January 7, 2020

Nancy Tyson  
Executive Director  
Health Facilities and Certificate of Need  
Department of Health  
Certificate of Need Program  
111 Israel Road SE  
Tumwater, WA 98501

Dear Ms. Tyson:

In accordance with RCW 70.38.115(3) and WAC 246-310-080, Kaiser Foundation Health Plan of Washington ("KFHPWA"), a federally tax-exempt, Washington nonprofit corporation\(^1\), submits this letter of intent requesting certificate of need ("CN") approval to establish and operate an ambulatory surgery facility ("ASF"), Kaiser Permanente Everett Ambulatory Surgery Center, with four (4) operating rooms and three (3) procedure rooms.

1. **Description of proposed services:**

Certificate of Need approval to establish and operate an ambulatory surgery facility, Kaiser Permanente Everett Ambulatory Surgery Center, with four (4) operating rooms and three (3) procedure rooms. It should be noted this ASF will be located within a larger medical office building, named Kaiser Permanente Everett Medical Center, owned and operated by KFHPWA.

2. **Estimated cost of proposed project:**

The estimated cost of the proposed project is $40,854,781. This includes direct and allocated costs for the ASF and the much larger medical office building, respectively.

3. **Identification of the service area:**

For purposes of certificate of need review under the HMO criteria set forth in RCW 70.38.115, the service area is considered to be Snohomish County. However, it should be recognized KFHPWA insures from other counties adjacent to Snohomish County may also utilize the proposed ASF. If the ASF were not owned and controlled by a health maintenance organization, the service area designated by WAC 246-310-270(2) and (3) would be the Central Snohomish County Secondary Health Service Planning Area.

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\(^1\) More specifically, Kaiser Foundation Health Plan of Washington ("KFHPWA") is a federally tax-exempt, Washington nonprofit public benefit corporation, and a wholly-owned subsidiary of KFHPW Holdings, a Washington nonprofit corporation. KFHPW Holdings is a wholly-owned subsidiary of Kaiser Foundation Health Plan, Inc., a California nonprofit public benefit corporation.
Thank you for your attention to this matter. If you have any questions, please contact me or Julia Yeager, Senior Director, Delivery System Strategy & Planning, 206.630.2846, julia.a.yeager@kp.org.

Sincerely,

[Signature]
Karen Schartman
VP and CFO, Finance and Strategy
Kaiser Foundation Health Plan of Washington
601 Union St., Suite 3100
Seattle WA 98101

cc.
Frank Fox, Ph.D.
David Glazer, KP Legal