



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

October 27, 2014

CERTIFIED MAIL # 7011 1570 0002 7809 5834

Richard Petrich, Vice President
Planning and Business Development
Franciscan Health System
Post Office Box 2197
Tacoma, Washington 98401

RE: CN #14-22A

Dear Mr. Petrich:

Enclosed is Certificate of Need #1537 approving the addition of 43 acute care beds to Highline Medical Center located in Burien, within King County.

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.

This decision may be appealed. 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:
Adjudicative Service Unit
Mail Stop 47879
Olympia, WA 98504-7879

Physical Address:
Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

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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 Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.



Steven M. Saxe, FACHE
Director, Community Health Systems

Enclosure

cc: Department of Health, Office of Investigations and Inspections
Department of Health, Office of Customer Service
Department of Health, Construction Review 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 #1537 is issued to:

Legal Name of Applicant: Franciscan Health System
Address of Applicant: 1717 South J Street, Tacoma, Washington 98401
Type of Service: Acute Care Hospital
Facility Name: Highline Medical Center
Facility Address: 16251 Sylvester Road, Burien, Washington 98166

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT’S RECORD AND EVALUATION DATED OCTOBER 13, 2014 (CN App #14-22A)

Project Description:

This certificate approves the addition of 43 acute care beds to Highline Medical Center located in southwest King County. Of the 43 additional beds, 12 are dedicated to level II rehabilitation services and 31 are dedicated to medical/surgical services. At project completion, Highline Medical Center will be licensed for 171 acute care beds with the following breakdown.

Service Type	Project Completion
General Medical/Surgical	154
Level II Intermediate Care Nursery	5
Level II Rehabilitation	12
Total	171

Service Area

King County and surrounding areas

Conditions

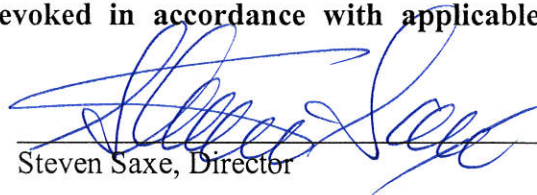
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Approved Capital Expenditure

The approved capital expenditure associated with this project is \$53, 327,429.

This Certificate authorizes commencement of the project from October 27, 2014 to October 27, 2016, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: October 27, 2014



Steven Saxe, Director

This Certificate of Need is not transferable.

Certificate of Need #1537

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Conditions:

1. Approval of the project description as stated above. Franciscan Health System further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
2. Franciscan Health System expects the medical surgical space to be complete and ready for occupancy by the end of year 2017. Franciscan Health System shall add the 31 medical surgical beds by June 30, 2018. Any remaining medical surgical bed authorization not meeting licensing requirements by June 30, 2018, shall be forfeited.
3. Franciscan Health System expects the level II rehabilitation space to be complete and ready for occupancy by the end of year 2017. Franciscan Health System shall add the 12 level II rehabilitation beds by June 30, 2018. Any remaining bed level II rehabilitation bed authorization not meeting licensing requirements by June 30, 2018, shall be forfeited.