



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
*PO Box 47852 • Olympia, Washington 98504-7852*

August 1, 2019

CERTIFIED MAIL # 7016 0910 0000 3454 9429

Robert A Watilo, CSO  
Kadlec Regional Medical Center  
888 Swift Blvd  
Richland WA 99352

RE: CN Application #19-07

Dear Mr. Watilo

Enclosed is Certificate of Need #1796 issued to Kadlec Regional Medical Center approving the establishment of a four-operating room ASF in Benton County.

The certificate is not an 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 appeal options are listed below.

Appeal Option 1:

Any person with standing 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

Physical Address:  
Department of Health  
Certificate of Need Program  
111 Israel Road SE  
Tumwater, WA 98501

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Appeal Option 2:

Any 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

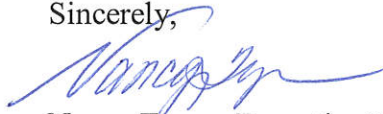
Physical Address

Department of Health  
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 questions, please contact the Certificate of Need Program at (360) 236-2955.

Sincerely,



Nancy Tyson, Executive Director  
Health Facilities and Certificate of Need  
Community Health Systems

Enclosure



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 #1796 is issued to:**

**Applicant's Legal Name:** Kadlec Regional Medical Center  
**Applicant's Address:** 888 Swift Boulevard, Richland, WA 99352  
**Facility Type** Ambulatory Surgical Facility  
**Project Type** Ambulatory Surgical Facility  
**Facility Name:** *TBD*  
**Facility Address:** 1270 Lee Boulevard, Richland, WA 99352

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S  
RECORD AND EVALUATION DATED JULY 24, 2019 (CN APP # 19-07 )**

**Project Description**

This certificate approves the establishment of a four operating room ambulatory surgical facility located in Richland, within Benton County. Surgical services provided include endoscopic surgeries that can be appropriately performed in an outpatient setting.

**Service Area**

Benton-Franklin County

**Conditions**

The conditions are identified on page 2 of this certificate

**Approved Capital Expenditure**

\$8,980,000

**This Certificate authorizes commencement of the project from August 1, 2019 to August 1, 2021 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.**

**Date Certificate Issued: August 1, 2019**

A handwritten signature in blue ink, appearing to read "Nancy Tyson", written over a horizontal line.

Nancy Tyson, Executive Director  
Health Facilities and Certificate of Need  
Washington State Department of Health

**This Certificate is not transferable**

## **Certificate of Need #1796**

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#### **Conditions**

1. Kadlec Regional Medical Center agrees with the project description as stated above. Kadlec Regional Medical Center further agrees that any change to the project as described in the project description above is a new project that requires a new Certificate of Need.
2. Kadlec Regional Medical Center will maintain Medicare and Medicaid certification, regardless of facility ownership.
3. Kadlec Regional Medical Center will submit to the department for review and approval the adopted admission, non-discrimination, and charity care policies prior to opening the surgery center. Each of these policies must be consistent with the drafts provided in the application.
4. Kadlec Regional Medical Center will provide charity care in compliance with its charity care policies reviewed and approved by the Department of Health. Kadlec Regional Medical Center will use reasonable efforts to provide charity care consistent with the planning area average. The current planning area average is 1.20% of gross revenue and 3.22% of adjusted revenue. Kadlec Regional Medical Center will maintain records of charity care applications received and the dollar amount of charity care discounts granted. The department requires that these records be available upon request.
5. Kadlec Regional Medical Center will finance the project using cash reserves as stated in the application
6. Kadlec Regional Medical Center will provide the department with a listing of key staff for the ASC prior to offering services. Key staff includes all credentialed or licensed management staff, including the director of nursing and the medical director.