



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

October 3, 2012

CERTIFIED MAIL #7011 1570 0002 7808 7242

Glen Marshall, CEO and Superintendent
Kennewick General Hospital
900 South Auburn Street
Post Office Box 6128
Kennewick, Washington 99336

Re: CN #12-42

Dear Mr. Marshall:

Enclosed is Certificate of Need #1418E2A issued to Kennewick Public Hospital District approving the amendment of Certificate of Need #1418E because of a change in the approved financing.

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 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:

Mailing Address:
Department of Health
Adjudicative Service Unit
Mail Stop 47879
Olympia, WA 98504-7879

Other Than By Mail
Department of Health
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 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, Investigations and Inspections Office



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 #1418E2A is issued to:

Legal Name of Applicant: Kennewick Public Hospital District
Address of Applicant: 900 South Auburn Street, Kennewick, Washington 99336
Type of Service: Acute Care Hospital
Facility Name: Kennewick General Hospital – Southridge Campus
Facility Address: 3810 Plaza Way, Kennewick WA 99336

ISSUANCE OF THIS AMENDED CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT’S RECORD AND EVALUATION DATED OCTOBER 1, 2012 (App #12-42)

Project Description

This certificate approves the financing for the construction of Kennewick General Hospital-Southridge as stated in the application. The hospital is currently a Medicare and Medicaid provider and holds a three-year accreditation from the Joint Commission. Kennewick Public Hospital District intends that Kennewick General Hospital will continue participation in both the Medicare and Medicaid programs, and maintain services currently offered by the hospital. At project completion, Kennewick General Hospital will have two campuses. Below is a breakdown of acute care beds at each campus.

Southridge Campus	# of Beds	Auburn Campus	# of Beds
General Medical/Surgical	74	Pediatrics/ Obstetrics	27
		Level II ICN	10
Total	74	Total	37

Service Area
Benton County

Conditions

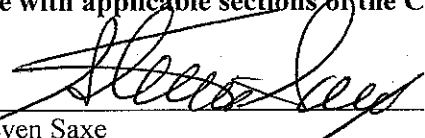
1. Approval of the project description as stated above. Kennewick Public Hospital District further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
2. Kennewick General Hospital will provide charity care in compliance with the charity care policies provided in this Certificate of Need application, or any subsequent policies reviewed and approved by the Department of Health. Kennewick General Hospital will use reasonable efforts to provide charity care in an amount comparable to or exceeding the average amount of charity care provided by hospitals in the Central Region. Currently, this amount is 2.01% for gross revenue and 4.52% for adjusted revenue. Kennewick General Hospital will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.

Approved Capital Expenditure

The approved capital expenditure for this project is \$111,915,758.

This Certificate authorizes commencement of the project from September 12, 2012, to October 11, 2012, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: October 3, 2012


Steven Saxe
Director, Health Professions and Facilities