

May 13, 2013

CERTIFIED MAIL #7011 1570 0002 7802 6371

Robert Anderson, CEO Horizon House 900 University Street Seattle, Washington 98101

Dear Mr. Anderson:

Enclosed is Certificate of Need #1503 issued to Horizon House approving the establishment of a 56-bed community based nursing home in Issaquah, within King County.

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. The two appeal options are listed below.

Appeal Option 1:

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:
Janis Sigman, Manager
Certificate of Need Program
Department of Health
Mail Stop 47852
Olympia, WA 98504-7852

Other Than By Mail
Janis Sigman, Manager
Certificate of Need Program
Department of Health
111 Israel Road SE
Tumwater, WA 98501

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Appeal Option 2:

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 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 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:

Department of Health, Construction Review Services

Department of Social and Health Services



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 #1503 is issued to:

Legal Name of Applicant:

Horizon House

Address of Applicant:

900 University Street Seattle, Washington 98101

Type of Service:

Community Based Nursing Home

Facility Name:

Briarwood Health Center

Facility Address:

100 Timber Ridge Way Northeast

Issaquah, Washington 98027

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF APRIL 19, 2013 (App #12-41) AND THE REVISED APPROVAL LETTER DATED MAY 3, 2013

Project Description:

Horizon House is approved to establish a 56-bed nursing home in King County by converting 56 beds banked under the full facility closure provisions of Revised Code of Washington 70.38.115(13)(b). The 56 beds would become licensed in two phases. Phase one is the establishment of a 36-bed nursing home. Phase two is the addition of 20 nursing home beds to the facility.

Service Area King County

Conditions Listed on Page Two

Approved Capital Expenditure

The approved capital expenditure for this project is \$7,108,808, and is solely related to phase two of the project.

This Certificate authorizes commencement of the project from May 13, 2013, to May 13, 2015, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: May 13, 2013

Steven Saxe

Director, Health Professions and Facilities

This Certificate is not transferable.

Certificate of Need #1503

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Conditions:

- 1. Horizon House agrees with the project description as stated above. Horizon House 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. Horizon House will provide to the department its Medicare and Medicaid provider numbers within 60 days of licensure of the nursing home by the Department of Social and Health Services.
- 3. The nursing home must maintain its Medicare and Medicaid certification throughout the operation of the facility.
- 4. Horizon House will provide the following information related to patient days: total patient days, Medicare patient days, and Medicaid patient days. This information will be reported quarterly in the progress reports developed by the department.
- 5. Horizon House must not develop any policies or practices that discriminate admission of patients based on payer source.
- 6. Horizon House will provide to the department a final Admission Agreement for review and approval. The final agreement must include the requiring access to care language.
- 7. Horizon House will provide to the department an executed Medical Director Agreement for review and approval. The executed agreement must be consistent with the draft agreement provided in the application.
- 8. Horizon House will provide to the department an executed Lease Agreement for review and approval. The executed agreement must be consistent with the draft agreement provided in the application.