



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH

September 11, 2009

CERTIFIED MAIL 7007 3020 0000 3056 2575

Donald Reppy, Director-Health Planning  
HCR Manor Care, Inc.  
7361 Calhoun Place, #300  
Rockville, Maryland 20855

Dear Mr. Reppy:

Based on the July 23, 2009, Health Law Judge ruling entitled "Order of Dismissal" related to Master Case #M2009-688 enclosed is Certificate of Need (CN) #1392E. The enclosed CN extends the validity of CN #1392 for 155 days. CN #1392E expires on July 23, 2011.

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.

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  
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 #1392E is issued to:

**Legal Name of Applicant:** Manor Care of Lacey WA, LLC  
**Address of Applicant:** Manor Care Inc., 7361 Calhoun Place, #300, Rockville Maryland 20855  
**Type of Service:** Skilled Nursing Facility/Nursing Home  
**Facility Name:** Manor Care of Lacey  
**Facility Address:** 4524 Intelco Loop, Lacey, Washington 98503  
Lacey Corporate Center, Lot 128; Thurston County Assessor Parcel #58050002800

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S INITIAL RECORD AND EVALUATION OF AUGUST 21, 2008 AND RECONSIDERATION RECORD AND EVALUATION OF FEBRUARY 5, 2009. FINDINGS FROM BOTH ARE INCORPORATED. EXTENSION OF THIS CERTIFICATE OF NEED IS BASED ON THE "ORDER OF DISMISSAL" RULING DATED JULY 23, 2009, RELATED TO MASTER CASE #M2009-688**

**Description/Services to be Provided:**

This certificate approves the establishment of a 120-bed skilled nursing facility located on the site described above. The facility would be a 57,401 gross square foot, two-story building with 28 private rooms and 46 semi-private rooms. The facility will also have two nurses' stations, physical therapy, occupational therapy, speech therapy, recreational therapy space, resident lounges, dining rooms, beauty/barber shop, a kitchen, administrative offices and support areas. Services proposed to be provided include skilled nursing care, intensive rehabilitative therapies, respite care, and community outreach services.

**Service Area**

Facility is located in Thurston County.

**Term**

Prior to providing services at Manor Care of Lacey, the applicant will provide functional plans outlining the services to be provided through a national contract with Manor Care, Inc. and those that would be provided within Thurston County.

**Condition**

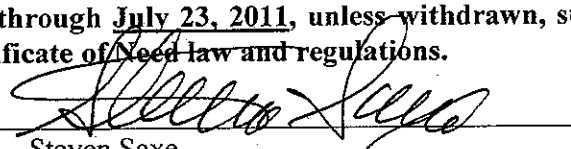
Manor Care of Lacey WA, LLC will maintain its contract with the Department of Social and Health Services to provide services to the Medicare and Medicaid populations. Manor Care's Thurston County facility shall not use any admission criteria, method, or practice that result in the percent of Medicaid residents being less than the Thurston County nursing home with the lowest percentage of Medicaid residents on an annual basis.

**Approved Capital Expenditure**

The approved capital expenditure for this project is \$14,273,000. The specific break down of the approved capital expenditure is identified in the department's initial evaluation dated August 21, 2008.

This Certificate of Need is effective from July 23, 2009, through July 23, 2011, unless withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: September 11, 2009

  
Steven Saxe  
Director, Health Professions and Facilities

This Certificate is not transferable.