



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

November 24, 2020

Sung Won Kim, M.D. and Katie Kreider, CPC  
Ear, Nose and Throat Associates, Southwest, Inc., P.S.  
128 Lilly Road NE, Suite 202  
Olympia, WA 98506

*Sent via email: [kkreider@entsw.com](mailto:kkreider@entsw.com)*

**RE: Determination of Reviewability #21-05**

Dear Dr. Kim and Ms. Kreider:

The Department of Health has completed its review of the determination of reviewability request submitted by Ear, Nose and Throat Associates, Southwest, Inc., P.S. (ENT Associates SW). The request proposes an exemption from Certificate of Need review for the establishment of a new ambulatory surgery center (ASC) in Olympia, within Thurston County.

**BACKGROUND AND FACTS**

The following information was considered during the review process, and is documented here for record keeping purposes:

- The applicant is Ear, Nose and Throat Associates, Southwest, Inc., P.S. (ENT Associates SW)
  - ENT Associates SW is a Washington professional service corporation with the unified business identifier [UBI] 601 798 187.
  - ENT Associates SW is currently owned<sup>1</sup> and governed by<sup>2</sup> its three shareholders<sup>3</sup>, Matthew Jung, M.D., Nathan Sautter, M.D., and Sung-Won Kim, M.D.
  - ENT Associates SW does not have and does not at this time require<sup>4</sup> a license for the ASC from the Washington State Department of Health.
- Once the facility is established:
  - The ASC's three shareholders, Matthew Jung, M.D., Nathan Sautter, M.D., and Sung-Won Kim, M.D. will own and operate both ENT Associates SW's clinical

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<sup>1</sup> Shareholder Agreement of Ear, Nose and Throat Associated Southwest, Inc., P.S.

<sup>2</sup> Washington Secretary of State [website](#), UBI 601 798 187

<sup>3</sup> Shareholder Agreement of Ear, Nose and Throat Associated Southwest, Inc., P.S.

<sup>4</sup> In accordance with [Revised Code of Washington 70.230.040\(3\)](#)

practice and surgery center located at 128 Lilly Road Northeast, Suite 10, Olympia, Washington [98506].

- The use of the ASC will be limited to member or employee-physicians of ENT Associates SW. Revenues and visits used to determine the ASC's primary purpose have been limited to those members.
- Clinical and surgical services to be provided at ENT Associates SW's new ASC will include ear, nose, and throat, and plastic procedures.
- When the project is complete and services are available, ENT Associates SW's ASC will have one operating room<sup>5</sup>.
- Services at the new ASC are expected to be available in July of 2021.

### **RELEVANT CRITERIA**

The department reviews requests for compliance with the following:

- Applicable sections of both [Revised Code of Washington 70](#) and [Washington Administrative Code 246-310](#); and
- The [Washington State Department of Health's Interpretive Statement CN 01-18](#)<sup>6</sup>

### **THE PRIMARY PURPOSE OF THE FACILITY**

- Once established, the anticipated revenue from surgical services provided at the new Olympia location will be approximately 25% of the total revenue generated by the facility.
- Once established, the anticipated patient visits for surgical services provided at the new Olympia location will be approximately 5% of the total patient visits to the facility.

Both percentages are assumed based on the existing clinic's operations and an overall decrease in clinical services attributable to changes in the clinic's staff and continued impacts of the COVID-19 pandemic. The anticipated decrease in services is in part, assumed based on impacts of the pandemic, the length of these impacts is not yet known; and is not a typical rationale for anticipated long-term changes to patient visits. However, without the decrease the ASC's ratio is still well below the 50% which would change the primary purpose of the facility. Additionally, ENT Associates SW used its known operational information to compile the most realistic projection at this point, which is a reasonable assumption under unusual circumstances.

### **CONCLUSION**

Based on the totality of information in the request for determination of reviewability, screening responses, resulting research, the department concludes that the establishment of a new ASC by Ear, Nose and Throat Associates, Southwest, Inc., P.S. at 128 Lilly Road Northeast, Suite 10, Olympia, Washington [98506] does not require a Certificate of Need at this time.

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<sup>5</sup> For certificate of need purposes, operating and procedure rooms are both defined as operating rooms.

<sup>6</sup> Approved by the Washington State Secretary of Health, John Wiesman, DrPH, MPH, effective January 19, 2018

**CHANGES THAT MAY AFFECT THIS DECISION**

A facility can make changes that may impact the primary purpose of the facility. Such as, if the revenues or patient visits related to surgical services begin to regularly exceed half of the facility's operations. Changes, including but not limited to the following, will likely either prompt Certificate of Need review or necessitate a new determination of reviewability:

- A change of ownership;
- Operational changes;
- Expansion of services;
- The addition of operating rooms;
- A change in location; or
- If the physicians or use of the facility change, resulting in different total revenues or visits.

**APPEAL OPTION**

This decision may be appealed. You or 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 addresses listed here.

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

If you have any questions or would like to arrange for a meeting to discuss this determination, please call (360) 236-2955.

Sincerely,



Eric Hernandez, Program Manager  
Certificate of Need  
Office of Community Health Systems

CC: Mark Peternell [mpeternell@bgwp.net](mailto:mpeternell@bgwp.net)  
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