



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH

January 26, 2012

Jae Lee, Director of Operations  
Washington Center for Pain Management, PLLC  
21616 – 76<sup>th</sup> Avenue West, #102  
Edmonds, Washington 98026

Dear Mr. Lee:

Thank you for your Ambulatory Surgical Center Determination of Reviewability (DOR) Application received on January 3, 2012. Below are the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding your interest in establishing an Ambulatory Surgical Center (ASC) associated with the practice known as Washington Center for Pain Management, PLLC.

**FACTS**

- Washington Center for Pain Management, PLLC is a practice owned by one physician—Hyun Hong, MD.
- The practice currently has five sites, which are listed below.

Address	City	Zip
21616 – 76 <sup>th</sup> Avenue West, #102	Edmonds	98020
14670 Northeast 8 <sup>th</sup> Street, #105	Bellevue	98007
17800 Talbot Road Southeast, #103	Renton	98055
3331 Broadway	Everett	98201
<b>1900 Northeast 116<sup>th</sup> Avenue</b>	<b>Bellevue</b>	<b>98004</b>

- Washington Center for Pain Management, PLLC intends to establish an exempt ASC at the 1900 Northeast 116<sup>th</sup> Avenue, Bellevue site identified in bold above. Once the new site in Bellevue is open, the 14670 Northeast 8<sup>th</sup> Street, Bellevue site will close.
- The ASC would be operated under a separate legal entity from the practice.
- The solo practice is owned by Hyun J. Hong, MD; however, four other physicians would have access to the proposed ASC. Information related to the four physicians is listed below.

Name	Credential Status	% of Time Employed by Practice
Praveen K. Mambalam	Active	100%
Jeffery E. Fitzthum	Active	100%
Yongyi Zhu	None	100%
Carlton McQueen	Active on Probation <sup>1</sup>	100%

<sup>1</sup> In December 2010, physician Carlton McQueen [MD00039789] signed a 'Stipulation To Practice Under Conditions' with the State of Washington Department of Health, Medical Quality Assurance Commission. The ASC exemption application does not address the process Dr. McQueen would use to continue to comply with the Stipulation. [M2010-1508].



- Procedures to be performed at the ASC include those surgeries typically associated with pain management. A listing of the procedures was provided in the application.
- Information in the application states that you—Jae Lee—Operations Director for Washington Center for Pain Management would have 5% to 10% ownership in the proposed ASC. The application does not state whether you would also have the same ownership interest in the solo practice.
- No management agreement for the ASC is proposed.

### ANALYSIS

- Revised Code of Washington (RCW) 70.38.105(4) identifies the types of projects subject to prior Certificate of Need review and approval. Subsection (a) identifies that the construction, development, or other establishment of a new health care facility is subject to review.
- RCW 70.38.025(6) defines “health care facility” as *hospices, hospice care centers, hospitals, psychiatric hospitals, nursing homes, kidney disease treatment centers, ambulatory surgical facilities, and home health agencies, and includes such facilities when owned and operated by a political subdivision or instrumentality of the state and such other facilities as required by federal law and implementing regulations, but does not include any health facility or institution conducted by and for those who rely exclusively upon treatment by prayer or spiritual means in accordance with the creed or tenets of any well-recognized church or religious denomination, or any health facility or institution operated for the exclusive care of members of a convent as defined in RCW 84.36.800 or rectory, monastery, or other institution operated for the care of members of the clergy. In addition, the term does not include any nonprofit hospital: (a) Which is operated exclusively to provide health care services for children; (b) which does not charge fees for such services; and (c) if not contrary to federal law as necessary to the receipt of federal funds by the state.*
- Washington Administrative Code (WAC 246-310-010) defines “ambulatory surgical facility” as *any free-standing entity, including an ambulatory surgery center, that operates primarily for the purpose of performing surgical procedures to treat patients not requiring hospitalization. This term does not include a facility in the offices of private physicians or dentists, whether for individual or group practice, if the privilege of using such facility is not extended to physicians or dentists outside the individual or group practice.*

### CONCLUSION

Based on the above factual information provided within your application, the ASC would be a separate legal entity from the practice. Ownership of the ASC and the solo practice do not appear to be the same, which confirms that the ASC and the practice are separate legal entities. Additionally, one physician that would have surgical access to the proposed ASC is not actively licensed in Washington State. As a result, the Certificate of Need Program concludes that the establishment of the ASC associated with the practice meets the definition of an ASC under the Certificate of Need provisions of Washington Administrative Code (WAC) 246-310-010. Therefore, the proposed ASC is subject to prior Certificate of Need review and approval before it is established.

Jae Lee, Director of Operations  
Washington Center for Pain Management, PLLC  
DOR #12-12  
January 26, 2012  
Page 3 of 3

Enclosed is a copy of the Certificate of Need rules, (WAC 246-30), regulations (RCW 70.38), and a blank application form should you wish to pursue this project.

**APPEAL OPTIONS**

This decision may be appealed. The two appeal options are listed below.

Appeal Option 1:

You may request a reconsideration of 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:

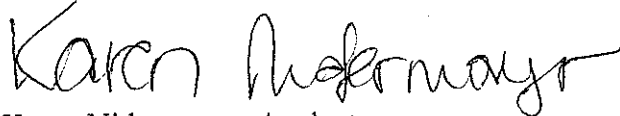
Adjudicative Service Unit  
Mail Stop 47879  
Olympia, WA 98504-7879

Other Than By Mail

Adjudicative Clerk Office  
310 Israel Road SE, Building 6  
Tumwater, WA 98501

Please call me directly at (360) 236-2957 if you have any questions or you would like to meet with me to discuss this determination.

Sincerely,



Karen Nidermayer, Analyst  
Certificate of Need Program  
Office of Certification and Technical Support

Enclosure