



October 15, 2010

Bart Eggen, Executive Manager
Office of Certification and Enforcement
Department of Health
P.O. Box 47852
Olympia, WA 98504-7852

Dear Bart,

Thank you for confirming that the current acute care bed rulemaking process excludes dedicated pediatric hospitals. As I understand, the Department's intent is to finalize the adult acute bed rules and then engage in another process specific to dedicated pediatric hospitals. Seattle Children's remains concerned that, despite the Department's commitment to undertake separate rulemaking, it intends to modify the Children's Hospital Planning Area as part of the adult process, proposing to include Seattle Children's into the North King Hospital Planning Area, an area that includes only 6% of our historical patient days.

The purpose of this letter is to (a) respectfully request that the planning area that Seattle Children's has been "assigned to" for the past 30+ years remain in place, at least until the dedicated pediatric rulemaking process is undertaken, and (b) propose an alternative that we believe will meet the Department's needs to ensure the integrity of adult acute bed need projections.

From our recent conversations, it appears that the Department's main concern in leaving the current planning area intact is that it perceives that it is "double counting" Seattle Children's days (counting them in the Children's Hospital Planning Area and in total resident days assigned to each planning area). In our discussions on this topic, we have gone through the methodology together and agreed that this "double counting" has absolutely no impact on the bed need estimates produced in the application of the Children's Hospital Planning Area. Nonetheless, we are also aware of the Department's concern that the current planning area methodology could serve to slightly overstate bed need in other planning areas, although we believe that the market share adjustment for the providers based in a planning area contained in Steps 5-6 of the methodology largely negates this issue.

As requested by the Department, Seattle Children's proposes an adjustment that should give the Department confidence that its adult bed need projections are as accurate as possible, while still maintaining the integrity of planning areas. The adjustment is simple: at Step 1 of the acute bed



need projection methodology, the Department currently excludes all psychiatric days (defined as MDC 19) and all neonatal days (defined as MDC 15). The Department can add one more exclusion to this list: all non-psychiatric, non neonatal days occurring at Seattle Children's. Any applicant could easily make this adjustment using CHARS data, as the data is fully accessible and the information would be transparent. This adjustment would deal with the concern about double counting, while preserving, at least until the pediatric acute bed rulemaking process is concluded, the current statewide Children's Hospital Planning Area which is a more accurate reflection of our service area than the North King Hospital Planning Area. This adjustment would also ensure that pediatric days occurring at non-dedicated pediatric hospitals are still appropriately assigned to the planning areas in which they are generated.

We appreciate your dialogue with us and responsiveness on this issue. It is of critical importance to us to ensure that our planning area and the acute bed need methodology reflect the patterns of care and demand from WAMI residents for our care. Thank you.

I will call you to follow up within the week.

Sincerely,

A handwritten signature in cursive script, appearing to read "Suzanne Petersen Tanneberg".

Suzanne Petersen Tanneberg
Vice President
External Affairs and Guest Services



Allenmore Hospital
 Good Samaritan Hospital
 Mary Bridge Children's Hospital & Health Center
 Tacoma General Hospital
 MultiCare Clinics

RECEIVED

OCT 18 2010

**HEALTH PROFESSIONS
 AND FACILITIES**

October 14, 2010

Mr. John Hilger
 Rules Coordinator
 Washington Department of Health
 P.O. Box 47852
 Olympia WA 98504

Dear Mr. Hilger:

MultiCare Health System would like to provide comments on the proposed realignment of Health Planning Area ("HPA") 40 as requested by Franciscan Health System, to create a new "Gig Harbor Planning Area." This proposed realignment, which would create an entirely new health planning area, is inconsistent with good planning guidelines and inconsistent with current inpatient referral patterns.

Currently, 8 of the 10 zip code areas identified in Table 1 below, are part of the Central Pierce Planning Area, and are part of the Department's proposed HPA 40. Two zip code areas, as identified in Table 1, are part of the Kitsap Planning Area, and would be part of the proposed HPA 50. In an e-mail to the Department dated August 30, 2010, FHS has proposed these 10 zip code areas be combined to create a new "Gig Harbor Planning Area."

**Table 1
 Proposed Zip Code Area Definition for Gig Harbor Planning Area**

Zip Code Area	City/Town	County	2009 Population	2014 Population	Average Annual Growth Rate, 2009-2014 (5)
98329	Gig Harbor	Pierce	10,818	11,675	1.5%
98332	Gig Harbor	Pierce	15,693	17,125	1.7%
98333	Fox Island	Pierce	3,547	3,948	2.1%
98335	Gig Harbor	Pierce	24,960	26,311	1.1%
98349	Lakebay	Pierce	6,375	6,853	1.4%
98351	Longbranch	Pierce	1,139	1,261	2.0%
98394	Vaughn	Pierce	887	955	1.5%
98395	Wauna	Pierce	NA	NA	NA
98322	Burley	Kitsap	NA	NA	NA
98359	Olalla	Kitsap	5,232	5,460	0.9%
Total			68,651	73,588	1.4%

Source: Claritas 2009

Table 1 indicates there are currently 68,651 residents in this FHS-proposed planning area, and as indicated in Table 1, virtually all population resides in zip codes currently within the Central Pierce Planning Area. There are 315,199 residents in the Central Pierce Planning Area as-a-whole (2009). The impact of removing over 20% of the resident population from one HPA to an entirely new health planning area would not be inconsequential, and consideration of such dramatic realignment should require a strong, clear, and convincing rationale. MultiCare does not believe such rationale exists.

The FHS proposal identifies “unique access, travel and patient utilization patterns of residents” as drivers for its recommendation to create a “Gig Harbor Planning Area.” It alludes to the “comparative separation/isolation (across the Tacoma Narrows) from the providers of Central Pierce as well as its continuing rapid growth and maturation into a major community unto itself.”¹ These assertions are not supported by evidence or data. Other than creating its own planning area and eliminating competition with other health care providers in a single planning area for acute care beds, there is no basis for the FHS request.

MultiCare does not support this request for three key reasons:

1. Creating a new planning area does not reflect current inpatient utilization patterns of residents.

Table 2 includes 2009 inpatient discharge and patient day statistics from residents of these 10 zip code areas. It indicates the overwhelming number of patients utilize hospitals in Tacoma. Almost 50% of residents in the proposed FHS HPA used either FHS/St. Joseph Medical Center or MultiCare Tacoma General/Allenmore Hospitals over the period 2009.

**Table 2
Inpatient Utilization Statistics, Selected Zip Code Areas, By Hospital, 2009**

Hospital	Discharges	% of Total Discharges	Patient Days	% of Total Patient Days
Saint Joseph Medical Center	1,607	25.8%	6,490	26.9%
Tacoma General Allenmore Hospital	1,194	19.2%	4,543	18.8%
Mary Bridge Children's Hospital & Health Center	154	2.5%	476	2.0%
Subtotal, Tacoma Hospitals	2,955	47.5%	11,509	47.7%
Saint Anthony	2,164	34.8%	7,180	29.7%
All Others	1,106	17.8%	5,455	22.6%
Grand Total	6,225	100.0%	24,144	100.0%

Source: CHARS 2009

Excludes Normal Newborns (DRG 795)

FHS HPA includes zip codes 98329, 98332, 98333, 98335, 98349, 98351, 98394, 98395, 98322, and 98359

In the FHS materials, there was inclusion of only 4th quarter 2009 discharge and patient day statistics. MultiCare recognizes that FHS/St. Anthony Hospital in Gig Harbor only began operations in first quarter of 2009, but raises the issue that a single quarter of data is less representative than full a year. *It is simply too early to determine whether or not this proposed change is appropriate.* Even though the FHS figures from 4th quarter 2009 show a higher percentage of resident use of St. Anthony Hospital as compared to Table 2, the FHS tables also clearly show the majority of residents from these 10 zip code areas sought care at other facilities. Very simply, most residents from these 10 zip codes use hospitals other than St. Anthony; a separate “Gig Harbor Planning Area” would not reflect actual resident hospital use.

2. In addition to utilization patterns, the FHS rationale for the Gig Harbor Planning Area relies on alleged transport corridor issues, referring to “separation/isolation” from the providers in Central Pierce Planning Area.

Unlike the situation when St. Anthony Hospital was approved by the Department, there are now two bridges in place, and as a result, *transport congestion no longer exists.* As seen from

¹ Please see e-mail correspondence from Mr. Petrich, FHS, to Mr. Hilger, DOH analyst, August 30, 2010, page 1.

Table 2 above, residents do use Tacoma hospitals a very significant amount of the time they require inpatient care. In addition to the Tacoma hospitals, Gig Harbor residents out-migrate to other providers another 22.5% of the time, based on patient days. Except for the small percentage of resident days that are provided at Harrison Medical Center, Bremerton (4.5% of the 22.5% listed for "all others" in Table 2), it is safe to assume all of these residents who out-migrate (the majority) use the Tacoma Narrows bridges. These bridges cannot be a barrier as FHS suggests.

3. Continuing the inclusion of the 8 zip code areas within HPA 40, the Central Pierce Planning Area, where virtually all residents actually live, appropriately reflects residents' access to inpatient and tertiary services in Tacoma.

MultiCare Tacoma General Hospital and FHS/St. Joseph Medical Center share a Level II trauma service, and MultiCare Mary Bridge Children's Hospital is a Level II pediatric trauma provider. Continuing the inclusion of the 2 Kitsap County zip code areas in HPA 50, where Harrison Medical Center, Bremerton, is located, continues access to Harrison, which is a Level III trauma center. From a planning perspective, it is better to include residents in a planning area where such tertiary services are offered, allowing provider(s) to best plan services, including acute care beds, to meet those healthcare needs. It makes less sense to "carve out" a select set of zip codes that include areas of two counties and create a unique planning area for a particular community hospital.

In summary, MultiCare Health System respectfully requests that the FHS proposal to create a Gig Harbor Planning Area be rejected. The FHS rationale is not supported by available data, nor is it in the best interests of patients and health services planning. It does not represent sound health planning to artificially create a separate planning area simply to support a single new community hospital. Inpatient utilization data clearly show the majority of the residents from FHS' proposed planning area leave those 10 zip code areas for hospital care at a variety of facilities. The planning area definition should reflect actual resident hospital use rather than the preference of a single hospital provider. Further, sophisticated tertiary services and trauma care are currently available in Tacoma and Bremerton. The current Central Pierce and Kitsap Planning Area definitions reflect residents' access to this care, and the FHS proposal would only "carve out" a special planning area and would not reflect current or anticipated usage in these communities.

If you have any questions, you may contact me directly at 253.403.8774 or Kristopher.Kitz@multicare.org. You may also contact Theresa Boyle, Senior Vice President, at 253.403.8770 or Theresa.Boyle@multicare.org. MultiCare is very appreciative of the Department's efforts to create revised rules for the Certificate of Need Program, and looks forward to continued involvement in the design process. Thank you in advance for your thoughtful consideration.

Sincerely,



Kristopher Kitz
Director, Strategic Planning & Business Development
MultiCare Health System

Subject: Franciscan Health Services Comment on Proposed Acute Bed Planning Areas

Attachments: Gig Harbor Patient Utilization Patterns and Travel Times.pdf

Mr. Hilger:

As you may know, the Franciscan Health System operates five hospitals in three distinct planning areas in Washington. These hospitals include: St. Joseph Medical Center and St. Anthony Hospital, (located in the current Central Pierce planning area and the proposed HPA 40), St. Francis Hospital and Enumclaw Regional Hospital (located in the current SE King planning area and the proposed HPA 27) and St. Clare Hospital (located in the current West Pierce planning area and the proposed HPA 41). We have reviewed the Department's proposed HPAs and offer the following comments:

1) HPA 40

We concur that this is the appropriate designation for St. Joseph Medical Center. However and similar to the current planning areas of West Pierce (which includes St. Clare Hospital), and East Pierce (which includes Good Samaritan Hospital), that recognize the unique travel, access, and hospital utilization patterns of residents in these areas, we request that a new planning area be created to recognize the needs of Gig Harbor Peninsula area residents. Of course, the primary reasons the Department approved the development of St. Anthony Hospital derive from the distinct geographic character of the Gig Harbor area, including its comparative separation/isolation (across the Tacoma Narrows) from the providers of Central Pierce, as well as its continuing rapid growth and maturation into a major community unto itself. Despite having only opened only slightly more than one year ago, St. Anthony Hospital now is the largest provider in the 10 zip code region immediately adjacent to the hospital. We request that this important shift in the State's healthcare utilization patterns be recognized in the form of a new planning area created to include these 10 zip codes. Included as Attachment 1 is market share data and patient and travel data on these zips to underscore the logic of this new planning area.

2) HPA 27

We concur that this is the appropriate HPA for St. Francis Hospital and for Enumclaw Regional Hospital. We do however, request that zip code 98422 (Brown's Point) be moved from HPA 40 to HPA 27. Browns Point is technically part of Pierce County, but this request is predicated on the reality that travel to Federal Way, not Tacoma, is significantly easier and faster. We have included as Attachment 2 several Google Maps which detail the directness of access to St. Francis Hospital 6 miles versus the 10.3 miles across the Tacoma tide flats and industrial areas to St. Joseph Medical Center, the closest hospital in Central Pierce. Not surprisingly, St. Francis Hospital is the market leader in this zip code (with a 36% market share of 2009 discharges).

3) HPA 41

We concur with this planning area definition.

Thank you for the opportunity to comment. Please let us know if you have any questions or comments.

Rich Petrich
Vice President, Planning and Business Development

8/30/2010

Attachment I
Market Share, Patient, and Travel Data

Proposed Hospital Planning Area

4th Quarter 2009 Inpatient Utilization Patterns: DISCHARGES (Excludes newborns MDC 15 and psychiatric MDC 19)

Zip	City	Current Planning Area	TOTAL PATIENT DISCH	Saint Anthony Hospital (Gig Harbor)		Saint Joseph Medical Center (Tacoma)		Tacoma General Hospital		Harrison Medical Center (Bremerton)		All Others	
				Disch	Pct. of Total for Zip	Disch	Pct. of Total for Zip	Disch	Pct. of Total for Zip	Disch	Pct. of Total for Zip	Disch	Pct. of Total for Zip
98329	GIG HARBOR	Central Pierce	187	90	48.1%	32	17.1%	33	17.6%	9	4.8%	23	12.3%
98332	GIG HARBOR	Central Pierce	352	184	52.3%	80	22.7%	41	11.6%	6	1.7%	41	11.6%
98333	FOX ISLAND	Central Pierce	81	34	42.0%	18	22.2%	16	19.8%		0.0%	13	16.0%
98335	GIG HARBOR	Central Pierce	587	281	47.9%	123	21.0%	102	17.4%	9	1.5%	72	12.3%
98349	LAKEBAY	Central Pierce	124	51	41.1%	29	23.4%	24	19.4%	6	4.8%	14	11.3%
98351	LONGBRANCH	Central Pierce	19	12	63.2%	1	5.3%	1	5.3%	1	5.3%	4	21.1%
98394	VAUGHN	Central Pierce	55	27	49.1%	16	29.1%	4	7.3%	1	1.8%	7	12.7%
98395	WAUNA	Central Pierce	48	28	58.3%	5	10.4%	7	14.6%	1	2.1%	7	14.6%
98322	BURLEY	Kitsap	37	14	37.8%	1	2.7%	5	13.5%	9	24.3%	8	21.6%
98359	OLALLA	Kitsap	123	53	43.1%	21	17.1%	8	6.5%	27	22.0%	14	11.4%
TOTAL			1,613	774	48.0%	326	20.2%	241	14.9%	69	4.3%	203	12.6%

Source: WA CHARS inpatient database, 4th Q 2009

4th Quarter 2009 Inpatient Utilization Patterns: DAYS (Excludes newborns MDC 15 and psychiatric MDC 19)

Zip	City	Current Planning Area	TOTAL PATIENT DAYS	Saint Anthony Hospital (Gig Harbor)		Saint Joseph Medical Center (Tacoma)		Tacoma General Hospital (Tacoma)		Harrison Medical Center (Bremerton)		All Others	
				Days	Pct. of Total for Zip	Days	Pct. of Total for Zip	Days	Pct. of Total for Zip	Days	Pct. of Total for Zip	Days	Pct. of Total for Zip
98329	GIG HARBOR	Central Pierce	672	298	44.3%	107	15.9%	123	18.3%	29	4.3%	115	17.1%
98332	GIG HARBOR	Central Pierce	1,119	506	45.2%	304	27.2%	115	10.3%	36	3.2%	158	14.1%
98333	FOX ISLAND	Central Pierce	352	120	34.1%	95	27.0%	56	15.9%		0.0%	81	23.0%
98335	GIG HARBOR	Central Pierce	2,108	961	45.6%	408	19.4%	429	20.4%	40	1.9%	270	12.8%
98349	LAKEBAY	Central Pierce	435	190	43.7%	86	19.8%	106	24.4%	11	2.5%	42	9.7%
98351	LONGBRANCH	Central Pierce	49	31	63.3%	1	2.0%	3	6.1%	1	2.0%	13	26.5%
98394	VAUGHN	Central Pierce	192	95	49.5%	56	29.2%	10	5.2%	2	1.0%	29	15.1%
98395	WAUNA	Central Pierce	178	98	55.1%	15	8.4%	17	9.6%	1	0.6%	47	26.4%
98322	BURLEY	Kitsap	200	42	21.0%	8	4.0%	22	11.0%	40	20.0%	88	44.0%
98359	OLALLA	Kitsap	431	165	38.3%	70	16.2%	25	5.8%	109	25.3%	62	14.4%
	TOTAL		5,736	2,506	43.7%	1,150	20.0%	906	15.8%	269	4.7%	905	15.8%

Source: WA CHARS inpatient database, 4th Q 2009

Travel Times and Distance

Zip	City	Current Planning Area	Saint Anthony Hospital (Gig Harbor)		Saint Joseph Medical Center (Tacoma)		Tacoma General Hospital (Tacoma)		Harrison Medical Center (Bremerton)	
			Dist	Time	Dist	Time	Dist	Time	Dist	Time
98329	Gig Harbor	Central Pierce	9.3	17 min	22.1	35 min	20.7	35 min	25.4	38 min
98332	Gig Harbor	Central Pierce	3.1	6 min	12.1	20 min	10.8	20 min	24.9	32 min
98333	Fox Island	Central Pierce	13.0	25 min	20.7	38 min	19.4	38 min	33.7	51 min
98335	Gig Harbor	Central Pierce	3.1	6 min	12.1	20 min	10.8	20 min	24.9	32 min
98349	Lakebay	Central Pierce	19.3	36 min	30.5	51 min	29.2	51 min	33.9	55 min
98351	Longbranch	Central Pierce	21.5	40 min	34.3	58 min	33.0	58 min	37.7	1 hr 2 min
98394	Vaughn	Central Pierce	14.1	26 min	26.8	44 min	25.5	44 min	30.2	48 min
98395	Wauna	Central Pierce	3.8	7 min	16.5	24 min	15.2	24 min	19.9	28 min
98322	Burley	Kitsap	4.9	10 min	20.4	28 min	19.0	28 min	17.1	26 min
98359	Olalla	Kitsap	7.8	11 min	21.1	29 min	19.8	29 min	17.7	26 min

Source: Google Maps

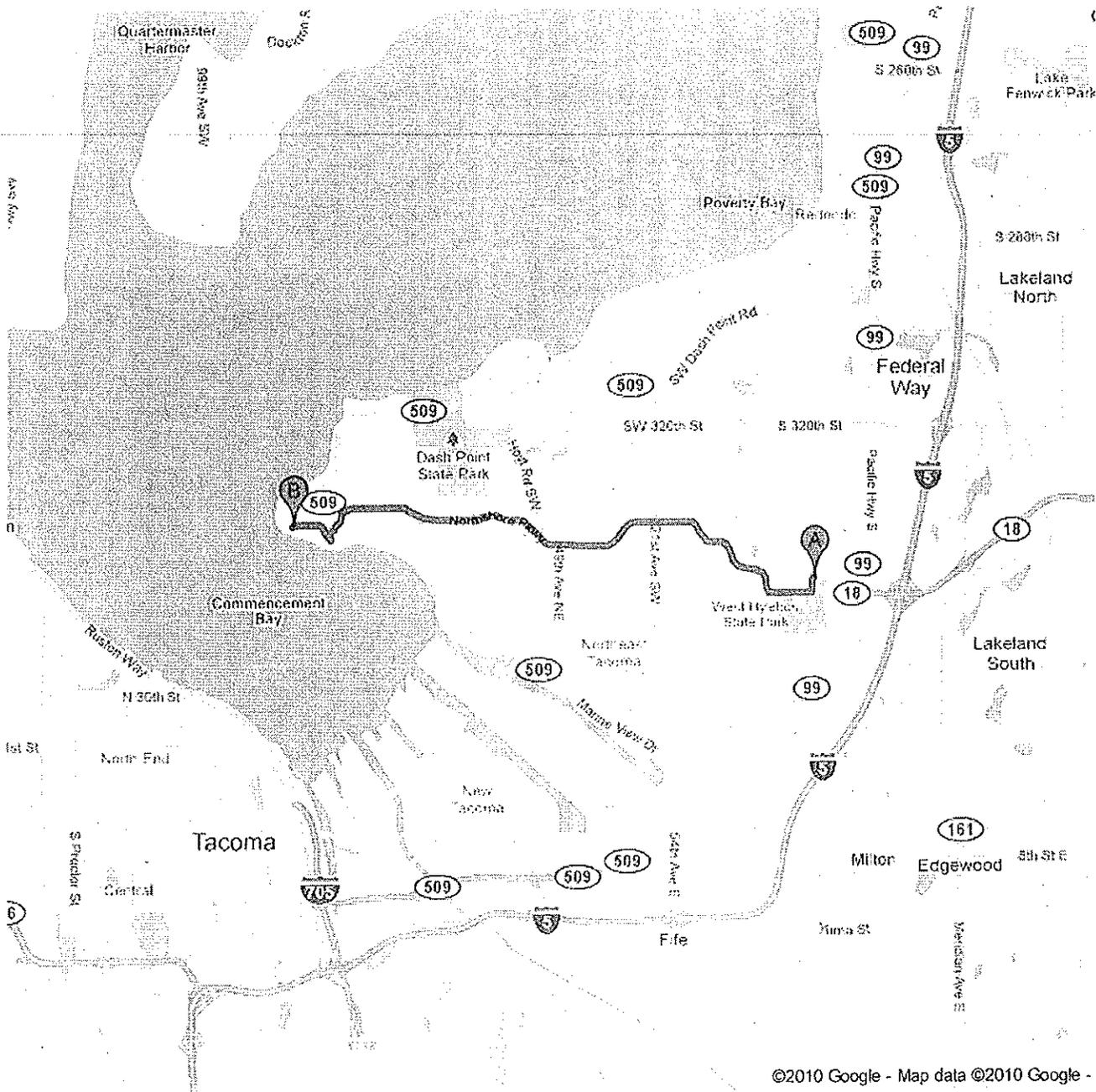
Attachment 2
Maps showing St. Francis Hospital to Browns Point and
St. Joseph Medical Center to Browns Point

Google maps

Directions to Browns Point, WA
6.5 mi - about 15 mins

Save trees. Go green!

Download Google Maps on your phone at google.com/gmm



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August 24, 2010

Mr. John Hilger
Rules Coordinator
Washington State Department of Health

Sent Via Email: john.hilger@doh.wa.gov

Dear Mr. Hilger:

This letter is in response to the Department's July 16, 2010 memo regarding the acute care bed need methodology rules update process. As you know, Deaconess and Valley are sister hospitals and are both located in the Spokane Hospital Planning Area, (HPA 4 in the materials you forwarded last month). The Spokane Hospital Planning Area now includes approximately 475,000 residents, making it one of the largest HPAs, if defined by population.

Both Deaconess and Valley have concluded that HPA 4 as defined by the Department is a reasonable planning area for our hospitals as long as the HPA definition is adopted in conjunction with more specific guidance and rules- and not just part of a freestanding methodology. We make this recommendation because in our experience the methodology per se has not been problematic. Rather, it is when either an applicant or the Department proposes significant modifications in the course of review of a given application that problems arise. We therefore encourage the Department not to put into a place a new methodology until such time as the other planning/policy standards and rules that will guide acute care bed need applications and their review have been drafted and commented on. These other planning/policy issues should include at minimum: the specific criteria that will be used to determine the circumstances under which beds could be approved absent a mathematical need, circumstances under which beds should not be approved even with a mathematical need in the planning area, how competing applications will be analyzed, how and/or when new providers in the market should be treated during start up and how bed planning for affiliated hospitals located in the same planning area that share services should occur.

In addition, It would be most helpful for the HPAs to be given a geographic reference name (similar to the names used currently) in addition to the number currently assigned. In addition, the map in the link contained within your memo is difficult to work with and it is not possible to view the detail associated with the entirety of a planning area. For clarity, we request that any rule adoption include the actual zip codes and not rely on the mapping software.

Deaconess and Valley appreciate the work the Department is undertaking to update the methodology, and thank you for the opportunity to comment.

Sincerely,



William Gilbert, CEO
Deaconess Medical Center



Dennis Barts, CEO
Valley Hospital and Medical Center

Hilger, John K (DOH)

From: Trisha West [twest@evergreenhealthcare.org]
Sent: Tuesday, August 24, 2010 3:15 PM
To: Hilger, John K (DOH)
Subject: Acute Bed Rule Making: HPA Comments

Dear Mr. Hilger:

Per your recent communication, Evergreen Hospital Medical Center has reviewed the Department's proposed HPA definitions for the Acute Bed Rules. Our review concludes that the Department has placed Evergreen in HPA # 28, otherwise known as the East King planning area, which is the same area that we have been assigned to for the past 30+ years. While we agree that this planning area designation is the most logical assignment, we strongly encourage the Department to consider in its rulemaking the case of "border" hospitals, such as Evergreen, wherein nearly 40% of our patient days come from an adjacent planning area (and the percentage of days continues to grow annually).

Based on our situation, we would want to see rules developed to ensure that the out of area use of a specific border hospital can be "captured" for bed need purposes by that specific hospital, and not just aggregated back into the larger planning area bed need. We would also encourage the Department to continue the rulemaking process so that other planning, policy standards, and rules that will guide the acute care bed need application process can be discussed, drafted and commented on before the final rules are published. These other planning/policy issues should include at a minimum: 1) the specific criteria that will be used to determine the circumstances under which beds could be approved absent a mathematical need, 2) circumstances under which beds should not be approved even with a mathematical need in the planning area, and 3) how competing applications will be analyzed.

Evergreen appreciates the efforts of the Department to update these rules as well as the opportunity to comment.

Thank you.

Trisha

Trisha West, MHA | Director | Planning & Marketing | Evergreen Hospital Medical Center |
12040 NE 128th St. MS-100 | Kirkland, WA 98034 | Voice: 425-899-2642 | twest@evergreenhealthcare.org

Hilger, John K (DOH)

From: Hamilton, John [JHamilton@CWHS.com]
Sent: Monday, August 23, 2010 11:05 AM
To: Hilger, John K (DOH)
Subject: Comment from Central Washington Hospital on the HPA definitions

Good morning John,

As the Department of Health is aware, Central Washington Hospital, Wenatchee is a regional referral hospital that serves the entirety of North Central Washington. We are currently part of the Chelan/Douglas planning area and, in fact, are the only full service community hospital and only provider of secondary and tertiary services (such as open heart, PCI, Level II neonatal, and perinatal services, etc) in the region. We also operate the only critical care unit and are the only designated trauma center in the region. The reality is that we are the regional hospital for many of the communities in the neighboring counties of Okanogan and Grant. With this background and context, we are responding to the Department's July 16, 2010 memo regarding the acute care bed need methodology.

As we understand the HPAs, Central is proposed to be located in HPA #18. This HPA is identical to our current Chelan/Douglas planning area. We can agree to this definition only if the Department also intends to simultaneously develop and adopt rules that provide specific consideration for full service, sole rural regional providers such as Central. Currently, within our planning area, there are three other hospitals- two of which are critical access hospitals. One of these meets the definition in rule of not having a nursing home licensed under chapter 18.51 in the same city or town, such that its beds are excluded from supply. There is one other small non-critical access hospital that is not full service. We strongly recommend that the rules developed that:

1. Ensure that the patient days associated with exempt CAHs are included in use rate and other calculations; and
2. Acknowledge that circumstances can arise where the planning area may not have an overall need for new beds, but the rural regional provider, by virtue of its unique role would have a need for beds and be allowed to expand.

Thank you for the opportunity to comment. Please do not hesitate to contact us if we may be of assistance to you.

John B. Hamilton, FACHE
Chief Operating Officer
Central Washington Hospital
1201 S. Miller Street
Wenatchee, WA 98801
(509) 665-6013

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Hilger, John K (DOH)

From: Barnes, Chuck [Chuck.Barnes@kphd.org]
Sent: Friday, August 20, 2010 2:58 PM
To: Hilger, John K (DOH)
Subject: HPA Comment

Dear Mr. Hilger:

Kennewick General Hospital has reviewed the proposed hospital planning area boundaries for the area in which have been assigned (HPA #11). This area is identical to the current Benton/Franklin Planning Area, and we concur that this is the appropriate planning area for our facility and the community we serve.

Thank you for providing the opportunity for review and comment.

Sincerely,

Chuck

C.R. BARNES, MBA
Administration
Executive Director Support Services
Kennewick General Hospital
P.O. Box 6128
Kennewick, WA 99336-0128
509.586.5735
Email: chuck.barnes@kphd.org

Hilger, John K (DOH)

From: Petersen Tanneberg, Suzanne [Suzanne.Petersen@seattlechildrens.org]
Sent: Friday, August 20, 2010 11:58 AM
To: Hilger, John K (DOH); Eggen, Bart (DOH)
Cc: Meizer, Sandy
Subject: Seattle Children's Comments and Request Related to Proposed Adult HPA

Dear Mr. Hilger,

After the issuance of the Department's memo of July 16, 2010 regarding the acute care bed need methodology rules update process, I contacted Bart Eggen and Bart clarified that the memo and this process pertain only to adult hospitals, not children's hospitals. I saw that the link included in the July 16 memo identified Seattle Children's as being in HPA 37, roughly the current North King Hospital planning area, and I would like to request that we be removed from this HPA due to the fact that we are statewide and because this rulemaking process does not pertain to us.

I understand that freestanding children's hospitals are not included in this iteration of the rules, and that it is the Department's intent to conduct a separate process at a later time to develop rules for children's hospitals and to work in coordination with children's hospital providers at that time.

We appreciate this very much and look forward to working in close coordination with the Department in this subsequent rulemaking process.

Bart and John, please confirm that my understanding is correct and let me know if I need to take any additional steps. I thought it important to confirm my understanding and request this change for clarity.

Thanks as always for all your work and responsiveness. We know there is always a lot going on in Olympia and even more these days.

Suzanne

Suzanne Petersen Tanneberg
Vice President | External Affairs and Guest Services
Seattle Children's

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Hilger, John K (DOH)

From: Caitlin Hillary [Caitlin.Hillary@overlakehospital.org]
Sent: Friday, August 20, 2010 8:54 AM
To: Hilger, John K (DOH)
Cc: Avon Lok; HealthFac
Subject: CON Task Force Feedback

Dear Mr. Hilger:

Overlake Hospital Medical Center is responding to the Department of Health's July 16, 2010 memo regarding the acute care bed need methodology rules update process. While we do agree with the zip code definition of our planning area (HPA #28), we want to add some additional comments on other issues that we believe are equally as relevant as they relate to the adoption of a new acute care bed need methodology.

First, the scope of services provided by East King County hospitals have increased and grown rapidly over the past decade or so, and many individuals that reside outside of the physical boundaries of this planning area seek care in our hospitals. We understand that there has been consensus that within the methodology, in-migration rates will be trended (as opposed to being held flat as they currently are). We request that this change be part of the methodology adopted into rule.

Secondly, we are requesting that the DOH clearly identify the data/analysis/methodology that will be used to approve projects outside of a strict application of the methodology. Specifically, we also request that DOH delineate in rule specific "exception" criteria for providers that may have an internal need for expansion absent a planning area need for additional beds.

Finally, we request that DOH specifically clarify within the proposed methodology which beds are included in supply and which data sources will be used to count that supply.

Thank you for providing Overlake with this opportunity to comment.

Best Regards,

Caitlin Hillary Moulding
VP, Strategy and Marketing
Overlake Hospital Medical Center
425.467.3513

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Hilger, John K (DOH)

To: Watilo, Robert A
Subject: Acute Care Bed Need Update

John – We have reviewed the proposed HPAs that pertain to our service coverage area (planning areas 42 & 43) and agree with the zip code boundaries.

Rob

Rob Watilo | Director, Strategic Services
Providence Health & Services Washington/Montana
Southwest Washington Service Area
Phone: (360) 493-7194 - ext. 37194
Fax: (360) 493-4367

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August 18, 2010

Mr. John Hilger
Rules Coordinator
Washington Department of Health
P.O. Box 47852
Olympia WA 98504

Dear Mr. Hilger:

This letter is being sent in response to the Department's request for hospital chief executive officers to evaluate potential revisions to hospital planning area definitions.

On behalf of Providence Regional Medical Center Everett, I respectfully request that zip code area 98296 be added to Health Planning Area ("HPA") 35. This HPA corresponds to the current Central Snohomish Hospital Planning Area. An estimated 25,734 residents (2009) live within this zip code area, which borders the Central Snohomish Planning Area (HPA 35), East Snohomish Planning Area (HPA 29), Southwest Snohomish Planning Area (HPA 36) and the East King Planning Area (HPA 28).

My reasons for this recommendation are threefold. They include:

1. Locating this zip code area in HPA 35 is consistent with current resident inpatient utilization patterns. Based on analysis of 2009 inpatient discharge statistics of residents from this zip code area, 23% of inpatients were provided care at PRMCE. In part, this reflects the principal transportation corridors, particularly SR 9, that residents utilize to access inpatient health care—PRMCE is very accessible to these residents.
2. Inclusion of this zip code area within HPA 35 would reflect residents' access to PRMCE's tertiary services. This is a second important reason why PRMCE has a large market share. PRMCE is a Level III trauma provider and provides a much greater percentage of high-acuity services, such as open heart surgery, as compared to other local hospital providers.. From a planning perspective, it is better to include residents in a planning area where such tertiary services are offered, allowing provider(s) to best plan services to meet those healthcare needs.
3. Inclusion of zip code 98296 within HPA 35 will more accurately reflect the larger catchment area ("market") which PRMCE currently serves. The zip code boundary of 98296 shares a large border with HPA 35, thus, inclusion would

reflect a contiguous health planning area. Inclusion within HPA 35 also helps retain HPA/county integrity, i.e., keeps zip code area residents within a Snohomish County HPA which is their county of residence.

In summary, PRMCE requests the Department locate zip code area 98296 within HPA 35. There is no other configuration of zip code area 98296 that is more logical and would better meet actual and forecast resident inpatient utilization and access to tertiary hospital services.

I would be pleased to answer any questions you have related to this request. Thank you in advance for your consideration.

Yours truly,

Patricia M. DeGroot

Patricia M. DeGroot
Chief Strategic Officer
Providence Regional Medical Center Everett

cc: David T. Brooks
Will Callicoat
Frank Fox

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AUG 20 2010

**HEALTH PROFESSIONS
AND FACILITIES**

Hilger, John K (DOH)

To: Fairchild, Sharon A.
Subject: Acute Care Bed Need Update

From: Fairchild, Sharon A. [mailto:Sharon.Fairchild@providence.org]
Sent: Tuesday, August 10, 2010 3:20 PM
To: Hilger, John K (DOH)
Cc: Couture, Elaine S.
Subject: FW: Acute Care Bed Need Update
Importance: High



TO: John Hilger
Department of Health
FROM: Sharon Fairchild
Providence Sacred Heart Medical Center and Providence Holy Family Hospital
RE: Acute Care Bed Need Update
DATE: August 10, 2010

CC: Elaine Couture, Chief Executive
Providence Sacred Heart Medical Center & Providence Holy Family Hospital

Providence Sacred Heart Medical Center and Providence Holy Family Hospital have reviewed the proposed hospital planning areas (HPAs) and agree with the zip code boundaries.

Sharon Fairchild
VP Marketing, Communication & Planning
Providence Health Care
101 W. Eighth Ave
Spokane, WA 99204
New Email: Sharon.Fairchild@Providence.org
Phone: 509.474.4955
Cell: 509.220.9370

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Hilger, John K (DOH)

From: Clark, Jeff [Jeff.Clark@kadlecmed.org]
Sent: Wednesday, July 28, 2010 2:46 PM
To: Hilger, John K (DOH)
Subject: Proposed Hospital Planning Areas

John,

On behalf of Kadlec Regional Medical Center we are in agreement with the proposed planning area for Kadlec Regional and pleased that no change is proposed.

We are continue to monitor your work and are most interested in the proposed acute care bed methodology.

Jeff Clark
VP, HR & Planning

Hilger, John K (DOH)

From: Helen Shawcroft [helens@u.washington.edu]
Sent: Tuesday, July 27, 2010 6:07 PM
To: Hilger, John K (DOH)
Subject: Comments on Proposed Hospital Planning Areas

Dear Mr. Hilger,

University of Washington Medical Center is pleased to have the opportunity to comment on the proposed hospital planning areas. While we do not have specific concerns about the zipcodes used to define the hospital planning area boundaries, we do have concerns about how the hospital planning areas will be used. Our concern relates to the application of the planning area concept to regional hospitals that draw their patients from a very broad geographic area.

Regional hospitals provide tertiary and quaternary services that by their very nature require that patients from a very broad geographic area be served, in order to have adequate volumes to provide these services on a high quality and cost-effective basis. Thus, to assume that these hospitals should only serve patients in a limited geographic area is unrealistic and would unnecessarily limit access to the valuable services provided by these regional hospitals for many residents of Washington State and the neighboring states of Wyoming, Alaska, Montana and Idaho. Examples of regional hospitals include, but are not limited to, Harborview Medical Center, Seattle Cancer Care Alliance, University of Washington Medical Center, and Virginia Mason Medical Center.

We suggest that a planning area or some other special consideration for regional hospitals be implemented.

If you have further questions or would like to discuss how such a concept could be implemented, please do not hesitate to contact me at 206.598.6306 or helens@u.washington.edu

Again, thank you for the opportunity to comment.

Helen M. Shawcroft, FACHE
Senior Associate Administrator
University of Washington Medical Center
1959 NE Pacific St, Box 356151
Seattle, WA 98195
206.598.6306
helens@u.washington.edu

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Hilger, John K (DOH)

To: Vornbrock, John
Subject: Acute Care Bed Need Update

From: Vornbrock, John [mailto:JohnVornbrock@yvmh.org]
Sent: Monday, July 19, 2010 11:38 AM
To: Hilger, John K (DOH)
Subject: RE: Acute Care Bed Need Update

John- I'm only reviewing Yakima County. I've reviewed the proposed HPA and agree with the zip code boundaries.

John G. Vornbrock
Senior Vice President/CFO
Yakima Valley Memorial Hospital
2811 Tieton Drive
Yakima, WA 98902
509-575-8003
Fax: 509-574-5800
Email: John.Vornbrock@yvmh.org

Hilger, John K (DOH)

From: Burdick, Steven A [Steven.Burdick@providence.org]
Sent: Monday, July 19, 2010 8:58 AM
To: Hilger, John K (DOH)
Subject: FW: Acute Care Bed Need Update
Attachments: image001.jpg.html; Former PSMHC Planning Area boundary.doc.html

Importance: High

We have reviewed the proposed HPA's and agree with the zip code boundaries

Steve Burdick

CEO

Providence St Mary Medical Center
