



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
*PO Box 47852 • Olympia, Washington 98504-7852*

August 31, 2018

CERTIFIED MAIL # 7016 3010 0001 0575 0600

Craig Marks, CEO  
Prosser Memorial Hospital  
723 Memorial Street  
Prosser, WA 98350

RE: CN Application #18-13

Dear Mr. Marks:

Enclosed is Certificate of Need #1743 issued to Prosser Memorial Hospital approving the establishment of a 36-bed nursing home in Richland, within Benton County.

The certificate is not an 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

Physical Address:  
Department of Health  
Certificate of Need Program  
111 Israel Road SE  
Tumwater, WA 98501

Appeal Option 2:

Any person with standing may request an adjudicative proceeding to contest this decision within 28 calendar days from the date of this letter. The notice of appeal must be filed according to the provisions of Revised Code of Washington 34.05 and Washington Administrative Code 246-310-610. A request for an adjudicative proceeding must be received within the 28 days at one of the following addresses:

Mailing Address:

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

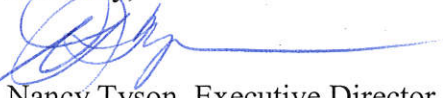
Physical Address

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

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,



Nancy Tyson, Executive Director  
Health Facilities and Certificate of Need  
Community Health Systems

Enclosure



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 #1743 is issued to:**

**Applicant's Legal Name:** Prosser Memorial Hospital  
**Applicant's Address:** 723 Memorial Street, Prosser, Washington 99350  
**Facility Type** Nursing Home  
**Project Type** Nursing Home  
**Facility Name:** Prosser Memorial Hospital Long Term Care Unit  
**Facility Address:** 1745 Pike Avenue, Richland, Washington 99352

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S  
RECORD AND EVALUATION DATED AUGUST 27, 2018 (CN APP # 18-13 )**

**Project Description**

Prosser Memorial Hospital is approved to construct a 36-bed Medicare and Medicaid certified nursing home in the city of Richland within Benton County by converting 36 beds banked under the full facility closure provisions of Revised Code of Washington 70.38.115(13)(b). The 36-bed nursing home, upon licensure, will be managed by Prestige Care, Inc. under a management services agreement. Prosser Memorial Hospital will be the initial licensee of the 36-bed facility.

**Service Area**

Benton County

**Conditions**

The conditions are identified on page 2 of this certificate

**Approved Capital Expenditure**

The approved capital expenditure for this project is \$8,681,168.

**This Certificate authorizes commencement of the project from August 31, 2018 to August 31, 2020 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.**

**Date Certificate Issued: August 31, 2018**

A handwritten signature in blue ink, appearing to read "Nancy Tyson", written over a horizontal line.

Nancy Tyson, Executive Director  
Health Facilities and Certificate of Need  
Washington State Department of Health

**This Certificate is not transferable**

## Certificate of Need #1743

### Page Two

#### Conditions

1. Approval of the project description as stated above. Prosser Memorial Hospital 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. Prosser Memorial Hospital must be the entity to execute this Certificate of Need and will be the initial licensee of the facility.
3. Prior to licensing the facility, PMH will submit to the department for review and approval, a copy of its adopted admissions policy. This policy must be consistent with the draft provided in the application.
4. Prosser Memorial Hospital must obtain Medicare and Medicaid certification for all 36 beds, and will provide the Medicare and Medicaid numbers to the department within 60 days of licensure of the facility.
5. The nursing home must remain Medicare and Medicaid for all 36 beds certified regardless of ownership.
6. Prosser Memorial Hospital and any subsequent owners of the nursing, must not develop any policies or practices that discriminate against admission of patients based on payer source.
7. Prosser Memorial Hospital will provide to the department an executed copy of the sublease agreement between Prosser Memorial Hospital and Northwest Care Ventures for review and approval. This sublease must be consistent with the draft provided in the application.
8. Prosser Memorial Hospital shall finance the project as described in the application.
9. Prosser Memorial Hospital will provide to the department an executed copy of the transfer agreement between Prosser Memorial Hospital and Kadlec Regional Medical Center for review and approval. This agreement must be consistent with the draft provided in the application.