

May 21, 2012

Matthew Peterson, MD Mount Baker Pain Clinic 4029 Northwest Avenue, #301 Bellingham. Washington 98226

Dear Dr. Peterson:

Thank you for your Ambulatory Surgical Center Determination of Reviewability (DOR) Application received on April 27, 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 Mount Baker Pain Clinic.

## **FACTS**

- Mount Baker Pain Clinic is a practice owned by you—Matthew Peterson, MD.
- The practice currently has one site at 4029 Northwest Avenue, #301 in Bellingham, within Whatcom County. You also have ownership in Pinnacle Pain Center located at 552 North Colorado Street, #200 in Kennewick, within Benton County.
- Mount Baker Pain Clinic intends to establish an exempt ASC at the Bellingham site. The facility would be known as Mount Baker Surgery Center, LLC.
- The ASC would be operated under a separate legal entity from the Mount Baker Pain Clinic practice.
- Two physicians would have access to the proposed ASC. Information related to both physicians is listed below.

Name Credential Status % of Time Employed by Practice
Matthew R. Peterson Active 70%

Brent A. Richardson Active 40 – 60%

- 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.
- 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.

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- 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 Mount Baker Pain Clinic practice. 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 WAC 246-310-010. Therefore, the proposed ASC is subject to prior Certificate of Need review and approval before it is established.

Enclosed is a copy of the Certificate of Need rules, (WAC 246-310), 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:

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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 to discuss this determination.

Sincerely,

Karen Nidermayer, Analyst Certificate of Need Program

Office of Certification and Technical Support

Enclosure