

December 2, 2011

Robert Cross, Executive Director, Strategic Development Harrison Medical Center 2520 Cherry Avenue Bremerton, Washington 98310

Dear Mr. Cross:

Thank you for your February 7, 2011, application for an exemption from Certificate of Need review related to the establishment of an ambulatory surgery center (ASC) for Harrison Health Partners. Your application states that approximately ten year ago, Thomas Meeks, MD received an exemption from Certificate of Need review for the establishment of an ASC known as Olympic Plastic Surgery. However, the department's historical records do not substantiate that an exemption for Dr. Thomas Meeks was ever obtained. Further, neither Dr. Meeks nor Harrison Health Partners is able to locate a copy of the exemption. Below are the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding this project.

FACTS

- Harrison Health Partners is a division of Harrison Medical Center's employed provider practices.
- Currently, there are 22 physicians and 11 non-physicians associated with Harrison Health Partners. Names of the physicians and non-physicians are attached to this letter as Appendix A. All physicians and non-physicians are 100% employed by Harrison Health Partners.
- The 22 physicians and 11 non-physicians are located at 11 different practices. The practice sites are also listed in Appendix A attached to this letter.
- This application requests establishment of an exempt ASC at the practice site located at 2500 Cherry Avenue in Bremerton. The exempt ASC would be known as Harrison Health Partners Plastics and Reconstructive Surgery.
- Two physicians would have access to the exempt ASC: Thomas Meeks, MD and Lori Eakin,
 MD.
- The ASC will not be operated under a separate legal entity from Harrison Health Partners.
- Procedures to be performed at the ASC include those surgeries typically associated with plastic and reconstructive surgery. A listing of the procedures is provided in the application.
- No management agreement for the ASC is proposed.
- Harrison Medical Center will hold the Medicare certification for the ASC.



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ANALYSIS

- Revised Code of Washington (RCW) 70.38.105(4) identifies the types of projects subject to
 prior Certificate of Need review and approval. Subsection (a) identifies that the construction,
 development, or other establishment of a new health care facility is subject to review.
- RCW 70.38.025(6) defines "health care facility" as hospices, hospice care centers, hospitals, psychiatric hospitals, nursing homes, kidney disease treatment centers, ambulatory surgical facilities, and home health agencies, and includes such facilities when owned and operated by a political subdivision or instrumentality of the state and such other facilities as required by federal law and implementing regulations, but does not include any health facility or institution conducted by and for those who rely exclusively upon treatment by prayer or spiritual means in accordance with the creed or tenets of any well-recognized church or religious denomination, or any health facility or institution operated for the exclusive care of members of a convent as defined in RCW 84.36.800 or rectory, monastery, or other institution operated for the care of members of the clergy. In addition, the term does not include any nonprofit hospital: (a) Which is operated exclusively to provide health care services for children; (b) which does not charge fees for such services; and (c) if not contrary to federal law as necessary to the receipt of federal funds by the state.
- Washington Administrative Code (WAC 246-310-010) defines "ambulatory surgical facility" as any free-standing entity, including an ambulatory surgery center, that operates primarily for the purpose of performing surgical procedures to treat patients not requiring hospitalization. This term does not include a facility in the offices of private physicians or dentists, whether for individual or group practice, if the privilege of using such facility is not extended to physicians or dentists outside the individual or group practice.

CONCLUSION

Based on the documents provided by you, the Certificate of Need Program concludes that the establishment of the ASC associated with the group practice known as Harrison Health Partners does not meet the definition of an ASC under the Certificate of Need provisions of Washington Administrative Code (WAC) 246-310-010. Therefore, the proposed ASC is not subject to Certificate of Need review.

Please note: This determination is not transferable and is based on the facts submitted in the exemption application. Prior Certificate of Need review and approval may be required under the provisions of WAC 246-310-020 if changes occur in this project. Examples of such changes include the following. This list is not intended to be all inclusive.

1) should Harrison Health Partners decide to extend the privilege of using the ASC to physicians not part of the practice; OR

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- should Harrison Health Partners decide to expand the scope of services at the ASC to include services subject to Certificate of Need review under the provisions of WAC 246-310-020; OR
- 3) should Harrison Health Partners decide to organize the ASC as a separate legal entity from the group practice; OR
- 4) should Harrison Health Partners decide to operate the ASC under a management agreement; OR
- 5) should any entity other than Harrison Health Partners or Harrison Medical Center hold the Medicare certification; OR
- 6) should the ASC cease operations or relinquish its Medicare certification and then choose to resume services as an ASC, OR
- 7) should the Harrison Health Partners or ASC be purchased or leased.

This determination of non-reviewability does not constitute approval under any other local, federal, or state statute, or implementing rules and regulations. Examples where additional approval may be necessary include, but are not limited to, construction plan approval through the Construction Review Section 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.

APPEAL OPTIONS

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:

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> 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

Please call me at (360) 236-2957 if you have any further questions as you proceed with establishment of the ASC.

Sincerely,

Karen Nidermayer, Analyst Certificate of Need Program

Office of Certification and Technical Support

cc: Department of Health, Office of Customer Service Linda Foss, DOH, Investigations and Inspections Office

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APPENDIX A

Specialty	Location	Physicians	Non Physician
Cardiac Anesthesiology	2520 Cherry Avenue Bremerton, Washington 98310	Chai Kanithanon, MD Ben Tibbals, MD	None
Cardiothoracic Surgery	2771 Hemlock St. #100 Bremerton, Washington 98310	Chris King MD William Reed, MD	Michael Chernekoff, PA-C Lance Keck, PA-C Joanne Rhoads, ARNP
Thoracic and Vascular Surgery	1225 Campbell Way Bremerton, Washington 98310	George Berni, MD Shankar Sundaram, MD	Alexandra Engstrom, PA-C Sherri Zumdieck, ARNP
Plastic and Reconstructive Surgery	2600 Cherry Ave, #201 Bremerton, Washington 98310	Thomas Meeks, MD Lori Eakin, MD	None
General Surgery	2500 Cherry Ave, #301 Bremerton, Washington 98310	Luis Arrazola, MD	None
Primary Care	450 S. Kitsap Blvd. #200 Port Orchard, Washington 98366	Hector Reyes, MD Michael Paull, MD Rica Paull, MD	Thomas Hansen, ARNP
Primary Care	21 NE Romance Hill Rd, #104 Belfair, Washington 98528	Raul Dominguiano, MD	Linda Simoneaux, ARNP
Internal Medicine and Adult Primary Care	22180 Olympic College Way, #102 Poulsbo, Washington 98370	Bruce Carlton, MD Sharman Hurlow, MD Connie Tomada, MD	Anne LeDell-Hong, ARNP
Hematology and Oncology	2720 Clare Avenue, #A Bremerton, Washington 98310	Joseph Johnson, MD Ron Reimer, MD Malcolm Winter, MD	Eunice Beachy, ARNP Connie Morrison- Hoogstede, ARNP
Hematology and Oncology	19500 10th Ave NE, #100 Poulsbo, Washington 98370	Ann Murphy, MD Dennis Willerford, MD	Kristin Province, ARNP
Rheumatology	450 S. Kitsap Blvd, #200 Port Orchard, Washington 98366	Andrew Luk, MD	None