STATE OF WASHINGTON DEPARTMENT OF HEALTH

Olympia, Washington 98504

April 8, 2022

Scott Faringer, Chief Executive Officer Tri-City Orthopaedic Clinic, PSC

Emily Studebaker, Esq. Studebaker Nault, PLLC e-mail: estudebaker@studebakernault.com

RE: Certificate of Need Application #21-60 Tri-City Orthopaedic Clinic, PSC.

Dear Mr. Faringer and Ms. Studebaker:

Enclosed is Certificate of Need #1929 issued to Tri-City Orthopaedic Clinic, P.S.C.. approving the operation of the existing Tri-City Orthopaedic Kennewick Surgery Center as a CN-approved, four operating room ambulatory surgical facility within the Benton-Franklin Secondary Health Services Planning Area.

The certificate is not an approval for any other local, federal, or state statutes, rules, or regulations. Such a project may also need Department of Health approval for a construction plan and facility licensing or certification, as well as other federal or local jurisdiction permits.

The Certificate of Need is valid for two years. The project must begin during this time. If there is substantial and continuing progress, we may extend the certificate for one six-month period. For an extension, you must submit an extension request at least 120 days before the expiration. You cannot begin a project after the expiration date.

This decision may be appealed. The appeal options are listed below.

Appeal Option 1:

Any person with standing 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

Physical Address:
Department of Health
Certificate of Need Program
111 Israel Road SE
Tumwater, WA 98501

Scott N. Faringer, Tri-City Orthopaedic Clinic, P.S.C. Certificate of Need Application #21-60 Certificate of Need #1929 April 12, 2022 Page 2 of 2

Appeal Option 2:

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 following addresses:

Mailing Address:Physical AddressDepartment of HealthDepartment of HealthAdjudicative Service UnitAdjudicative Service UnitMail Stop 47879111 Israel Road SEOlympia, WA 98504-7879Tumwater, WA 98501

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 the Certificate of Need Program at (360) 236-2955.

Sincerely,

Eric Hernandez, Program Manager

Certificate of Need

Office of Community Health Systems

Attachment



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 #1929 is issued to:

Applicant's Legal Name: Tri-City Orthopaedic Clinic, P.S.C **Applicant's Address:** 6703 West Rio Grande Avenue

Kennewick, Washington 99336

Facility Type Ambulatory Surgical Facility
Project Type Ambulatory Surgical Facility

Facility Name: Tri-City Orthopaedic Kennewick Surgery Center

Facility Address: 6703 West Rio Grande Avenue, Suite A

Kennewick, Washington 99336

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED APRIL 8, 2022. (CN APP # 21-60)

Project Description

This certificate approves the establishment of an ambulatory surgical facility in the Benton-Franklin Secondary Health Services Planning Area at 6703 West Rio Grande Avenue in Kennewick [99336]. The surgical facility will have four operating rooms and provide orthopedics; pain management; ear, nose, and throat surgery; general surgery, maxillofacial surgery; oral surgery; plastic surgery; and vascular surgery. The surgical facility will serve patients who require surgical services, are not expected to require hospitalization, and can be served appropriately in an outpatient setting.

Service Area

The Benton-Franklin Secondary Health Services Planning Area

Conditions

Five conditions are listed on page two of this certificate.

Approved Capital Expenditure

The approved capital expenditure is \$192,244.32 and consists of moveable equipment and associated sales tax.

This Certificate authorizes commencement of the project from April 12, 2022 to April 12, 2024 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: April 12, 2022

Eric Hernandez, Program Manager Community Health Systems

This Certificate is not transferable

Certificate of Need #1929 Page Two Conditions

- 1. Tri-City Orthopaedic Clinic, PSC., dba Tri-City Orthopaedic Kennewick Surgery Center agrees with the project description as stated above. Tri-City Orthopaedic Clinic, PSC., dba Tri-City Orthopaedic Kennewick Surgery Center further agrees that any change to the project as described in the project description above is a new project that requires a new Certificate of Need.
- 2. Tri-City Orthopaedic Clinic, PSC., dba Tri-City Orthopaedic Kennewick Surgery Center will maintain Medicare and Medicaid certification for the surgery center.
- 3. The surgery center will provide charity care in compliance with its charity care policy reviewed for this project. Tri-City Orthopaedic Clinic, PSC., dba Tri-City Orthopaedic Kennewick Surgery Center will use reasonable efforts to provide charity care in the amount consistent with the three-year average of charity care provided by the hospitals in the Benton-Franklin Secondary Health Services Planning Area. The three-year average for years 2017 2019 is 1.50% of gross revenue and 4.04% of adjusted revenue.
- 4. Tri-City Orthopaedic Clinic, PSC., dba Tri-City Orthopaedic Kennewick Surgery Center will maintain records of charity care applications received and the dollar amount of charity care discounts granted at the surgery center. The records must be available upon request.
- 5. Tri-City Orthopaedic Clinic, PSC., dba Tri-City Orthopaedic Kennewick Surgery Center will ensure that no staff will perform healthcare services at the surgery center without current credentials.