

May 10, 2011

CERTIFIED MAIL # 7008 1300 0000 7202 9553

Ms. Patricia Paulson, RN, Administrator Northwest Weight Loss Surgery, PLLC 125 130th Street SE Everett, Washington 98208

RE: CN10-27

Dear Ms. Paulson:

We have completed the reconsideration review of Northwest Weight Loss Surgery, PLLC's request to remove condition #4 on Certificate of Need #1435. This condition limited the types of procedures at the ambulatory surgery center to bariatric weight loss surgeries and the associated plastic surgeries described in the application. Enclosed is a written evaluation of the reconsideration request.

For the reasons stated in this decision, the department has concluded that condition #4 is appropriate and consistent with the materials Northwest Weight Loss Surgery, PLLC submitted in its application and relied upon by the department in making its December 10, 2010, decision. Therefore, your request to have condition #4 removed from Certificate of Need #1435 is denied.

This decision may be appealed. 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

If you have any questions, or would like to arrange for a meeting to discuss our decision, please contact Janis Sigman with the Certificate of Need Program at (360) 236-2955.

Ms. Patricia Paulson, RN, Administrator Northwest Weight Loss Surgery, PLLC May 10, 2011 Page 2 of 2

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

RECONSIDERATION EVALUATION OF THE CERTIFICATE OF NEED APPLICATION SUBMITTED ON BEHALF OF NORTHWEST WEIGHT LOSS SURGERY CENTER, PLLC PROPOSING TO ESTABLISH AN AMBULATORY SURGERY CENTER IN CENTRAL SNOHOMISH COUNTY PLANNING AREA

# **APPLICANT DESCRIPTION**

On April 22, 2004, Northwest Bariatric Surgery Associates (NBSA) operating under the dba of Northwest Weight Loss Surgery Center was granted an exemption from Certificate of Need review for the establishment of an ambulatory surgery center (ASC)<sup>1</sup>. At that time, NBSA relocated to the city of Everett within Central Snohomish County and continued to operate as part of NBSA clinical practice. The exempt ASC solely provided laparoscopic bariatric (weight loss) surgeries. When the ASC was established, only two physicians, Kevin Montgomery and Brad Watkins, performed surgeries at the facility. [Source: Application, P6]

### PROJECT DESCRIPTION

On March 15, 2010, Northwest Weight Loss Surgery Center, PLLC (NWWLS) submitted a Certificate of Need (CN) application to convert its existing CN exempt ASC to CN approved. NWWLS's rationale for submitting the application was to allow physicians that are not part of the practice to perform bariatric related (weight loss) plastic surgeries at the ASC. [Source: Application, P6] The location of the ASC would remain at  $125 - 130^{th}$  Street Southeast in Everett, within Snohomish County.

Since opening as an exempt ASC in 2005, NWWLS used only one of its two operating rooms (ORs). If this project is approved, NWWLS plans to purchase and install the necessary equipment to make the second OR operational. The estimated capital expenditure associated with this project is \$299,789. Of that amount, 61.5% is related to fixed and moveable equipment and the remaining 38.5% is related to fees and taxes. [Source: Application, Page 26 and Supplemental Information April 6, 2010, Exhibit 2]

If this project is approved, NWWLS anticipates it would begin to offer services as a CN approved ASC by January 2011. Under this timeline, year 2011 would be the ASC's first year of operation and year 2013 would be year three. [Source: Application, Page 1]

#### BACKGROUND INFORMATION ON THE PROJECT

On December 13, 2010, the department issued its conditional approval of NWWLS's application. The approval identified one term and four conditions. On December 17, 2010, the department received NWWLS's letter agreeing to meet the term and conditions and issued CN #1435 for the project.<sup>2</sup>

On January 4, 2011, NWWLS submitted a "Request for Reconsideration" based on the following two assertions.

1) the department incorrectly applied the numeric methodology outline in WAC 246-310-270(9); and

<sup>2</sup> NWWLS also provided the necessary documentation to meet the term. The four conditions are ongoing.

<sup>&</sup>lt;sup>1</sup> CN historic files—Northwest Bariatric Associates

2) once the numeric methodology is applied correctly, condition #4 that limits the types of surgeries that can be performed at the ASC to bariatric and associated plastic surgery is not longer relevant and should be removed.

On January 12, 2011, the Program granted NWWLS reconsideration request. A reconsideration hearing was conducted on February 2, 2011. This document is the evaluation of the reconsideration information.

# APPLICABILITY OF CERTIFICATE OF NEED LAW

This project is subject to Certificate of Need review as the establishment of a new health care facility under the provisions of Revised Code of Washington (RCW) 70.38.105(4)(a) and Washington Administrative Code (WAC) 246-310-020(1)(a).

# **APPLICATION CHRONOLOGY**

A chronological summary of the initial review and this reconsideration review is summarized below.

# **Initial Review**

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Letter of Intent Submitted	January 4, 2010
Application Submitted	March 8, 2010
Department's Pre-Review Activities	March 9, 2010 through
<ul> <li>1<sup>st</sup> screening activities and responses</li> </ul>	March 13, 2010
Department Begins Review of Application	April 14, 2010
<ul> <li>Public comments accepted throughout the review</li> </ul>	
<ul> <li>No public hearing requested or conducted</li> </ul>	
End of Public Comment	May 18, 2010
Rebuttal Documents Received at Department	June 2, 2010
Department's Anticipated Decision Date	July 19, 2010
Department's Actual Decision Date	December 13, 2010

# **Reconsideration Review**

Applicant Submits Request for Reconsideration	January 4, 2011
Department Grants Applicant's Request for Reconsideration	January 12, 2011
Reconsideration Public Hearing Conducted in Olympia	February 2, 2011
End of Public Comment <sup>3</sup>	February 9, 2011
Rebuttal Documents Received at Department	February 24, 2011
Department's Anticipated Decision Date	April 11, 2011
Department's Actual Decision Date	

# **CRITERIA EVALUATION**

The review for this reconsideration project is limited to only those issues that are addressed in the reconsideration request. For this project the focus of the reconsideration is limited to the 'need' criteria in WAC 246-310-210 (need) and WAC 246-310-270 (ambulatory surgery)

<sup>&</sup>lt;sup>3</sup> The department granted NWWLS an extension to allow responses to questions received at the public hearing from Providence Regional Medical Center Everett.

# AFFECTED AND INTERESTED PERSONS

Washington Administrative Code 246-310-010(2) defines "affected person" as:

- "...an interested person who:
  - (a) Is located or resides in the applicant's health service area;
  - (b) Testified at a public hearing or submitted written evidence; and
  - (c) Requested in writing to be informed of the department's decision."

Throughout the initial review of this project, Providence Regional Medical Center Everett, (Providence Everett) an acute care hospital with two campuses in Snohomish County, sought and received affected person status under WAC 246-310-010(2). During this reconsideration review, Providence Everett maintained its affected person status by participating in the process.

### SOURCE INFORMATION REVIEWED

#### **Initial Review**

- Northwest Weight Loss Surgery Certificate of Need Application received on March 8, 2010
- Northwest Weight Loss Surgery supplemental information received on April 7, 2010
- Utilization survey response received from Providence Regional Medical Center Everett
- Public comments received from Providence Regional Medical Center Everett on May 18, 2010
- Rebuttal comments received from Northwest Weight Loss Surgery on June 1, 2010
- Number of operating rooms information available at Providence Regional Medical Center Everett webpage
- Claritas and Office of Financial Management population data for Central Snohomish planning area
- Licensing and/or survey data provided by the Department of Health's Investigations and Inspections Office
- Licensing and compliance history data provided by the Department of Health's Medical Quality Assurance Commission
- Operating room capacity information obtained by DOH during site visit to Providence Regional Medical Center Everett.

# **Reconsideration Review**

- NWWLS Reconsideration Request received January 4, 2011
- Utilization survey data received from ambulatory surgery facilities in the planning area
- Public comments submitted by NWWLS at the February 2, 2011, reconsideration hearing
- Public comments submitted by Providence Everett at the February 2, 2011, reconsideration hearing
- NWWLS answers to questions submitted at the February 2, 2011, by Providence Everett. NWWLS responses were provided to the department on February 9, 2011
- Rebuttal comments received from NWWLS on February 24, 2011
- Rebuttal comments received from Providence Everett on February 24, 2011
- Claritas and Office of Financial Management population data for Central Snohomish planning area

<u>CONCLUSION</u>
For the reasons stated in this evaluation, the reconsideration documentation submitted on behalf of Northwest Weight Loss Surgery Center, PLLC proposing to remove condition #4 attached to CN #1435 is denied. Therefore, the terms and conditions attached to CN #1435 remain in effect.<sup>4</sup>

<sup>&</sup>lt;sup>4</sup> On December 17, 2010, NWWLS provided documentation consistent with the term

# **RECONSIDERATION EVALUATION**

- **A.** Need (WAC 246-310-210) and Ambulatory Surgery Standards and Methodology (WAC 246-310-270). Based on the source information reviewed and the applicant's agreement to the conditions identified in the "conclusion section" of this reconsideration evaluation, the department determines that the applicant has met the need criteria in WAC 246-310-210 and WAC 246-310-270.
- (1) The population served or to be served has need for the project and other services and facilities of the type proposed are not or will not be sufficiently available or accessible to meet that need.

The Program uses the numeric methodology found in WAC 246-310-270 for determining the need for additional ASCs in Washington State. The numeric methodology provides a basis of comparison of existing operating room (OR) capacity for both outpatient and inpatient OR's in a planning area using the current utilization of existing providers. The methodology separates Washington State into 54 separate secondary health services planning areas. NWWLS ASC would be located in the Central Snohomish County planning area.

The methodology estimates OR need in a planning area using multi-steps as defined in WAC 246-310-270(9). This methodology relies on a variety of assumptions and initially determines existing capacity of dedicated outpatient and mixed-use operating rooms in the planning area, subtracts this capacity from the forecast number of surgeries to be expected in the planning area in the target year, and examines the difference to determine:

- a) whether a surplus or shortage of OR's is predicted to exist in the target year, and
- b) if a shortage of OR's is predicted, the shortage of dedicated outpatient and mixed-use rooms are calculated.

#### **Initial Evaluation Summary**

In its application of the need methodology, the department did not use both Western Washington Medical Group and the applicant's outpatient's surgery minutes; rather it relied only on Providence Everett utilization to determine need in the planning area. Based solely on the numeric methodology contained in WAC 246-310-270, the department determined that no numeric need for outpatient OR capacity was demonstrated. WAC 246-310-270(4) allows approval for additional ORs in a planning area when no numeric need is demonstrated. The department approved NWWLS's application under this sub-criterion. [Source: Initial Evaluation, Page 8 and Appendix A]

#### **Reconsideration Evaluation**

In its reconsideration request, NWWLS asserted that the department incorrectly applied the numeric methodology as described above. NWWLS also asserted that once the numeric methodology is correctly applied, condition #4 is no longer applicable. Below is a review of both assertions.

#### Numeric Methodology

The department incorrectly applied the numeric methodology in the initial evaluation which resulted in an underestimation of ORs in the planning area. Below is a summary of the

corrected numeric methodology. The Program's reconsideration methodology is detailed in Appendix A attached to this evaluation.

Given that the ASC would be located in central Snohomish County planning area, the department will apply the methodology to that health service planning area. There are eight providers with OR capacity in the central Snohomish County planning area, including the applicant. The eight providers are listed below. [Source: CN historical files-ILRS database]

**Central Snohomish County Planning Area Providers** 

Hospital/ City	ASC's			
Providence Regional Medical Center, Everett	Everett Clinic			
	Everett Orthopedic Surgery Center			
	Western Washington Medical Group			
	Northwest Surgery Center			
	Physician Eye Surgery Center			
	Endoscopy Center			
	Northwest Weight Loss Surgery, PLLC			
	(applicant)			

As shown above, the eight providers include seven ASCs and Providence Everett, an acute care hospital with two campuses in the planning area. As defined in WAC 246-310-270(9), Providence Everett is included in the capacity calculations of available ORs for central Snohomish County planning area. All appropriate OR capacity from Providence Everett will be used in the numeric methodology calculations under WAC 246-310-270.

The seven ASCs, including the applicant, are solo or group practices (considered exempt ASCs) and therefore, the use of these ASCs are restricted to physicians that are employees or members of the respective clinical practices that operate each of the facilities.<sup>5</sup> These seven facilities do not meet the ASC definition within WAC 246-310-010 and are not included in the capacity count of available ORs for central Snohomish planning area. However, the number of surgeries performed at these exempt ASCs is used to develop the planning area's use rate in the numeric need methodology.

To assist in its application of the numeric methodology for this project during the initial review, on March 16, 2010, the department requested utilization information from each of the facilities identified above. For the initial evaluation, responses were received from Providence Everett and one exempt ASC in the planning area—Western Washington Medical Group. NWWLS provided historical utilization within its application. The remaining five ASCs did not provide utilization data to the department.

For this reconsideration evaluation, the department relied on the utilization survey results submitted in response to the department's March 16, 2010, request and NWWL's historical

<sup>&</sup>lt;sup>5</sup> Even though NWWLS was issued CN #1425 on December 17, 2010, in the methodology for this reconsideration evaluation, the department will still consider NWWLS an exempt ASC.

information contained in the application. Below are the assumptions used for this reconsideration review.

**Department's Reconsideration Methodology** 

Assumption	Data Used
Planning Area	Central Snohomish
Population Estimates and	OFM's 2009 population data for central Snohomish County
Forecasts	284,519. Project target year is 2013 and the projected
	population is 301,308
Use Rate	Divide 2009 surgical cases by 2009 populations results in the
	service area use rate of 51.02/1000 population
Percentage of surgery	Based on DOH survey results, 54.3% ambulatory
ambulatory vs. inpatient	(outpatient) and 45.7% inpatient
Average minutes per case	Based on DOH survey results, Outpatient cases = 68.11
	minutes; inpatient cases 135.55 minutes
OR Annual capacity in	478,287 outpatient surgery minutes; 1,131,726 inpatient or
minutes	mixed-use surgery minutes
Existing OR capacity	Providence Everett 17 mixed use ORs

The Program's application of the numeric methodology using survey responses and NWWLS historical utilization data provided within its application indicates a need for 6.95 outpatient ORs for central Snohomish planning area in year 2013. NWWLS's project requests approval for two ORs in the planning area. As a result, considering the exception criterion in WAC 246-310-270(4) was not necessary.

# Condition #4

In its initial evaluation, the department identified one term and four conditions that NWWLS had to meet for the project to be approved. Condition #4 states:

Northwest Weight Loss Surgery Center, PLLC is limited to providing only bariatric weight loss surgeries and the associated plastic surgeries as described within the application and relied upon by the department in this evaluation.

NWWLS asserts that the condition was attached to the approval because the department approved NWWLS's project using the exception language in WAC 246-310-270(4). NWWLS states that once the numeric methodology is correctly applied resulting in need for additional OR capacity in the planning area, there should be no limit on the types of surgeries that can be performed at NWWLS, and condition #4 would no longer be applicable. In its reconsideration request, NWWLS requests that condition #4 be removed.

To evaluate NWWLS's request to remove condition #4, the department reviewed NWWLS's initial application, supplemental information, public hearing materials, and rebuttal materials. Documents provided in the initial application demonstrate that NWWLS provides laparoscopic bariatric (weight loss) surgery to patients seeking treatment for excessive weight under its ASC exemption. The application states, "after significant weight loss following the surgery, some patients require plastic surgery for the removal of residual loose

skin tissue and other desired aesthetic procedures." [Source: Application, p6] As an exempt ASC, "NWWLS has very limited services for plastic/cosmetic procedures". [Source: Application, p6] If this project is approved, NWWLS would allow non-employed plastic surgeons to perform plastic surgery at the ASC and expand the range of health care services it would offer to weight loss patients. [Source: Application, p6] In its closing statement in its rebuttal document, NWWLS states, "The intent of NWWLS's ASC CON application is to broaden the range of services it offers to weight loss patients by allowing a plastic surgeon who is not an employee to perform weight loss related plastic surgery at the NWWLS ASC." [Source: NWWLS rebuttal comments, June 1, 2010, pgs 10-11]

A review of NWWLS's historical and projected financial statements confirms that NWWLS has historically provided bariatric (weight loss) surgeries. NWWLS's utilization and financial projections rely on these bariatric surgeries and adding the bariatric related plastic surgeries. [Source: Application, Appendix 2]

Additionally, in the initial review of this project, the department received comments from both Western Washington Medical Center and Providence Everett. Western Washington Medical Center stated that approval of NWWLS's project would have no impact on the exempt ASC provided that NWWLS's expansion would include only bariatric plastic surgery procedures. [Source: ASC's utilization survey response received April 23, 2010] The majority of Providence Everett's comments during initial review focused on NWWLS's application of the numeric methodology. [Source: Public comments received June 2, 2010]

In response to comments provided by both Western Washington Medical Center and Providence Everett, NWWLS restated that its project requests approval to allow non-employed plastic surgeons to perform plastic surgery at the ASC and expand the range of health care services it would offer to weight loss patients. NWWLS also included a letter from the plastic surgeon that would be performing plastic surgeries at the ASC if the project is approved. That letter supports the documentation in NWWLS's application that it proposed to add bariatric related plastic surgeries. [Source: NWWLS initial review rebuttal statements submitted June 1, 2010]

The request to remove condition #4 was first identified in NWWLS's reconsideration request. In that request, NWWLS asserts that the condition was based on the department's incorrect application of the numeric methodology. Specifically, once numeric need is demonstrated in the planning area, NWWLS states the condition is no longer applicable. [Source: NWWLS January 3, 2011, reconsideration request]

During the reconsideration public hearing conducted on February 2, 2011, Providence Everett stated it no longer contested NWWLS application of the numeric need methodology as identified in the initial review. However, Providence Everett opposed NWWLS's request to remove condition #4 and provided a number of questions related to this issue. Providence Everett requested written responses to its questions. The department allowed NWWLS until February 9, 2011, to respond to the questions.

Within its reconsideration public comments and rebuttal statements, Providence Everett asserts that NWWLS's application relied on bariatric and related plastic surgeries and identified several documents and statements in the initial application to support this assertion. As a result, Providence Everett opposes the release of condition #4. [Source: Providence Everett February 2, 2011, questions and Providence Everett February 24, 2011, rebuttal comments p1-5]

In response to Providence Everett's concerns regarding the removal of condition #4, NWWLS restated that the department's error in calculating need resulted in condition #4 attached to the approval of CN #1435, and once the error is corrected, condition #4 should be removed.

### Department's Evaluation

In the initial evaluation, the department incorrectly calculated numeric need. As previously stated in this evaluation, the numeric methodology error has been corrected. NWWLS states condition #4 was a direct result of the incorrect numeric methodology. Under WAC 246-310-210(1) an applicant must demonstrate the population served or to be served as identified in the application has need for the proposed facilities or services. For an ASC project, the applicant must demonstrate:

- 1) the numeric need for the project using WAC 246-310-270(9) and
- 2) other services or facilities of the type proposed are not available or accessible to meet the projected need.

A CN application form requires an applicant to identify the population to be served and the basis and rationale of the project. One reason for this requirement is to allow the department to evaluate methodologies and assumptions that were relied on by the applicant for the project. It also allows the public and any interested or affected person the opportunity to review the rationale, assumptions, and methodologies used by the applicant for the project. Specific to the NWWLS application, NWWLS clearly stated that it submitted the application to allow a non-employed plastic surgeon the ability to provide bariatric related (weight loss) plastic surgeries. Throughout the application, NWWLS based its projected surgeries and financial assumptions on continuing to provide bariatric surgeries and adding bariatric related plastic surgeries. The table below shows the number of surgeries projected for the first three years of operation. [Source: Application, pgs5 and 40]

**NWWLS Historical and Projected Volumes Years 2010 through 2013** 

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	Historical				Projected				
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Case Volume -Surgery	225	656	828	780	507	410	429	459	494
Case Volume -Plastic	-	-	-	-	-	1	48	60	72
Total	225	656	828	780	507	410	477	579	566

The department expects the rationale, assumptions, and methodologies in an application to be reliable. Specific to the NWWLS project, comments provided by both Western Washington Medical Group and Providence Everett relied documents provided in the application and appropriately focused on the impact of NWWLS's bariatric and related plastic surgeries on their respective healthcare facilities.

NWWLS states that condition #4 disadvantages the ASC and significantly limits its use. The department agrees that use of the ASC is limited with this condition. However, the condition is consistent with NWWLS's rationale and assumptions provided in the application. The department approved NWWLS's project as presented. The department has a history of conditioning issued CN to ASCs based on the rationale and assumptions provided within the application. The department finds no basis to change this policy and practice.

In conclusion, numeric need for additional OR capacity in central Snohomish planning area is demonstrated based on the corrected methodology. The department concludes the rationale and assumptions provided in the application demonstrate that condition #4 attached to CN #1435 issued on December 17, 2010, continues to be appropriate.

(2) All residents of the service area, including low-income persons, racial and ethnic minorities, women, handicapped persons, and other underserved groups and the elderly are likely to have adequate access to the proposed health service or services.

# **Initial Evaluation Summary**

In its December 10, 2010, initial evaluation, the department concluded that NWWLS historically had not provided charity care at the ASC because the applicant states within its application that the Centers for Medicare and Medicaid (CMS) does not allow bariatric procedures to be performed in an outpatient setting except in a level one hospital with accreditation. Within its application, NWWLS asserted that it would request that CMS add gastric banding CPT Codes so that it can accept patients. Based on the information considered, the department attached three conditions to NWWLS CN approval. Two of the conditions related to Medicare and Medicaid patients access to procedures provided at the ASC and one related to the charity care percentages to be provided by the applicant. NWWLS accepted all three conditions. [Source: Initial evaluation, Page 4]

#### Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. As a result, all three conditions continue to be applicable.

#### B. Financial Feasibility (WAC 246-310-220)

Based on the source information reviewed, the department determines that NWWLS has met the financial feasibility criteria in WAC 246-310-220.

- (1) The immediate and long-range capital and operating costs of the project can be met.
- (2) <u>The costs of the project, including any construction costs, will probably not result in an unreasonable impact on the costs and charges for health services.</u>
- (3) The project can be appropriately financed.

#### **Initial Evaluation Summary**

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<sup>&</sup>lt;sup>6</sup>Some examples of condition #4 can be reviewed in the evaluations associated with CN #1385 [Western Washington Endoscopy Center]; CN #1334 [Proliance Skagit]; CN #1337 [Proliance Edmonds]; and CN #1303 [Laser and Surgery Center].

In its December 10, 2010, initial evaluation the department concluded that NWWLS's project met all three of the sub-criteria outlined above. [Source: Initial evaluation, Pages 13-16]

# Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. These sub-criterion remain met

# C. Structure and Process (Quality) of Care (WAC 246-310-230)

Based on the source information reviewed, the department determines that NWWLS application meets the structure and process (quality) of care criteria in WAC 246-310-230.

- (1) A sufficient supply of qualified staff for the project, including both health personnel and management personnel, are available or can be recruited.
- (2) <u>The proposed service(s) will have an appropriate relationship, including organizational relationship, to ancillary and support services, and ancillary and support services will be sufficient to support any health services included in the proposed project.</u>
- (3) There is reasonable assurance that the project will be in conformance with applicable state licensing requirements and, if the applicant is or plans to be certified under the Medicaid or Medicare program, with the applicable conditions of participation related to those programs.
- (4) <u>The proposed project will promote continuity in the provision of health care, not result in an unwarranted fragmentation of services, and have an appropriate relationship to the service area's existing health care system.</u>
- (5) There is reasonable assurance that the services to be provided through the proposed project will be provided in a manner that ensures safe and adequate care to the public to be served and in accord with applicable federal and state laws, rules, and regulations.

#### **Initial Evaluation Summary**

In its December 10, 2010, initial evaluation the department concluded that NWWLS project met all of the five sub-criteria outlined above. [Source: Initial evaluation, Pages 18-20]

#### Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. These sub-criterion remain met

#### **D.** Cost Containment (WAC 246-310-240)

Based on the source information reviewed, the department determines that NWWLS application meets the cost containment criteria in WAC 246-310-240.

(1) <u>Superior alternatives</u>, in terms of cost, efficiency, or effectiveness, are not available or practicable.

# **Initial Evaluation Summary**

In its December 10, 2010, initial evaluation the department concluded that NWWLS project met the sub-criteria outlined above. [Source: Initial evaluation, Pages 21-22]

# Reconsideration Review

There was no additional information reviewed in this reconsideration that would change the department's initial conclusion. This sub-criterion remains met.