



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH

November 16, 2012

CERTIFIED MAIL #7011 1570 0002 7809 5421

Ron Escarda, CEO  
BHC Fairfax Hospital  
10200 N.E. 132<sup>nd</sup> Street  
Kirkland, WA 98034

Dear Mr. Escarda:

Enclosed is Certificate of Need #1492 issued to BHC Fairfax for the establishment of a new 30-bed adult psychiatric facility in Everett within Snohomish County. The Certificate of Need incorporates changes in the project description and conditions agreed upon by the Department.

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:  
Adjudicative Service Unit  
Mail Stop 47879  
Olympia, WA 98504-7879

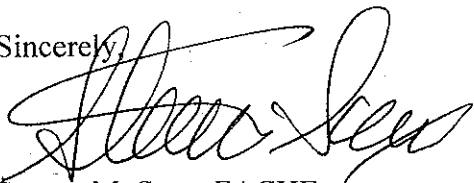
Other Than By Mail  
Department of Health  
Adjudicative Service Unit  
111 Israel Road SE  
Tumwater, WA 98501

Ron Escarda, CEO  
BHC Fairfax Hospital  
November 16, 2012  
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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,

A handwritten signature in black ink, appearing to read "Steven M. Saxe". The signature is fluid and cursive, written over the word "Sincerely,".

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, Customer Service 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 #1492 is issued to:**

**Legal Name of Applicant:** BHC Fairfax Hospital, Inc.  
**Address of Applicant:** 10200 NE 132<sup>nd</sup> Street, Kirkland, Washington 98034  
**Type of Service:** Psychiatric Hospital  
**Facility Name:** To Be Determined  
**Facility Address:** 916 Pacific Avenue, Everett, Washington 98201

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF OCTOBER 22, 2012, (App #12-13).**

**Project Description:**

This certificate approves the establishment of a new 30 bed adult psychiatric facility in Everett within Snohomish County. The facility will be on leased space on the medical campus of the hospital currently known as Providence Regional Medical Center Everett (PRMCE). The hospital will serve both voluntary and involuntary adult patients. The hospital will have its own psychiatric hospital license. The number of approved beds is summarized below.

	<b>Number of Beds</b>
Adult psychiatric beds	30
<b>Total Number of Licensed Beds</b>	<b>30</b>

**Service Area**  
Snohomish County

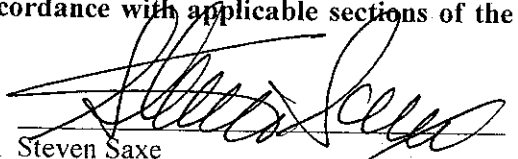
**Conditions**  
Please see page 2

**Approved Capital Expenditure**

The approved capital expenditure associated with this project is \$3,900,500.

This Certificate authorizes commencement of the project from November 16, 2012, to November 16, 2014, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

**Date Certificate Issued:** November 16, 2012

  
Steven Saxe  
Director, Health Professions and Facilities

**This Certificate is not transferable.**

### **CN #1492 Conditions**

1. Approval of the project description as stated above. BHC Fairfax further agrees that any material change, as determined by the department, to the project as described in the project description is a new project that requires a new Certificate of Need.
2. BHC Fairfax must submit to the department for review and approval an executed lease agreement with PRMCE consistent with the letter of Intent to Lease.
3. BHC Fairfax must provide the department with a signed copy of the Medical Director's job description consistent with the draft job description.
4. BHC Fairfax must also provide the name of the Medical Director and his professional license number prior to providing services at the hospital. These items must be provided prior to commencing services at the hospital.
5. The 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. The 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 Puget Sound Region. Currently, this amount is 2.18 % of gross revenue and 4.71% of adjusted revenue. The hospital will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.