

NOV -2 2016

CERTIFICATE OF NEED PROGRAM
DEPARTMENT OF HEALTH

November 1, 2016

Ms. Janis R. Sigman, Manager
Certificate of Need Program
Department of Health
P.O. Box 47852
Olympia, WA 98504-7852

Re: Letter of Intent for Acquisition of Lourdes Counseling Center

Dear Ms. Sigman:

Pursuant to WAC 246-310-080, Capella Healthcare, Inc. and Lourdes Hospital, LLC (collectively, "Capella"), hereby submit a letter of intent to acquire substantially all of the assets of Our Lady of Lourdes Hospital at Pasco, d/b/a Lourdes Health Network ("LHN"), including Lourdes Counseling Center ("Lourdes Counseling"). Lourdes Counseling is located in Richland, Washington.

The following information is to comply with the requirements of WAC 246-310-080(1):

A. Description of the Services Proposed.

Lourdes Counseling is licensed under RCW 71.12 and operates as a psychiatric hospital. At this time, and following acquisition, Capella proposes that Lourdes Counseling will continue to provide the same range of inpatient and outpatient behavioral health services as currently provided.

B. Estimated Cost of the Proposed Acquisition.

Capella estimates that the allocable portion of the total purchase price related to Lourdes Counseling is \$3,435,600.

C. Description of Service Area.

Lourdes Counseling's primary service area is Benton and Franklin Counties.

Please contact me if you have any questions relating to this matter.

Very truly yours,



Howard Wall, Secretary
Capella, Healthcare, Inc.