



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

April 11, 2019

CERTIFIED MAIL # 7017 3380 0000 0863 8710

Chris Johnston, Chief Administrative Officer
PeaceHealth United General Medical Center
2000 Hospital Drive
Sedro Woolley, Washington 98284

RE: Certificate of Need Application #19-13

Dear Mr. Johnston:

Enclosed is Certificate of Need #1770 issued to PeaceHealth approving the addition of 10 level II rehabilitation beds to United General Medical Center in Sedro Woolley, within Skagit 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 #1770 is issued to:

Applicant's Legal Name: PeaceHealth
Applicant's Address: 2000 Hospital Drive, Sedro Woolley, Washington 98284
Facility Type Acute Care Hospital
Project Type Acute Care Hospital
Facility Name: United General Medical Center
Facility Address: 2000 Hospital Drive, Sedro Woolley, Washington 98284

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED APRIL 2, 2019 (CN APP # 19-13)

Project Description

This certificate approves the addition of ten level II rehabilitation beds to the 25-bed critical access hospital known as United General Medical Center. A breakdown of the beds at project completion is below.

Type	Total # of Beds
Medical Surgical	25
Level II Rehabilitation	10
Total	35

Service Area
Skagit County

Conditions

The conditions are identified on page 2 of this certificate

Approved Capital Expenditure

The approved capital expenditure associated with this project is \$570,001.

This Certificate authorizes commencement of the project from April 11, 2019 to April 11, 2021 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: April 11, 2019



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

This Certificate is not transferable

Certificate of Need #1770

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Conditions

1. Approval of the project description as stated above. PeaceHealth 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. PeaceHealth shall finance the project as described in the application.
3. PeaceHealth must maintain Medicare and Medicaid certification for all ten rehabilitation beds.
4. PeaceHealth must obtain and maintain accreditation through the Commission on Accreditation of Rehabilitation Facilities (CARF) for the rehabilitation beds as described in the application.
5. PeaceHealth will provide charity care in compliance with its charity care policy. PeaceHealth will use reasonable efforts to provide charity care consistent with the regional average or the amount identified in the application – whichever is higher. The regional charity care average from 2015-2017 was 1.00% of gross revenue and 2.97% of adjusted revenue. PeaceHealth will maintain records of charity care applications received and the dollar amount of charity care discounts granted United General Medical Center. The records must be available upon request.
6. Prior to providing services within the ten-bed rehabilitation unit, PeaceHealth will provide the executed Admission Policy that includes the language specific to this rehabilitation project.
7. Prior to providing services within the ten-bed rehabilitation unit, PeaceHealth will provide the name and credential number for the staff identified in the application.