



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
*Olympia, Washington 98504*

August 21, 2014

CERTIFIED MAIL #7011 1570 0002 7809 5711

Heidi Aylsworth, Chief Strategy Officer  
Swedish Health Services  
747 Broadway  
Seattle, Washington 98122-4302

RE: CN14-29

Dear Ms. Aylsworth:

Enclosed is Certificate of Need #1498A issued to Swedish Health Services approving the amendment of Certificate of Need #1498 issued to Swedish Health Services on February 14, 2013. This amended Certificate of Need approves a change in the capital expenditure.

The certificate is not 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.

This Certificate of Need does not change the validity period for Certificate of Need #1498. The project must begin during the time stated on the enclosed certificate. 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.

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

Appeal Option 1:

An 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:

Heidi Aylsworth, Chief Strategy Officer  
Swedish Health Services  
August 21, 2014  
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Mailing Address:  
Janis Sigman, Manager  
Certificate of Need Program  
Department of Health  
Mail Stop 47852  
Olympia, WA 98504-7852

Other Than By Mail  
Janis Sigman, Manager  
Certificate of Need Program  
Department of Health  
111 Israel Road SE  
Tumwater, WA 98501

Appeal Option 2:

An 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:  
Adjudicative Service Unit  
Mail Stop 47879  
Olympia, WA 98504-7879

Other Than By Mail  
Adjudicative Service Unit  
111 Israel Road SE  
Tumwater, 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. Information contained in these reports will be used to determine ongoing and continuous progress.

If you have any question, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,



Steven Saxe, FACHE  
Director, Office of Community Health Systems

Enclosure

cc: Department of Health, Investigations and Inspections Office  
Department of Health, Construction Review Services



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 #1498A is issued to:**

**Legal Name of Applicant:** Swedish Health Services  
**Address of Applicant:** 747 Broadway, Seattle, Washington 98133  
**Type of Service:** Neonatal Intermediate Care and Level II Obstetric Services  
**Facility Name:** Swedish Health Services-Issaquah Hospital Campus  
**Facility Address:** 751 Northeast Blakely Drive, Issaquah, Washington 98029

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT’S RECORD AND EVALUATIONS OF AUGUST 12, 2011, (App#11-14) AND AUGUST 11, 2014, (App #14-29), AND THE ADJUDICATIVE SERVICES UNIT POST HEARING ORDER #5**

**Project Description:**

This Certificate approves the establishment of a 15-bed neonatal intermediate care nursery and level II obstetric services at the Issaquah Hospital campus. The 15-bed neonatal intermediate care nursery would be included within the hospital’s 175 approved acute care beds identified in Certificate of Need #1379A2 issued on November 29, 2010. The total of 175 beds is based on Swedish Health Services’ intent to meet Condition #2 attached to CN #1379A2. The type of license and number of beds are summarized below.

Type	Approved
General Medical/Surgical	160
Level II Intermediate Care Nursery	15
<b>Total</b>	<b>175</b>

**Service Area**  
King County

**Conditions Listed on Page Two**

**Approved Capital Expenditure**

The amended approved capital expenditure associated with this project is \$3,100,000.

**This Certificate authorizes commencement of the project from February 14, 2013, to February 14, 2015, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.**

**Date Amended Certificate Issued:** August 21, 2014

Steven Saxe, FACHE  
Director, Office of Community Health Systems

**This Certificate is not transferable.**

## Certificate of Need #1498A

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### Conditions:

1. Approval of the project description as stated above. Swedish Health Services 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. Swedish Health Services will ensure that its Issaquah Hospital campus will provide charity care in compliance with the charity care policies reviewed and approved by the Department of Health. Swedish Health Services will use reasonable efforts to provide charity care in an amounts identified in the application, which are 1.7% of total revenue and 2.75% of adjust revenue. Swedish Medical Center Issaquah's charity care percentages should not be below the regional average amount of charity care provided by hospitals in the King County Region. Currently, this amount is 1.67% of gross revenue and 3.05% of adjusted revenue. Swedish Health Services will maintain records at the facility documenting the amount of charity care it provides and demonstrating compliance with its charity care policies.