March 15, 2011

CERTIFIED MAIL # 7008 1300 0000 7202 9515

Sanford M. Melzer, Sr. VP
Seattle Children's
4800 Sand Point Way NE
Seattle, WA 98105-0371

Dear Dr. Melzer:

Enclosed is Certificate of Need #1440 issued to Seattle Children's Hospital and Regional Medical Center approving the addition of 100 pediatric acute care beds in the expansion of the Seattle Children's Hospital. At project completion the total licensed bed capacity for Seattle Children's will be 350 beds (311 acute care beds, 19 NICU Level III and 20 Psychiatric).

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. 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:

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

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,

[Signature]

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 #1440 is issued to:

Legal Name of Applicant: Seattle Children’s Hospital and Regional Medical Center
Address of Applicant: 4800 Sand Point Way NE, Seattle, Washington 98105-0371
Type of Service: Pediatric Acute Care
Facility Name: Seattle Children’s Hospital and Regional Medical Center
Facility Address: 4800 Sand Point Way NE, Seattle, Washington 98105-0371

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF MARCH 15, 2011 (CN App #10-34 – General Acute Care)

Description/Services To Be Provided:
This certificate approves the addition of 100 pediatric acute care beds in the expansion of the Seattle Children’s Hospital and Regional Medical Center. At project completion the total licensed bed capacity for Seattle Children’s will be as shown in the table below:

<table>
<thead>
<tr>
<th>Service</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Medical/Surgical</td>
<td>311</td>
</tr>
<tr>
<td>Neonatal intensive care unit level III</td>
<td>19</td>
</tr>
<tr>
<td>Psychiatric Beds</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>350</strong></td>
</tr>
</tbody>
</table>

Service Area
Washington State

Approved Capital Expenditure
The approved capital expenditure associated with this project is $208,744,868.

This Certificate authorizes commencement of the project from March 15, 2011, to March 15, 2013, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: March 15, 2011

Steven Saxe
Director, Health Professions and Facilities

This Certificate is not transferable.
March 15, 2011

CERTIFIED MAIL # 7008 1300 0000 7202 9515

Sanford M. Melzer, Sr. VP
Seattle Children’s
4800 Sand Point Way NE
Seattle, WA 98105-0371

Dear Dr. Melzer:

Enclosed is Certificate of Need #1441 issued to Seattle Children’s Hospital and Regional Medical Center approving the addition of 21 psychiatric beds in the expansion of the Seattle Children’s Hospital. At project completion the total licensed bed capacity for Seattle Children’s will be 371 beds (311 acute care beds, 19 NICU Level III and 41 Psychiatric).

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. 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:

**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

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: 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 #1441 is issued to:

Legal Name of Applicant: Seattle Children’s Hospital and Regional Medical Center
Address of Applicant: 4800 Sand Point Way NE, Seattle, Washington 98105-0371
Type of Service: Psychiatric
Facility Name: Seattle Children’s Hospital and Regional Medical Center
Facility Address: 4800 Sand Point Way NE, Seattle, Washington 98105-0371

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF MARCH 15, 2011 (CN App #10-34 – Psychiatric Bed Addition)

Description/Services To Be Provided:
This certificate approves the addition of 21 psychiatric beds in the expansion of the Seattle Children’s Hospital and Regional Medical Center. At project completion the total licensed bed capacity for Seattle Children’s will be as shown in the table below:

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Washington State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved Capital Expenditure</td>
<td></td>
</tr>
<tr>
<td>The approved capital expenditure associated with this project is $7,809,765.</td>
<td></td>
</tr>
</tbody>
</table>

This Certificate authorizes commencement of the project from March 15, 2011, to March 15, 2013, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: March 15, 2011

This Certificate is not transferable.