



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH

June 14, 2010

CERTIFIED MAIL # 7007 3020 0000 3056 2414

Kevin Brown, Chief Strategic Officer  
Swedish Health Services  
747 Broadway  
Seattle, Washington 98122

Dear Mr. Brown:

We have completed review of the Certificate of Need application submitted on behalf of Swedish Health Services (SHS) proposing to amend Certificate of Need (CN) #1379 because of a change in the approved site. Enclosed is a written evaluation of the application and amended CN #1379.

For the reasons stated in this evaluation, the department has concluded that the project is consistent with the Certificate of Need review criteria with the conditions identified in the department's initial approval.

This decision may be appealed. The two appeal options are listed below.

Appeal Option 1:

You or any interested or affected person may request a public hearing to reconsider this decision. The request must state the specific reasons for reconsideration in accordance with Washington Administrative Code 246-310-560. A reconsideration request must be received within 28 calendar days from the date of the decision at one of the following addresses:

Mailing Address:

Department of Health  
Certificate of Need Program  
Mail Stop 47852  
Olympia, WA 98504-7852

Other Than By Mail

Department of Health  
Certificate of Need Program  
310 Israel Road SE  
Tumwater, WA 98501

Appeal Option 2:

You or any affected 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:



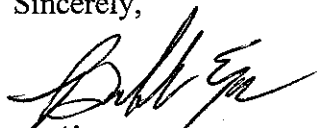
Kevin Brown, Chief Strategic Officer  
Swedish Health Services CN App #10-26  
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Mailing Address:  
Adjudicative Service Unit  
Mail Stop 47879  
Olympia, WA 98504-7879

Other Than By Mail  
Adjudicative Clerk Office  
310 Israel Road SE, Building 6  
Tumwater, WA 98501

If you have any questions, or would like to arrange for a meeting to discuss our decision, please contact Janis Sigman with the Certificate of Need Program at (360) 236-2955.

Sincerely,



<sup>for</sup> Steven M. Saxe, FACHE  
Director, Health Professions and Facilities

Enclosure

cc: Linda Foss, Department of Health, Investigations and Inspections Office  
Karen Stricklett, Department of Health, Office of Customer Service



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 #1379A is issued to:**

**Legal Name of Applicant:** Swedish Health Services  
**Address of Applicant:** 747 Broadway, Seattle, Washington 98122  
**Type of Service:** Acute Care Hospital  
**Facility Name:** Facility Not Yet Named  
**Facility Address:** Postmaster has not yet assigned a site address  
Physical location is:  
Issaquah Highlands West 45, Blocks 29, 30, 31 and 32

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORDS AND EVALUATIONS OF MAY 10, 2005, MAY 31, 2007, AND JUNE 14, 2010**

**Description/Services To Be Provided:**

This certificate approves the establishment of a 175-bed hospital.

**Service Area**

The location of the hospital is Issaquah, within East King County.

**Conditions**

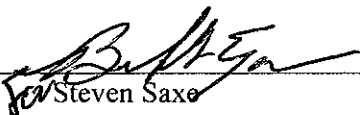
1. Swedish Health Services' new Issaquah hospital must provide charity care in compliance with the charity care policies provided in this Certificate of Need application and the requirements of the applicable law. Specifically, Swedish Health Services will use reasonable efforts to provide charity care in an amount comparable to the average amount of charity care provided by all hospitals in the King County Region (less Harborview) during the three most recent years as of the writing of the department's original evaluation. For historical years 2001-2003, these amounts are 0.82% gross revenue and 1.44% adjusted revenue. Swedish Health Services will maintain records at the facility documenting the amount of charity care it provides and demonstrating compliance with its charity care policies and applicable law.
2. Construction of the facility is to be in three phases. Phase one shall consist of 80 beds. Phase two shall consist of 40 beds. Phase three shall consist of 55 beds. If phase three is not completed within seven years of the completion of phase one, any remaining bed authorization not meeting licensing requirements shall be forfeited. If construction of phase three consists of any amount less than the 55, the bed capacity meeting the licensing requirements at that time shall be the facility's final Certificate of Need authorized bed count.

**Approved Capital Expenditure**

The approved capital expenditure for this project remains at \$197,129,572.

**This Certificate authorizes commencement of the project from July 31, 2008, to July 31, 2010, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.**

**Date Certificate Issued:** June 14, 2010

  
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Steven Saxe  
Director, Health Professions and Facilities

**This Certificate is not transferable.**