

November 9, 2012

Francis Geissler, MD Eye MDs of Puget Sound 4717 South 19<sup>th</sup>, #103 Tacoma, Washington 98405

Dear Dr. Geissler:

Thank you for your October 15, 2012, application for an exemption from Certificate of Need for the establishment of an ambulatory surgery center (ASC) related to Eye MDs of Puget Sound, PLLC. Below are the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding this project.

## **FACTS**

• Eye MDs of Puget Sound, PLLC is a partnership practice owned by two physicians. The practice also employs one additional physician. Below is an identification of each physician and the relationship to the practice.

Name	<b>Credential Status</b>	Practice Status
Francis T. Geissler	Active	Partner
Clark W. Deem	Active	Partner
Michael A. Warner	Active	Employee

- Documents obtained from the Secretary of State website verify that Eye MDs of Puget Sound, PLLC is a registered corporation.
- Eye MDs of Puget Sound, PLLC has the following two practice sites:

Address	City	Zip
4717 South 19 <sup>th</sup> , #103	Tacoma	98405
2401 Bristol Court Southwest, #B101	Olympia	98502

- On September 9, 2002, you obtained an exemption for an ASC located at the 4717 South 19<sup>th</sup> site under the practice name of Tacoma Eye Associates. 1
- Eye MDs of Puget Sound, PLLC intends to relocate its practice and ASC to a new site in Tacoma. The address for the new site is 4707 South 19<sup>th</sup> Street, Tacoma [98405].<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> DOR #03-01; ASF60100957.

<sup>&</sup>lt;sup>2</sup> CRS #60283594.

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- Once the practice is relocated to 4707 South 19<sup>th</sup> Street, Tacoma the practice at 4717 South 19<sup>th</sup> in Tacoma would no longer be operating under the Eye MDs of Puget Sound, PLLC practice.
- The new practice site would also have an associated ASC that would be in the same building as the practice, on a different floor.
- The proposed ASC would not be operated under a separate legal entity from the Eye MDs of Puget Sound, PLLC practice. The ASC would operate under the name of Narrows Eye Surgery Center.
- Narrows Eye Surgery Center is not a separate corporation registered with the Washington State Secretary of State
- At this time, only the three physicians identified above would have access to the proposed ASC. Future owners/partners or employees may have access to the ASC.
- Procedures to be performed at the ASC include those typically associated with ophthalmic surgeries, including cataract extraction, glaucoma surgery, and various laser procedures. A listing of typical procedures was provided within the exemption application.
- No management agreement for the ASC is proposed.

## **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 CON 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.

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## **CONCLUSION**

Based on the above factual information provided by you, the Certificate of Need Program concludes that the establishment of the ASC associated with the practice known as Eye MDs of Puget Sound, PLLC 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 exemption 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 your project. Examples of such changes include the following. This list is not intended to be all inclusive.

- 1) should Eye MDs of Puget Sound, PLLC decide to extend the privilege of using the ASC to physicians not part of the practice; OR
- 2) should Eye MDs of Puget Sound, PLLC 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 Eye MDs of Puget Sound, PLLC decide to organize the ASC as a separate legal entity from the practice; OR
- 4) should Eye MDs of Puget Sound, PLLC decide to operate the ASC under a management agreement; OR
- 5) should any entity other than Eye MDs of Puget Sound, PLLC 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 practice or ASC be purchased or leased; OR
- 8) should the ASC be moved to a different site than identified in the exemption application.

This exemption approval 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.

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:

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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

111 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:

Department of Health Adjudicative Service Unit

Mail Stop 47879 Olympia, WA 98504-7879 Other Than By Mail

Department of Health Adjudicative Service Unit

111 Israel Road SE

Tumwater, WA 98501

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

Sincerely,

Karen Nidermayer, Analyst Certificate of Need Program

Office of Certification and Technical Support

cc: Department of Health, Office of Customer Service

Department of Health, Construction Review Services