October 18, 2017

Kevin Abel, CEO
Lake Chelan Community Hospital
503 East Highland Avenue
Post Office Box 908
Lake Chelan, Washington 98816-0908

RE: Determination of Reviewability (DOR) #17-21

Dear Mr. Abel:

The Department of Health has completed the review of your exemption request regarding the replacement of Lake Chelan Community Hospital located in Lake Chelan, within Chelan County. Below is the information considered and the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding your project.

**SOURCE INFORMATION CONSIDERED**

- Lake Chelan Community Hospital’s exemption letter received June 22, 2017
- Lake Chelan Community Hospital’s supplemental information received August 2, 2017 and October 17, 2017
- Revised Code of Washington (RCW) 70.38
- Washington Administrative Code (WAC) 246-310
- Washington Secretary of State and Department of Revenue information obtained from the respective websites
- 2013 Critical Access Hospital listing provided by the Department of Health’s Rural Health office
- Department of Health Integrated Licensing and Regulatory System (ILRS)
- Previous Determination of Reviewability decisions issued by the department for Critical Access Hospital replacement projects

**FACTS CONSIDERED**

- Chelan County Public Hospital District #2 owns and operates Lake Chelan Community Hospital located in Chelan County. The hospital provides healthcare services to the residents of Chelan County through its healthcare clinic and wellness programs.
- Lake Chelan Community Hospital is currently registered with the Washington State Department of Revenue. [source: Washington State Department of Revenue website]
• Lake Chelan Community Hospital is currently licensed for 34 acute care beds and is designated by the Department of Health as a level IV adult trauma center.
• Lake Chelan Community Hospital is a Critical Access Hospital that operates 25 of their 35 licensed beds, and is approved to operate all 25 of these beds as swing beds.
• Chelan County Public Hospital District #2 intends to relocate Lake Chelan Community Hospital in its entirety to a new site in Lake Chelan.
• The new hospital address will be 106 South Apple Blossom Drive in Chelan, Washington 98816.
• Chelan County Public Hospital District #2 will continue to own and operate the hospital at the new site.
• Current operational staff and medical services will relocate to the replacement hospital in their entirety.
• No hospital services will continue to operate at the current location.
• The estimated date of occupancy is June 2020.
• The site for the replacement hospital is located within Chelan County, which is the planning area for the existing hospital.
• No tertiary services will be offered as a result of the replacement hospital project.
• No new services that require their own Certificate of Need will be offered as a result of the replacement hospital project.

CONCLUSION
Based on the totality of information considered, the department concludes the replacement of Lake Chelan Community Hospital to the site identified above is exempt from Certificate of Need review. This exemption is not transferable and the conclusions reached concerning this replacement hospital exemption are based on the facts and it should not be assumed the department would reach the same conclusion in future exemption requests for other future hospital replacements.

APPEAL OPTION
This decision may be appealed. You or 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 addresses listed on the following page.

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

Physical Address:  
Department of Health  
Adjudicative Service Unit  
111 Israel Road SE  
Tumwater, WA 98501
If you have any questions or would like to arrange for a meeting to discuss this decision, please call me at (360) 236-2955.

Sincerely,

Janis Sigman, Manager
Certificate of Need Program
Community Health Systems

cc: Department of Health, Investigations and Inspections Office
    Department of Health, Construction Review Services