOT COUNTED-CN APPROVED					
Eastside Endoscopy Center-Issaquah	ASF.FS.60100200	98027						ENDOSCOPY ORS & MINUTES NOT COUNTED-CN APPROVED					
Eastside Surgery Center	ASF.FS.60477711	98027	1	0	2	0	0.0	0	0	50.0	186	9,300	Year 2014 data obtained from year 2015 survey. Minutes/case too low for facility providing orthopedic, podiatric, and ophthalmologic (186 cases, 1290 minutes reported = 6.9 minutes/case). Calculated using 50 x # of cases
Egrari Plastic Surgery Center	ASF.FS.60307710	98004	0	0	1	0	0.0	0	0	123.1	322	39,630	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Evergreen Endoscopy Center	ASF.FS.60103003	98034						ENDOSCOPY ORS & MINUTES NOT COUNTED					
Evergreen Surgical Center (under HAC license)	HAC.FS.00000164	98034	3		6					62.3	5,191	323,149	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
EvergreenHealth Ambulatory Surgical Care (Evergreen Surgical Clinic ASC)	ASF.FS.60584768	98034	0	0	3	0	0.0	0	0	71.1	1,177	83,730	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. NB: 2015 CHOW "EvergreenHealth Ambulatory Surgical Care"
Group Health Cooperative-Bellevue	ASF.FS.60100954	98004	1	0	6	0	0.0	0	0	62.9	5,082	319,500	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
John H Brunzman	ASF.FS.60102987	98073	0	0	1	0				50.0	100	5,000	Per ILRS; outpatient minutes calculated using 50 x # of cases. 2012 data - still active per facility webiste http://www.foot-clinic.net/
Naficy Plastic Surgery and Rejuvenation Center	ASF.FS.60101790	98004	0	0	2	0	0.0	0	0	150.0	593	88,950	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Northwest Center for Aesthetic Plastic Surgery	ASF.FS.60101127	98004	0	0	1	0	0.0	0	0	50.0	200	10,000	Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2015 license renewal
Northwest Laser and Surgery Center	ASF.FS.60277121	98005	0	0	2	0	0.0	0	0	50.0	466	23,300	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. 15 min/surg not likely, used 50 X cases
Northwest Nasal Sinus Center	ASF.FS.60118035	98033	0	0	2	0	0.0	0	0	37.2	1,546	57,543	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Overlake Reproductive Health	ASF.FS.60350164	98004	0	0	1	0	0.0	0	0	50.0	200	10,000	Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2014 license renewal
Overlake Surgery Center	ASF.FS.60101029	98004	0	0	4	0	0.0	0	0	82.4	2,869	236,449	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Pacific Cataract and Laser Institute-Bellevue	ASF.FS.60101107	98004	0	0	2	0	0.0	0	0	50.0	4,285	214,250	Year 2014 data obtained from year 2015 survey. Did not provide minutes/case. Used 50 x # of cases.
Plastic Surgery Northwest	ASF.FS.60102710	98034	0	0	2	0	0.0	0	0	50.0	203	10,150	Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2012 license renewal. NB: per ILRS, closed as of 6/24/2015
Prolifance Eastside Surgery Center	ASF.FS.60101042	98034	0	0	4	0	0.0	0	0	67.0	3,976	266,531	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.



**APPENDIX A
ASC Need Methodology
East King County**

Facility	Credential Number	ZIP Code	Special Procedure Rooms	Dedicated Inpatient ORs	Dedicated Outpatient ORs	Mixed Use ORs	Inpatient min/case	2014 Inpatient Cases in Mixed Use ORs	2014 Inpatient Mins. In Mixed Use ORs	Outpatient Min/Case	Outpatient Cases	Outpatient Mins.	Data Source
Proliance Highlands Surgery Center	ASF.FS.60101051	98029	0	0	4	0	0.0	0	0	70.2	4,572	320,923	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. Recent CON Approval (CN #1567 - add 1 OR for facility total of 4)
Remington Plastic Surgery Center	ASF.FS.60103007	98034	0	0	1	0	0.0	0	0	150.6	199	29,970	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Retina Surgery Center (The)	ASF.FS.60278648	98004	0	0	2	0	0.0	0	0	43.1	1,327	57,198	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. Recent CON Approval (CN #1565 - add 1 OR for facility total of 2)
Sammamish Center for Facial Plastic Surgery	ASF.FS.60100119	98074	0	0	1	0	0.0	0	0	120.0	28	3,360	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Seattle Children's Bellevue	(under hospital license)	98004	0	0	2	0	0.0	0.0	0.0	38.9	3,286	127,888	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
SoGab Surgery Center	ASF.FS.60107297	98033	0	0	1	0	0.0	0	0	178.2	101	18,000	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Stern Center for Aesthetic Surgery (The)	ASF.FS.60099126	98004	0	0	1	0	0.0	0	0	50.0	132	6,600	Year 2014 data obtained from year 2015 survey. Did not provide minutes/case. Used 50 x # of cases.
Virginia Mason-Bellevue ASC	ASF.FS.60101657	98004	1					ENDOSCOPY ORS & MINUTES NOT COUNTED					
Virginia Mason-Issaquah ASC	ASF.FS.60101658	98027	1					ENDOSCOPY ORS & MINUTES NOT COUNTED					
Washington Institute Orthopedic Center	ASF.FS.60101120	98034	0	0	1	0	0.0	0	0	50.0	767	38,350	Year 2014 data obtained from year 2015 survey. Did not provide minutes/case. Used 50 x # of cases.
Washington Urology Associates, PLLC-Bellevue	ASF.FS.60222057	98004	0	0	2	0	0.0	0	0	43.5	1,467	63,814	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Washington Urology Associates, PLLC-Kirkland	ASF.FS.60222149	98034	0	0	2	0	0.0	0	0	43.5	1,974	85,869	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Yarrow Bay Plastic Surgery Center	ASF.FS.60312375	98033	0	0	1	0	0.0	0	0	205.4	118	24,240	Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated.
Totals			16	0	76	39	355.1	23,418	2,579,869	2,991	48,316	2,919,146	
							Avg min/case inpatient	110.17		Avg min/case outpatient	60.42		
ORs counted in numeric methodology					32	39							
ILRS: Integrated Licensing & Regulatory System													
Population data source: Claritas 2015													
Total Surgeries			71,734				Total Surgeries			71,734			
Area population 2014 [10+]			513,237				Area population 2014 [0-85+]			586,695			
Use Rate			139.768				Use Rate			122.268			
Planning Area projected 10+ population Year: 2019			552,579				Planning Area projected 0-85+ population Year: 2019			628,271			
% Outpatient of total surgeries			67.35%										
% Inpatient of total surgeries			32.65%										