

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

Certificate of Need Program 111 Israel Road Southeast – MS 4-7852 Olympia, Washington 98504

October 17, 2016

Donald Wortham, President Cosmetic Surgical Arts Center, PS 19109 – 36th Avenue West, #109 Lynnwood, Washington 98036

RE: Determination of Reviewability [DOR] 17-05

Dear Dr. Wortham:

The Department of Health has completed its review of your exemption request regarding the establishment of an ambulatory surgery center in Lynnwood, within Snohomish County. Below is the information considered and the facts relied upon by the Department of Health's Certificate of Need Program in reaching its conclusion regarding your project.

INFORMATION CONSIDERED

- Ambulatory Surgery Center (ASC) exemption application received August 15, 2016
- Supplemental information received September 29, 2016
- 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
- Department of Health external provider look-up
- Department of Health Integrated Licensing and Regulatory System (ILRS)
- Cosmetic Surgical Arts website at cosmeticsurgicalarts.com
- Certificate of Need historical files

FACTS CONSIDERED

- On January 1, 1999, Cosmetic Surgical Arts Center, PS was established as a limited liability corporation with the Washington Secretary of State's office. The corporation is governed by one member: Donald G. Wortham, MD. [source: Secretary of State website]
- Cosmetic Surgical Arts Center, PS has been registered with the Washington State Department of Revenue since January 1, 1999. [source: Department of Revenue website]

Donald Wortham, President Cosmetic Surgical Arts Center, PS DOR 17-05 October 17, 2016 Page 2 of 3

Cosmetic Surgical Arts Center, PS has two practice sites. The address for each site is listed below.

Address	City/Zip	County Location
19109 – 36 th Avenue West, #109	Lynnwood/98036	Snohomish
2100 Little Mountain Lane	Mount Vernon, 98274	Skagit

- The Mount Vernon practice site is used for consultations only. Total time spent at the Mount Vernon site is approximately 2 days a month.
- This project focuses on the practice site in Lynnwood, within Snohomish County. The main practice and surgery center are located at the Lynnwood site at the same address.
- The ASC will be operated under the practice corporation of Cosmetic Surgical Arts Center, PS.
- Two physicians will use the ASC. Future owners or employees may have access to the ASC. A table with specific physician credentialing information and practice association is below.

Name	Credential Status	Practice Status	Percent of Time
Robert Emil Hecht	Active	Employee	100%
Donald Gene Wortham	Active	Owner	100%

- The procedures proposed include those typically associated with cosmetic surgery, such as facial and body plastic and reconstructive surgery. A listing of common procedures is included in the exemption application.
- The ASC will not be operated as a separate legal entity from the Cosmetic Surgical Arts Center, PS practice.
- No management agreement is proposed.

CONCLUSION

Based on the totality of information considered, the department concludes the proposed ASC would be exempt from Certificate of Need review. This exemption is not transferable and the conclusions reached concerning this proposed ASC are based on the facts about this facility and it should not be assumed the department would reach the same conclusion in future exemption requests for other future ASCs.

If changes are made in the operation or ownership of this proposed ASC, the ASC may no longer be eligible for this exemption. In that case, prior Certificate of Need review and approval or new exemption would be required. Examples of such changes include the following. This list is not intended to be all inclusive.

¹ Employed physicians must be employed by the Cosmetic Surgical Arts, PS practice a minimum of 75% and perform their full range of services through Cosmetic Surgical Arts, PS practice.

Donald Wortham, President Cosmetic Surgical Arts Center, PS DOR 17-05 October 17, 2016 Page 3 of 3

- The scope of services is expanded to include services subject to Certificate of Need review under the provisions of WAC 246-310-020.
- The provision of any procedure as identified under WAC 246-310-705(4).
- The ASC is operated under a management agreement.
- The ASC is organized as a separate legal entity from the practice.
- The ASC is moved to a different site than identified in the exemption application.
- Use of the ASC is extended to any physician who is not a member/owner or employed by Cosmetic Surgical Arts Center, PS.
- Use of the ASC is extended to any physician that is an independent contractor.
- The ASC obtains a new or separate Medicare certification from the clinical practice.
- The ASC ceases operations or relinquishes its Medicare certification and then chooses to resume services as an ASC.
- The ASC or the practice is purchased or leased.
- ASC patients are routinely transferred from the ASC for observation care at one of the area's hospitals.

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 R. Segman

Janis Sigman, Manager Certificate of Need Program

Community Health Systems