

July 5, 2018

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

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CERTIFICATE OF NEED PROGRAM
DEPARTMENT OF HEALTH

Dear Ms. Sigman:

In accordance with WAC 246-310-080, Springstone, LLC hereby submits a letter of intent proposing to amend Certificate of Need #1590. CN #1590 approved the establishment of a 72-bed psychiatric hospital in Clark County, now known as Rainier Springs. The amendment relates to a modification or release of Condition 6 which required the submittal of an executed lease agreement. In conformance with WAC, the following information is provided:

1. A Description of the Extent of Services Proposed:

WAC 246-310-570 (1)(d) requires an amended certificate of need for a modification or release of a condition placed on a certificate of need. Springstone, LLC proposes to amend CN #1590's Condition 6 which requires submittal of an executed lease agreement. After the CN was issued, Springstone, LLC elected to transfer the hospital property directly to the Rainier Springs hospital operating company rather than continue to hold it in a sister company (Propstone). As a result, there will be no lease, and a modification or release of Condition 6 is necessary.

2. Estimated Cost of the Proposed Project:

The approved capital expenditure is \$26,843,706. At this time, Springstone, LLC estimates that the final capital expenditure will not exceed twelve percent of the CN approved amount.

3. Description of the Service Area:

The Service Area is Clark County and surrounding communities. There is no change in Service Area associated the requested modification or release of Condition #6.

Thank you for your interest in this matter. Please contact me directly with any questions.

Sincerely,

Jill Force,

EVP-General Counsel & CAO