STATE OF WASHINGTON

DEPARTMENT OF HEALTH

Olympia, Washington 98504

July 31, 2017

CERTIFIED MAIL #7014 2120 0002 7631 1694

John Gallagher, Chief Executive Officer Sunnyside Community Hospital 1016 Tacoma Avenue Sunnyside, Washington 98944

Dear Mr. Gallagher:

We have completed review of Sunnyside Community Hospital's request for a six-month extension to Certificate of Need #1556. Enclosed is Certificate of Need #1556E.

Certificate of Need #1556E extends the expiration date beginning July 31, 2017, to January 31, 2018. 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 questions, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,

Steve Bowman, PhD, MHA

Director, Office of Community Health Systems

Enclosure



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 #1556E is issued to:

Legal Name of Applicant:

Sunnyside Community Hospital Association

Address of Applicant:

1016 Tacoma Avenue, Sunnyside Washington 98944

Type of Service:

Psychiatric Hospital Beds

Facility Name:

Sunnyside Community Hospital

Facility Address:

1016 Tacoma Avenue, Sunnyside Washington 98944

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED JUNE 15, 2015, (CN App #15-12). ISSUANCE OF THE SIX-MONTH EXTENSION IS BASED ON DOCUMENTS PROVIDED IN DETERMINITON OF REVIEWABILITY #17-18.

PROJECT DESCRIPTION:

This Certificate of Need approves Sunnyside Community Hospital Association to establish a ten-bed PPS exempt psychiatric unit at Sunnyside Community Hospital in Yakima County. Psychiatric services to be provided in the ten-bed unit include inpatient psychiatric care for patients 18 years of age and older, including geriatric patients. The patients typically have acute psychiatric disorders and cognitive impairments. In addition, Sunnyside Community Hospital intends to secure certification to admit the involuntary detained patient commonly referenced as an 'ITA patient.' At project completion, Sunnyside Community Hospital would be licensed for 35 acute care beds, shown in the breakdown below.

Type	Approved
General Medical/Surgical	25
Psychiatric	10
Total	35 ¹

Service Area

Yakima County

Conditions:

See page two

Approved Capital Expenditure

The approved capital expenditure associated with the establishment of the ten-bed psychiatric unit at Sunnyside Community Hospital is \$3,486,607, and includes construction, equipment, and associated fees and taxes.

This Extended Certificate of Need is effective from <u>July 31, 2017</u> to <u>January 31, 2018</u>, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Extended Certificate Issued: July 31, 2017

Steve Bowman, PhD, MHA

Director, Office of Community Health Systems

This Certificate is not transferable.

Certificate of Need #1556E Page Two

Conditions:

- 1. Sunnyside Community Hospital Association agrees with the project description stated above. Sunnyside Community Hospital Association further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
- 2. Prior to providing services, Sunnyside Community Hospital Association will provide the approved version of the adopted medical director job description and identification of the medical director for the department's review and approval. Copy of the adopted document must be consistent with the draft document provided in the application.
- 3. Prior to providing services, Sunnyside Community Hospital Association will provide the approved versions of the adopted policies listed below for the department's review and approval. Copies of the adopted policies must exclude the following language identified in the draft policies.

"Printed copies are for reference only. See the hospital intranet for approved version."

- Patient's Rights Policy
- Informed Consent Policy
- Nondiscrimination Policy
- Charity Care Policy 1
- 4. Prior to providing services, Sunnyside Community Hospital Association will provide the approved psychiatric admission policy for the department's review and approval. The adopted policy must be consistent with the draft policy provided in the application.
- 5. So long as the state desires to contract with the facility for providing care to Involuntary Treatment Act patients, Sunnyside Community Hospital will contract with the state to provide that care. An ITA referral may only be rejected if there are no beds available at Sunnyside Community Hospital at the time of referral or if such referral is clinically inappropriate.
- 6. Sunnyside Community Hospital will provide charity care in compliance with the charity care policy referenced above, or any subsequent polices reviewed and approved by the Department of Health. Sunnyside Community Hospital will use reasonable efforts to provide charity care at the amount identified in the application or comparable to the average amount of charity care provided by the hospitals in the Central Region. Currently, this amount is 2.34% for gross revenue and 5.39% for adjusted revenue. Sunnyside Community Hospital will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.

Footnote #1 attached to project description on CN #1556E:

Under the provisions of RCW 70.38.105(4)(e)(iii), If Sunnyside Community Hospital relinquishes its Critical Access Hospital (CAH) designation it may revert back to 38 licensed medical surgical beds, in addition to the ten dedicated psychiatric beds, for a facility total of 48 licensed acute care beds without having to obtain a new Certificate of Need.