



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

June 14, 2012

CERTIFIED MAIL # 7011 1570 0002 7802 6159

Randall Stamper, Attorney
Stamper Rubens, PS
720 West Boone, Ste. 200
Spokane, Washington 99201

Re: CN #12-16

Dear Mr. Stamper:

Enclosed is Certificate of Need #1475 issued to King County Public Hospital District #4 and Moreland Pacific approving the replacement and leaseback arrangement of Snoqualmie Valley Hospital.

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. 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. 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:

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

Other Than By Mail

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



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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,

A handwritten signature in black ink, appearing to read "Steven Saxe". The signature is fluid and cursive, with the first name "Steven" and last name "Saxe" clearly distinguishable.

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

Enclosure

cc: Investigations and Inspections 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 #1475 is issued to:

Legal Name of Applicant: King County Public Hospital District #4 and Moreland Pacific, LLC
Address of Applicant: 9575 Ethan Wade Way Southeast, Snoqualmie, Washington 98065
Type of Service: Acute Care Hospital
Facility Name: Snoqualmie Valley Hospital
Facility Address: 34220 Southeast 99th Street, Snoqualmie, Washington 98065

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED JUNE 6, 2012 (App #12-16)

Project Description:

The construction of a new hospital located at 34220 Southeast 99th Street in Snoqualmie, Washington. The facility will be built through a lease and operating agreements between King County Public Hospital District #4 and Moreland Pacific, LLC.

Service Area
King County

Conditions

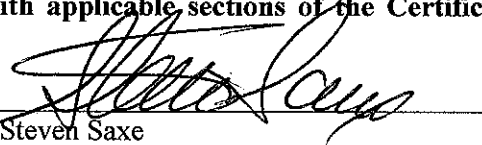
1. The applicants agree with the project description stated above.
2. Snoqualmie Valley Hospital will provide charity care in compliance with the charity care policies reviewed and approved by the Department of Health. Snoqualmie Valley Hospital will use reasonable efforts to provide charity care in an amount comparable to or exceeding the average amount of charity care provided by the applicable hospitals in the King County Region. Currently, this amount is 1.51% of gross revenue and 2.69% of adjusted revenue. Snoqualmie Valley Hospital will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.

Approved Capital Expenditure

The approved capital expenditure associated with this project is \$38,587,094.

This Certificate authorizes commencement of the project from June 14, 2012 to June 14, 2014, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: June 14, 2012


Steven Saxe
Director, Health Professions and Facilities

This Certificate is not transferable.