

January 29, 2021

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By CERTIFICATE OF NEED PROGRAM at 2:04 pm, Feb 10, 2021

LOI21-02PMHB

ex: AUG 10, 2021

Eric Hernandez, Program Manager Certificate of Need Program Department of Health 111 Israel Road Southeast Tumwater, WA 98501

VIA EMAIL: eric.hernandez@doh.wa.gov

RE: Prosser Memorial Health Hospital Replacement

Certificate of Need Review Letter of Intent

Dear Mr. Hernandez:

Prosser Public Hospital District dba Prosser Memorial Health (PMH) filed a request for a determination of reviewability related to its intent to replace its existing Critical Access Hospital (CAH) on October 20, 2020. On January 13, 2021, by the attached correspondence, the Department of Health (the Department) formally responded that the proposed replacement would require a CON review. While PMH disagrees with the Department's applicability determination, and reserves all rights to seek further review of that determination, PMH is submitting this Letter of Intent to submit a CON application.

- A. <u>Description of the Services Proposed</u>. PMH is a 25 bed CAH, located in the City of Prosser, County of Benton, Washington State. PMH proposes to replace its current hospital at a new location, also in the City of Prosser, approximately three (3) miles from its existing site. There is no proposed increase to the licensed bed count, or tertiary services to be added. At project completion, the current hospital building will no longer provide any licensed hospital services, and will be decommissioned.
- **B.** Estimated Cost of the Proposed Relocation. The capital expenditure is estimated at \$60,000,000.
- C. <u>Description of Service Area</u>. Prosser's District boundaries include Prosser, Benton City and Paterson. Under the Department of Health's acute care hospital bed need methodology, the planning area for this project is considered to be Benton and Franklin Counties, but PMH is not proposing to add beds.

If you have any questions, please feel free to contact me directly.

Sincerely,

Craig J. Marks,

Chief Executive Officer

cc. David Rollins, Merry Fuller, Brian Grimm of Perkins Coie