



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

December 10, 2010

CERTIFIED MAIL # 7008 1300 0000 7202 9393

Somprak Boonpongmanee, MD
C/O Kevin McHugh, CEO
Strategic Ancillaries
Post Office Box 696
Centralia, Washington 98531

Dear Mr. McHugh:

Enclosed is Certificate of Need #1433 issued to Mid-Columbia Endoscopy Center, PLLC approving the establishment of an endoscopy ambulatory surgical center in Kennewick within Benton-Franklin secondary health services planning area.

The certificate is not 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 during which time you must start the project. 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 two appeal options are listed below.

Appeal Option 1:

You or any interested or affected person 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

Other Than By Mail
Department of Health
Certificate of Need Program
310 Israel Road SE
Tumwater, WA 98501



Appeal Option 2:

You or any affected 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:

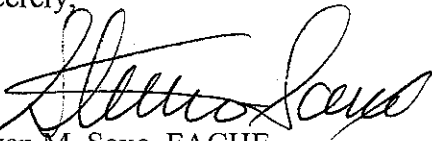
Adjudicative Service Unit
Mail Stop 47879
Olympia, WA 98504-7879

Other Than By Mail

Adjudicative Clerk Office
310 Israel Road SE, Building 6
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 question, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,



Steven M. Saxe, FACHE
Director, Health Professions and Facilities

Enclosure

cc: Linda Foss, Department of Health, Investigations and Inspections Office
Karen Stricklett, Department of Health, Customer Service Office



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 #1433 is issued to:

Legal Name of Applicant: Mid-Columbia Endoscopy Center, PLLC
Address of Applicant: 780 Swift Blvd. Suite 280, Richland, Washington 99352
Type of Service: Endoscopy Ambulatory Surgery Center
Facility Name: Mid-Columbia Endoscopy Center, PLLC
Facility Address: 8819 West Victoria Avenue
Kennewick, Washington 99336 -7193

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON
THE DEPARTMENT'S RECORD AND EVALUATION OF NOVEMBER 18, 2010.
(CN APP #10-07)**

Project Description:

This certificate approves the establishment of an ambulatory surgery center with three operating rooms at the address identified above. Services to be provided at Mid-Columbia Endoscopy Center, PLLC is limited to only endoscopic procedures/GI procedures as described within the application.

Service Area

Benton-Franklin secondary health services planning area

Approved Capital Expenditure

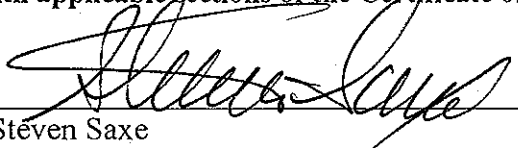
The approved capital expenditure for the project is \$1,451,200.

Terms and Conditions

See Page #2

This Certificate authorizes commencement of the project from December 10, 2010, to December 10, 2012, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: December 10, 2010


Steven Saxe
Director, Health Professions and Facilities

This Certificate is not transferable

Terms

1. Prior to commencement of the project, Mid-Columbia Endoscopy Center, LLC must provide to the Certificate of Need Program for review and approval an admission policy. The adopted policy must be consistent with the draft provided in the application and include admitted criteria that showed no discrimination based on race, creed, color, ethnic origin, nationality, sex, handicap, age, or affiliation with fraternal or religious organization.
2. Prior to commencement of the project Mid-Columbia Endoscopy Center, LLC must provide to the Certificate of Need Program for review and approval a charity care policy. The adopted charity care policy must be consistent with the draft provided in the application.
3. Prior to commencement of the project, Mid-Columbia Endoscopy Center, LLC must provide to the department for review and approval an executed copy of the lease agreement for the proposed site located at 8819 West Victoria Avenue, Kennewick, Washington 99336 - 7193. The proposed site is also legally known as Lots 3 and 4, Short Plat 2921 records of Benton County, Washington. The executed lease agreement must be consistent with draft lease provided in the application.

Conditions

1. Mid-Columbia Endoscopy Center, LLC will provide charity care in compliance with the charity care policies provided in its Certificate of Need application and the requirements of the applicable law. Mid-Columbia Endoscopy Center, LLC will use reasonable efforts to provide charity care in an amount comparable to the average amount of charity care provided by the three hospitals located in Benton/Franklin secondary health services planning area during the three most recent years. For historical years 2006-2008, these amounts are 2.29% of gross revenue and 5.07% adjusted revenue. Mid-Columbia Endoscopy Center, LLC will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies and applicable law.
2. Mid-Columbia Endoscopy Center, LLC is limited to only endoscopic/GI type services as described within the application and relied upon by the department in this evaluation.