



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

March 24, 2017

CERTIFIED MAIL # 7016 0960 0000 5565 0307

Hyun Hong, M.D.
Washington Center for Pain Management, PLLC
1900 116TH Avenue NE, Suite 201
Bellevue, WA 98004

RE: CN 16-38

Dear Dr. Hong:

We have completed review of the Certificate of Need application submitted Washington Center for Pain Management, PLLC proposing to establish an ambulatory surgery center in Bellevue within east King County. Enclosed is a written evaluation of the application.

For the reasons stated in the enclosed decision, the application is consistent with the applicable criteria of the Certificate of Need Program, provided Washington Center for Pain Management, PLLC agrees to the following in its entirety.

Project Description:

This certificate approves Washington Center for Pain Management, PLLC dba Bellevue Surgery Center to convert the two room Certificate of Need exempt ASC located at 1900 –116TH Avenue NE, Suite 210 within the City of Bellevue [98004] in east King County secondary health services planning area to Certificate of Need approved. The ASC will provide multispecialty surgical services to patients 16 years and older who are not expected to require hospitalization and can be served in an outpatient surgery setting. Services to be provided at the ASC include general surgery, podiatry, orthopedic, plastic surgery, ENT, and pain management. Surgical services provided at the ASC would require anesthesia services.

Conditions:

1. Washington Pain Management Center, PLLC dba Bellevue Surgery Center agree with the project description as stated above. Washington Pain Management Center, PLLC dba Bellevue Surgery Center 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. Washington Pain Management Center, PLLC dba Bellevue Surgery Center must maintain its Medicare and Medicaid certification throughout the life of the facility, regardless of ownership.
3. Washington Pain Management Center, PLLC dba Bellevue Surgery Center will provide charity care in compliance with the charity care policy provided in the application, or any subsequent policies. Washington Pain Management Center, PLLC dba Bellevue Surgery Center will use reasonable efforts to provide charity care in the amount comparable to or exceeding the average amount of charity care provided by the four hospitals in East King County. Currently, this amount is 1.23% for gross revenue and 2.23% for adjusted revenue. Washington Pain Management Center, PLLC dba Bellevue Surgery Center will maintain records of charity care amount provided by Washington Pain Management Center, PLLC dba Bellevue Surgery Center documenting the amount of charity care its provides and demonstrating compliance with its charity care policies.
4. Washington Pain Management Center, PLLC dba Bellevue Surgery Center must maintain Medicare and Medicaid certification throughout the life of the facility regardless of ownership.

Approved Cost:

The approved capital expenditure for this project is \$181,047

Please notify the Department of Health within 20 days of the date of this letter whether you accept the above project description, conditions, and capital costs for your project. If you accept these in their entirety, your application will be approved and a Certificate of Need sent to you.

If you reject any of the above provisions, your application will be denied. The department will send you a letter denying your application and provide you information about your appeal rights.

Hyun Hong, M.D
Washington Center for Pain Management, PLLC
March 24, 2017
Page 3 of 3

Send your written response to the Certificate of Need Program, 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

If you have any questions, or would like to arrange for a meeting to discuss our decision, please contact Janis Sigman, Manager with the Certificate of Need Program at (360) 236-2955.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Bart Eggen', written over a horizontal line.

Bart Eggen, Deputy Director
Community Health Systems

Enclosure

**EVALUATION DATED MARCH 24, 2017, FOR THE CERTIFICATE OF NEED
APPLICATION SUBMITTED BY WASHINGTON CENTER FOR PAIN MANAGEMENT,
PLLC dba BELLEVUE SURGERY CENTER PROPOSING TO ESTABLISH A NEW
AMBULATORY SURGERY CENTER¹ IN EAST KING COUNTY SECONDARY SERVICES
HEALTH PLANNING AREA**

APPLICANT DESCRIPTION

Washington Center for Pain Management, PLLC dba Bellevue Surgery Center is a Certificate of Need exempt two-room ASC. The ASC is a solo practice and Hyun Hong, MD owns it. On March 5, 2012, in a Determination of Reviewability decision, the department exempted Washington Center for Pain Management, PLLC dba Bellevue Surgery Center from Certificate of Need review. According to the ASC organizational chart provided within this application, Praveen K. Mambalam, MD has access to the facility.

Washington Center for Pain Management, PLLC dba Bellevue Surgery Center is certified by the Centers for Medicare and Medicaid Services and accredited by Accreditation Association for Ambulatory Health Care. [Source: Application, Pages 2- 4 and Exhibit 2; and DOR decision March 5, 2012]

Washington Center for Pain Management, PLLC dba Bellevue Surgery Center own and operates nine pain management and surgical services facilities listed below. [Source: Application Page 3 and DOR decision March 5, 2012]

| Facility Address | City | Zip Code |
|---|-------------|----------|
| 1900 116 th Avenue NE, Suite 201 | Bellevue | 98004 |
| 1301 4 th Avenue NW, Suite 200 | Issaquah | 98027 |
| 3305 Nassau St. | Everett | 98201 |
| 21616 76 th Avenue West | Edmonds | 98026 |
| 13125 121 th Avenue NE | Kirkland | 98034 |
| 1412 SW 43 RD Street, Suite 110 | Renton | 98057 |
| 922 S 348 th Street | Federal Way | 98003 |
| 1408 3 rd Street SE | Puyallup | 98372 |
| 145 Lilly Road NE, Suite 101 | Olympia | 98506 |

PROJECT DESCRIPTION

Washington Center for Pain Management, PLLC dba Bellevue Surgery Center proposes to convert the two room Certificate of Need exempt ASC located at 1900 –116TH Avenue NE, Suite 210 within the City of Bellevue [98004] in east King County to Certificate of Need approved. The ASC would provide multispecialty surgical services to patients 16 years and older who are not expected to require hospitalization and can be served in an outpatient surgery setting. Services to be provided at the ASC include general surgery, podiatry, orthopedic, plastic surgery, ENT, and pain management. Surgical services provided at the ASC would require anesthesia services. [Source: Application, page 6, Exhibit 4 and October 13, 2016, supplemental information, page 5-6, Appendix A]

¹ For Certificate of Need purposes, ambulatory surgery facility (ASF) and ambulatory surgery center (ASC) have the same meaning. For ease of reading, ASC will be used throughout this analysis.

The capital expenditure associated with the project is \$181,047.75 and it is solely for moveable equipment. [Source: Application Page 16 and Exhibit 7]

If this project is approved, Washington Center for Pain Management, PLLC dba Bellevue Surgery Center anticipates the project would become operational by the end of December 2016². Under this timeline, year 2017 would be the facility's first full calendar year of operation and 2019 would be year three. [Source: Application Page 8 and Supplemental information received August 22, 2016]. For ease of reference within this evaluation, the department would refer to Washington Center for Pain Management, PLLC dba Bellevue Surgery Center as ('WCPM').

APPLICABILITY OF CERTIFICATE OF NEED LAW

This project is subject to Certificate of Need review as the construction, development, or other establishment of a new healthcare facility under Revised Code of Washington (RCW) 70.38.105(4)(a) and Washington Administrative Code (WAC) 246-310-020(1)(a).

EVALUATION CRITERIA

WAC 246-310-200(1)(a)-(d) identifies the four determinations that the department must make for each application. WAC 246-310-200(2) provides additional direction in how the department is to make its determinations. It states:

“Criteria contained in this section and in WAC 246-310-210, 246-310-220, 246-310-230, and 246-310-240 shall be used by the department in making the required determinations.

(a) In the use of criteria for making the required determinations the department shall consider:

- (i) The consistency of the proposed project with service or facility standards contained in this chapter;*
- (ii) In the event the standards contained in this chapter do not address in sufficient detail for a required determination the services or facilities for health services proposed, the department may consider standards not in conflict with those standards in accordance with subsection (2)(b) of this section; and*
- (iii) The relationship of the proposed project to the long-range plan (if any) of the person proposing the project”*

In the event that WAC 246-310 does not contain service or facility standards in sufficient detail to make the required determinations, WAC 246-310-200(2)(b) identifies the types of standards the department may consider in making its required determinations. Specifically WAC 246-310-200(2)(b) states:

“The department may consider any of the following in its use of criteria for making the required determinations:

- (i) Nationally recognized standards from professional organizations;*
- (ii) Standards developed by professional organizations in Washington State;*
- (iii) Federal Medicare and Medicaid certification requirements;*
- (iv) State licensing requirements;*
- (v) Applicable standards developed by other individuals, groups, or organizations with recognized expertise related to a proposed undertaking; and*

² WCPM assumed the project would commence by the end of December 2016 when the department is still reviewing this project. According to this project review timeline, the department decision is scheduled to be released on January 27, 2017.

(vi) *The written findings and recommendations of individuals, groups, or organizations with recognized experience related to a proposed undertaking, with whom the department consults during the review of an application.*”

To obtain Certificate of Need approval, the applicant must demonstrate compliance with the criteria found in WAC 246-310-210 (need); 246-310-220 (financial feasibility); 246-310-230 (structure and process of care); 246-310-240 (cost containment). Additionally, WAC 246-310-270 (ambulatory surgery) contains service or facility specific criteria for ASC projects and must be used to make the required determinations for applicable criteria in WAC 246-310-210.

TYPE OF REVIEW

This application was reviewed under the regular review timeline outlined in WAC 246-310-160, which is summarized below.

APPLICATION CHRONOLOGY

| Action | WCPM |
|--|---|
| Letter of Intent Submitted | November 30, 2015 |
| Application Submitted | May 31, 2016 |
| Department’s Pre-review Activities including <ul style="list-style-type: none"> • DOH 1st Screening Letter • Applicant’s 1st Screening Responses Received • DOH 2nd Screening Letter • Applicant’s 2nd Screening Responses Received | June 21, 2016 August 22, 2016 ³ September 13, 2016 October 13, 2016 |
| Beginning of Review | October 21, 2016 |
| End of Public Comment <ul style="list-style-type: none"> • Public comments accepted through⁴ • Public hearing conducted⁵ • Rebuttal Comments Received | November 28, 2016 N/A N/A |
| Department's Anticipated Decision Date | January 27, 2017 |
| Department's Actual Decision Date | March 24, 2017 |

AFFECTED PERSONS

Washington Administrative Code 246-310-010(2) defines “affected” person as:

“...an “interested person” who:

- (a) *Is located or resides in the applicant's health service area;*
- (b) *Testified at a public hearing or submitted written evidence; and*
- (c) *Requested in writing to be informed of the department's decision.*”

As noted above, WAC 246-310-010(2) requires an affected person to first meet the definition of an ‘interested person.’ WAC 246-310(34) defines “interested person” as:

- (a) *The applicant;*
- (b) *Health care facilities and health maintenance organizations providing services similar to the services under review and located in the health service area;*

³ WCPM requested extension to the timeline to submit screening responses. Responses were due on August 5, 2016.

⁴ The department did not receive any public comment therefore; WCPM did not provide rebuttal comment.

⁵ The department did not conduct a public hearing.

- (c) *Third-party payers reimbursing health care facilities in the health service area;*
- (d) *Any agency establishing rates for health care facilities and health maintenance organizations in the health service area where the proposed project is to be located;*
- (e) *Health care facilities and health maintenance organizations, which, in the twelve months prior to receipt of the application, have submitted a letter of intent to provide similar services in the same planning area;*
- (f) *Any person residing within the geographic area to be served by the applicant; and*
- (g) *Any person regularly using health care facilities within the geographic area to be served by the applicant.*

Swedish Medical Center

Swedish Medical Center owns and operates healthcare facilities within east King County and requested interested person status and asked to be informed of the department's decision. Therefore, Swedish Medical Center meet the definition of an "interested person" under WAC 246-310-010(34), but it did not provide public comments so it cannot qualify as an "affected person" as it relates to this application.

Providence Health

Providence Health Services is an affiliate of Swedish Medical Center. Providence Health Services through Swedish Medical Center requested interested person status and asked to be informed of the department's decision. Therefore, Providence Health Services meet the definition of an "interested person" under WAC 246-310-010(34), but it did not provide public comments so it cannot qualify as an "affected person" as it relates to this application.

SOURCE INFORMATION REVIEWED

- Washington Center for Pain Management, PLLC dba Bellevue Surgery Center Certificate of Need application received on May 31, 2016
- Washington Center for Pain Management, PLLC dba Bellevue Surgery Center screening responses received on August 22, 2016 and October 13, 2016
- Year 2016 Annual Ambulatory Surgery Provider Survey for Surgical Procedures Performed During Calendar Year 2015 for hospitals, ambulatory surgery centers, or ambulatory surgical facilities located in east King County
- Department of Health's Integrated Licensing and Regulatory System [ILRS] data obtained for ambulatory surgery centers or ambulatory surgical facilities located in east King County.
- Year 2014 Claritas population data received in year 2015
- Washington State Department of Ecology King County zip code map prepared by GIS Technical Services and released on August 3, 2006
- Licensing data provided by the Medical Quality Assurance Commission
- The Accreditation Association for Ambulatory Health Care www.aaahc.org

CONCLUSION

For the reasons stated in this evaluation, the application submitted by Washington Pain Management Center, PLLC dba Bellevue Surgery Center proposing to convert the two operating rooms Certificate of Need exempt ASC to Certificate of Need approved in Bellevue within East King County secondary Health services planning area is consistent with applicable criterion of the Certificate of Need is Program provided Washington Pain Management Center, PLLC dba Bellevue Surgery Center agree to the following conditions.

Project Description:

This certificate approves Washington Center for Pain Management, PLLC dba Bellevue Surgery Center to convert the two room Certificate of Need exempt ASC located at 1900 –116TH Avenue NE, Suite 210 within the City of Bellevue [98004] in east King County secondary health services planning area to Certificate of Need approved. The ASC will provide multispecialty surgical services to patients 16 years and older who are not expected to require hospitalization and can be served in an outpatient surgery setting. Services to be provided at the ASC include general surgery, podiatry, orthopedic, plastic surgery, ENT, and pain management. Surgical services provided at the ASC would require anesthesia services.

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4. Washington Pain Management Center, PLLC dba Bellevue Surgery Center must maintain Medicare and Medicaid certification throughout the life of the facility regardless of ownership.

Approved Cost:

The approved capital expenditure for this project is \$181,047

CRITERIA DETERMINATIONS

A. Need (WAC 246-310-210)

Based on the source information reviewed, and agreement to the conditions identified in the conclusion section of this evaluation, the department determines that Washington Center for Pain Management, PLLC dba Bellevue Surgery Center project has met the need WAC 246-310-210 and WAC 246- 310- 270

(1) The population served or to be served has need for the project and other services and facilities of the type proposed are not or will not be sufficiently available or accessible to meet that need.

WAC 246-310-270(6)

WAC 246-310-270(6) requires a minimum of two ORs in an ASC. WCPM currently operate two ORs and the applicant intends to continue to maintain both ORs. A review of the facility floor layout submitted by WCPM in the application confirmed it has two operating rooms [Sources: Application, page 2, and Screening responses received August 22, 2016, Exhibit H]. **This sub-criterion is met.**

WAC 246-310-270(9) – Ambulatory Surgery Numeric Methodology

The methodology in WAC 246-310-270(9) divides Washington States into 54 secondary health services planning areas. The numeric methodology provides a basis of comparison for existing operating room (OR) capacity for both outpatient and inpatient ORs in a planning area using the current utilization of existing providers.

The methodology estimates OR need in a planning area using multiple steps as defined in WAC 246-310-270(9). This methodology relies on a variety of assumptions and initially determines existing capacity of dedicated outpatient and mixed-use operating rooms in the planning area, it subtracts this capacity from the forecasted number of surgeries expected in the planning area in the target year, and it examines the difference to determine:

- (a) Whether a surplus or shortage of ORs is predicted to exist in the target year; and
- (b) If a shortage of ORs is predicted, the shortage of dedicated outpatient and mixed-use rooms are calculated.

Data used to make these projections specifically exclude special purpose and endoscopy operating rooms and procedures.

WCPM Application of the Numeric Methodology

- *The methodology divides Washington State into 54 planning/services areas. Washington Center for Pain Management is located in the East King Health Services Planning Area. Which is defined using the zip codes in Table 5. [Source: Screening responses received August 22, 2016, page 5]*

**Table 5 (Reproduced)
East King Secondary Health Services Planning Area
Zip Codes⁶**

| City | Zip Code |
|--------------------------|-----------------|
| <i>Bellevue</i> | <i>98004</i> |
| <i>Bellevue</i> | <i>98005</i> |
| <i>Bellevue</i> | <i>98006</i> |
| <i>Bellevue/Eastgate</i> | <i>98007</i> |
| <i>Bellevue</i> | <i>98008</i> |

⁶ Source: The Neilson Company

| | |
|---------------------------|-------|
| <i>Bellevue</i> | 98009 |
| <i>Black Diamond</i> | 98011 |
| <i>Carnation</i> | 98014 |
| <i>Duvall</i> | 98019 |
| <i>Fall City</i> | 98024 |
| <i>Issaquah</i> | 98027 |
| <i>Issaquah</i> | 98029 |
| <i>Kenmore/Bothell</i> | 98028 |
| <i>Redmond/Totem Lake</i> | 98033 |
| <i>Kirkland</i> | 98034 |
| <i>Medina</i> | 98039 |
| <i>Mercer Island</i> | 98040 |
| <i>North Bend</i> | 98045 |
| <i>Preston</i> | 98050 |
| <i>Redmond/Avondale</i> | 98052 |
| <i>Redmond</i> | 98053 |
| <i>Snoqualmie</i> | 98065 |
| <i>Snoqualmie Pass</i> | 98068 |
| <i>Woodinville</i> | 98072 |
| <i>Redmond</i> | 98073 |
| <i>Sammamish/Redmond</i> | 98074 |
| <i>Sammamish</i> | 98075 |
| <i>Woodinville</i> | 98077 |
| <i>Kirkland</i> | 98083 |
| <i>Seattle</i> | 98174 |
| <i>Baring</i> | 98224 |
| <i>Skykomish</i> | 98288 |

- The population data for the East King Secondary Health Services Planning Area included in Table 6 demonstrates that the current total population of approximately 660,229 continues to grow and is expected to increase by 6.8% by 2020. The largest growth will occur in the age 45-84 cohorts. These combined age cohorts are expected to add another 39,530 residents (nearly 32%) over the next five years. [Source: Application pages 12-13]

Table 6 (Reproduced)
East King Secondary Health Services Planning Area Population

| | 2010 | Pct of Tot Pop | 2105 Est | Pct of Tot Pop | Pct Chg 2010 - 2015 | 2020 Proj | Pct of Tot Pop | Pct Chg 2015 - 2020 |
|--------------------|-------------|-----------------------|-----------------|-----------------------|----------------------------|------------------|-----------------------|----------------------------|
| <i>Tot. Pop.</i> | 608,587 | 100% | 660,229 | 1% | 7.8% | 708,329 | 1% | 6.8% |
| <i>Pop. By Age</i> | | | | | | | | |
| <i>0-20</i> | 163,431 | 26.7% | 175,089 | 26.5% | 6.7% | 185,325 | 26% | 5.5% |
| <i>21-44</i> | 208,282 | 34.2% | 213,191 | 32.3% | 2.3% | 211,331 | 30% | -0.9% |
| <i>45-64</i> | 169,963 | 27.9% | 187,519 | 28.4% | 9.4% | 203,777 | 29% | 8.0% |
| <i>65-84</i> | 56,721 | 9.3% | 73,363 | 11.1% | 22.7% | 96,635 | 14% | 24.1% |
| <i>85+</i> | 10,110 | 1.7% | 11,067 | 1.7% | 8.6% | 11,261 | 2% | 1.7% |

Table 7 (Reproduced)
East King Secondary Health Services Planning Area Patient Origin

| City | Zip Code | Percent of Total |
|---------------------------|-----------------|-------------------------|
| <i>Bellevue</i> | 98004 | 6.29% |
| <i>Bellevue</i> | 98005 | 3.34% |
| <i>Bellevue</i> | 98006 | 4.52% |
| <i>Bellevue/Eastgate</i> | 98007 | 3.54% |
| <i>Bellevue</i> | 98008 | 5.11 % |
| <i>Bellevue</i> | 98009 | 0.39% |
| <i>Black Diamond</i> | 98011 | 3.54% |
| <i>Carnation</i> | 98014 | 1.38% |
| <i>Duvall</i> | 98019 | 2.16% |
| <i>Fall City</i> | 98024 | 0.79% |
| <i>Issaquah</i> | 98027 | 3.54% |
| <i>Issaquah</i> | 98029 | 2.75% |
| <i>Kenmore/Bothell</i> | 98028 | 2.16% |
| <i>Redmond/Totem Lake</i> | 98033 | 6.48% |
| <i>Kirkland</i> | 98034 | 10.02% |
| <i>Medina</i> | 98039 | 0.98% |
| <i>Mercer Island</i> | 98040 | 1.96% |
| <i>North Bend</i> | 98045 | 2.36% |
| <i>Preston</i> | 98050 | 0.00% |
| <i>Redmond/Avondale</i> | 98052 | 7.66% |
| <i>Redmond</i> | 98053 | 4.72% |
| <i>Renton</i> | 98056 | 5.30% |
| <i>Newcastle</i> | 98059 | 6.09% |
| <i>Snoqualmie</i> | 98065 | 1.96% |
| <i>Snoqualmie Pass</i> | 98068 | 0.00% |
| <i>Woodinville</i> | 98072 | 6.29% |
| <i>Redmond</i> | 98073 | 0.39% |
| <i>Sammamish/Redmond</i> | 98074 | 1.57% |
| <i>Sammamish</i> | 98075 | 2.36% |
| <i>Woodinville</i> | 98077 | 2.16% |
| <i>Kirkland</i> | 98083 | 0.00% |
| <i>Seattle</i> | 98174 | 0.00% |
| <i>Baring</i> | 98224 | 0.00% |
| <i>Skykomish</i> | 98288 | 0.20% |

Table 8 (Reproduced)
Washington Center for Pain Management Projected Utilization, 2016 -2019

| Year | Number of Procedures |
|-------------|-----------------------------|
| 2016 | 2,388 |
| 2017 | 2,629 |
| 2018 | 2,401 |
| 2019 | 2,934 |
| 2020 | 3,067 |

- *This project proposes to convert an existing CN-exempt ASF to a CN-approved ASF so that it can continue to provide surgical services while increasing access to those services by promoting more effective utilization of operating room capacity*
- *There is need additional surgical services in the planning area. A CN-approved ASF operated by Washington Center for Pain Management will increase access to these needed services by allowing qualified, credentialed and privileged physicians in good standing to utilize its fully built-out and operational facility. Approving a CN for this existing facility is a cost-effective means of increasing patient access to these services. [Source: Application pages 12-13]*
- *Pursuant to WAC 246-310-270(9), there is a demonstrated need for an additional 21.8 outpatient ambulatory surgery operating rooms in the East King Secondary Health Planning Area. See Exhibit 13 for Washington Center for Pain Management’s need methodology calculation. If the proposed project is not approved, there will be insufficient ASF outpatient operating rooms to meet the projected demand for the same. Patients in the East King Secondary Health Planning Area will not have adequate access to outpatient surgical services, which will frustrate the effort to lower health care costs in the planning area. [Source: Application page 9]*

Public Comments

- None

Rebuttal Comments

- None

The Department Application of the Numeric Methodology

For ASC planning areas, the state health plan identifies 21 East King County zip codes.⁷ When the 21 zip codes are charted on the Department of Ecology King County zip codes map, inclusion of another 11 zip codes appears based on the geographic location of the zip codes. Table 1 below shows the zip codes and associated cities for the 32 zip codes associated with East King County secondary health services planning area. [Source: 1980 SHP and Washington State Department of Ecology King County zip code map prepared by GIS Technical Services and released August 3, 2006]

**Table 1
East King County Planning Area Zip Codes**

| Zip Code | City by Zip Code |
|-----------------|-------------------------|
| 98004 | Bellevue |
| 98005 | Bellevue |
| 98006 | Bellevue |
| 98007 | Bellevue/Eastgate |
| 98008 | Bellevue |
| 98009 | Bellevue |
| 98011 | Black Diamond |

⁷ Included in the SHP zip codes for East King County secondary health services planning area is zip 98026, for a total of 22 zip codes. Zip code 98026 is in the city of Edmonds within Snohomish County therefore it will not be included in the East King County secondary health services planning area zip codes.

| | |
|-------|--------------------|
| 98014 | Carnation |
| 98019 | Duvall |
| 98024 | Fall City |
| 98027 | Issaquah |
| 98028 | Kenmore/Bothell |
| 98029 | Issaquah |
| 98033 | Redmond/Totem Lake |
| 98034 | Kirkland |
| 98039 | Medina |
| 98040 | Mercer Island |
| 98045 | North Bend |
| 98050 | Preston |
| 98052 | Redmond/Avondale |
| 98053 | Redmond |
| 98065 | Snoqualmie |
| 98068 | Snoqualmie Pass |
| 98072 | Woodinville |
| 98073 | Redmond |
| 98074 | Sammamish/Redmond |
| 98075 | Sammamish |
| 98077 | Woodinville |
| 98083 | Kirkland |
| 98174 | Seattle |
| 98224 | Baring |
| 98288 | Skykomish |

According to the department’s historical records, there are 49 providers within the East King County secondary health services planning area including the applicant with OR capacity. Of the 49 providers, four are hospitals and 45 are ASCs. Shown below in Table 2 is the listing of the four hospitals. [Source: CN historic files and DOH ILRS database]

Table 2
East King County Planning Area Hospitals

| Hospitals | City/Zip |
|-----------------------------------|------------------|
| Evergreen Health | Kirkland/98034 |
| Overlake Hospital Medical Center | Bellevue/98004 |
| Snoqualmie Valley Hospital | Snoqualmie/98065 |
| Swedish Medical Center – Issaquah | Issaquah/98029 |

For the four hospitals, all known OR capacity and inpatient / mixed-use procedures are included in the methodology calculations for the planning area.

Because there is no mandatory reporting requirement for utilization of ASCs or hospital ORs, the departments sends an annual utilization survey to all hospitals and known ASCs in Washington. When WCPM submitted its application on May 31, 2015, the department most recent annual utilization survey was year 2014. On August 5, 2016, the department conducted its year 2015 annual survey and collected the most recently available provider’s data. Since the data provided in

the year 2015 annual utilization survey, is the most recently available data, the department would use this data. All four of the hospitals operational within East King County secondary health services planning area did not complete year 2015 Annual Ambulatory Surgery Provider Survey. Listed in Table 3 below, are the 45 ASCs located in the planning area.

Table 3
East King County Planning Area Ambulatory Surgery Centers

| Ambulatory Surgery Centers | City/Zip |
|--|-----------------------|
| Aesthetic Facial Plastic Surgery | Bellevue/98004 |
| Aesthetic Physicians dba Sono Bello | Bellevue/98004 |
| Allure Laser Center | Kirkland/98033 |
| Anderson Sobel Cosmetic Surgery | Bellevue/98004 |
| Athenix Body Sculpting Institute | Bellevue/98005 |
| Aysel Sanderson, MD | Kirkland/98033 |
| Bellevue Plastic Surgery Center | Bellevue/98004 |
| Bellevue Spine Specialists | Bellevue/98005 |
| Bellevue Surgery Center [Applicant] | Bellevue/98009 |
| Bel-Red ASF | Bellevue/98004 |
| Center for Plastic Surgery | Bellevue/98004 |
| Cosmetic Surgery and Dermatology of Issaquah | Issaquah/98027 |
| Eastside Endoscopy Center-Bellevue site* | Bellevue/98004 |
| Eastside Endoscopy Center-Issaquah site* | Issaquah/98027 |
| Eastside Surgery Center | Issaquah/98027 |
| Egrari Plastic Surgery Center | Bellevue/98004 |
| Evergreen Endoscopy Center* | Kirkland/98034 |
| Evergreen Health Surgical Center | Kirkland/98034 |
| Evergreen Surgical Clinic ASC | Kirkland/98034 |
| Gaboriau Center | Sammamish/98074 |
| Group Health Cooperative Bellevue Endoscopy | Bellevue/98004 |
| John H. Brunsman, MD | Redmond/98073 |
| Naficy Plastic Surgery and Rejuvenation Center | Bellevue/98004 |
| Northwest Center for Aesthetic Plastic Surgery | Bellevue/98004 |
| Northwest Laser and Surgery Center | Bellevue/98005 |
| Northwest Nasal Sinus Center | Kirkland/98033 |
| Overlake Reproductive Health, Inc. | Bellevue/98004 |
| Overlake Surgery Center | Bellevue/98004 |
| Pacific Cataract and Laser Institute-Bellevue | Bellevue/98004 |
| Plastic Surgery Northwest | Kirkland/98034 |
| Proliance Eastside Surgery Center | Kirkland/98034 |
| Proliance Highlands Surgery Center | Issaquah/98029 |
| Redmond Ambulatory Surgery Center, LLC | Redmond 98034 |
| Remington Plastic Surgery Center | Kirkland/98034 |
| Retina Surgery Center | Bellevue/98004 |
| Sammamish Center for Facial Plastic Surgery | Sammamish/98074 |
| Seattle Children's-Bellevue | Bellevue/98004 |
| SoGab Surgery Center | Kirkland/98033 |
| Stern Center for Aesthetic Surgery | Bellevue/98004 |

| Ambulatory Surgery Centers | City/Zip |
|--|-----------------|
| Virginia Mason-Bellevue Endoscopy* | Bellevue/98004 |
| Virginia Mason-Issaquah Endoscopy* | Issaquah/98027 |
| Washington Institute Orthopedic Center | Kirkland/98034 |
| Washington Urology Associates-Bellevue | Bellevue/98004 |
| Washington Urology Associates-Kirkland | Kirkland/98034 |
| Yarrow Bay Plastic Surgery Center | Kirkland/98033 |

[Source: ILRS]

Of the 45 ASCs shown above, five are endoscopy facilities (shown with an asterisk). The ASC numeric methodology deliberately excludes endoscopy facilities OR capacity and procedures from the numeric methodology.⁸ As a result, the ORs and procedures for these five facilities will not be counted in the numeric methodology.⁹

For the remaining 40 ASCs, 30 are located within a solo or group practice (considered a Certificate of Need-exempt ASC) and the use of these ASCs is restricted to physicians that are employees or members of the clinical practices that operate these facilities. Therefore, the 30 facilities do not meet the ASC definition in WAC 246-310-270. For Certificate of Need-exempt ASCs, the number of surgeries, but not ORs, is included in the methodology for the planning area. Data submitted by WCPM is included with the exempt ASCs.

The remaining ten ASCs are Certificate of Need-approved facilities.¹⁰ For these ten facilities, the OR capacity and utilization is counted in the numeric methodology.

In summary, data will be used for 30 Certificate of Need-exempt ASCs and ten Certificate of Need-approved ASCs. If a facility does not complete and return a utilization survey, then the other data source that can be used is the department's internal database known as the Integrated Licensing and Regulatory System (ILRS). WAC 246-330-100(2), licensed ambulatory surgical facilities must submit to the department an annual update form. The data provided on this annual update form includes the number of ORs and the approximate number of procedures performed at the facility during the year. This data is updated in ILRS as it is received. The department uses the listed number of surgical procedures and multiplies the number by 50 minutes which is the default minutes per outpatient surgery as identified under WAC 246-310-270(9)(b)(iii).

The data points used in the department's numeric methodology are identified in Table 4. The methodology and supporting data used by the department is provided in the attached Appendix A with this evaluation.

⁸ WAC 246-310-270(9)(iv).

⁹ The five facilities are Eastside Endoscopy-Bellevue; Eastside Endoscopy-Issaquah; Evergreen Endoscopy Center; Virginia Mason-Bellevue, and Virginia Mason-Issaquah.

¹⁰ Bel-Red Ambulatory Surgical Facility [CN #1485]; Eastside Surgery Center [CN #1462]; Evergreen Surgical Center [under Evergreen Health HAC license]; Evergreen Health Ambulatory Surgical Care [CN #1549]; Northwest Nasal Sinus Center [CN #1250]; Overlake Surgery Center [CN #1192]; Proliance Eastside Surgery Center [CN #1342]; Proliance Highland Surgery Center; Redmond Ambulatory Surgery Center, LLC, and Seattle Children's ASC [CN # 1395].

**Table 4
Department's Methodology Assumptions and Data**

| Assumption | Data Used |
|--|--|
| Planning Area | East King County |
| Population Estimates and Forecasts | Age Group: 15+ Claritas Population Data released year 2015: Year 2015 – 541,266 Year 2019 – 576,362 |
| Use Rate | Divide calculated surgical cases by 2015 population results in the service area use rate of 140.460/1,000 population |
| Year 2015 Total Number of Surgical Cases | 23,418 – Inpatient or Mixed-Use; 52,608 – Outpatient 76,026 – Total Cases |
| Percent of surgery: ambulatory vs. inpatient | Based on DOH survey and ILRS data: 69.20% ambulatory (outpatient); 30.80% inpatient |
| Average minutes per case | Based on DOH survey and ILRS Data: Outpatient cases: 59.79 minutes Inpatient cases: 110.17 minutes |
| OR Annual capacity in minutes | 68,850 outpatient surgery minutes; 94,250 inpatient or mixed-use surgery minutes (per methodology in rule) |
| Existing providers/ORs | Based on listing of East King County Providers: 35 dedicated outpatient ORs 39 mixed use ORs |
| Department's Methodology Results | Numeric Need for an additional 13.65 outpatient ORs |

Based on the assumptions described in Table 4, the department's application of the numeric methodology indicates a need for 13.65 outpatient ORs in year 2019. The methodology and supporting data used by the department is provided in Appendix A attached to this evaluation.

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

Based on the information provided by WCPM and the department's application of the numeric need, the department concludes the current services and facility of the type proposed are not sufficiently available and accessible to meet the current need in the planning area. The department concludes **this sub-criterion is met.**

- (2) All residents of the service area, including low-income persons, racial and ethnic minorities, women, handicapped persons, and other underserved groups and the elderly are likely to have adequate access to the proposed health service or services.

WAC 246-310-270(7)

WAC 246-310-270(7) requires that ASCs shall implement policies to provide access to individuals unable to pay consistent with charity care levels reported by the hospitals affected by the proposed project.

To evaluate this sub-criterion, the department evaluates an applicant's admission policies, willingness to serve Medicare and Medicaid patients, and to serve patients that cannot afford to pay for services. The admission policy provides the overall guiding principles of the facility as to the types of patients that are appropriate candidates to use the facility and assurances regarding access to treatment. The admission policy must also include language to ensure all residents of the planning area would have access to the proposed services. This is accomplished by providing an admission policy that states patients would be admitted without regard to race, ethnicity, national origin, age, sex, pre-existing condition, physical, or mental status.

Medicare certification is a measure of an agency's willingness to serve the elderly. With limited exceptions, Medicare is coverage for individuals age 65 and over. It is also well recognized that women live longer than men do and therefore more likely to be on Medicare longer.

Medicaid certification is a measure of an agency's willingness to serve low income persons and may include individuals with disabilities.

A facility's charity care policy should show a willingness of a provider to provide services to patients who do not have private insurance, do not qualify for Medicare, do not qualify for Medicaid or are under insured. With the passage of the Affordable Care Act (ACA), the amount of charity care is expected to decrease, but not disappear.

WCPM

- Please see Exhibit 5 for the source of patient revenue with the anticipated revenue from each source. It should be noted that Exhibit 5 only lists the sources that generate patient revenue. Charity Care does not generate revenue so it is not accounted for in Exhibit 5. Washington Center for Pain Management anticipates providing charity care equal to 2.5% of its revenue. [Source: Application page 7]
- Admission to Washington Center for Pain Management's ambulatory surgical facility is based upon clinical need. Services are made available to all persons regardless of race, color, creed, sex, sexual orientation, national origin, or disability. A copy of Washington Center for Pain Management's approval admission policy is included as Exhibit 15. [Source: Application page 15]
- Washington Center for Pain Management takes seriously its responsibility to provide access to the services and facilities needed by its communities. As discussed below, Washington Center for Pain Management's pro forma financial forecast includes the provision of charity care at 2.5% of gross revenue. A copy of Washington Center for Pain Management's approved charity policy is included as Exhibit 16. [Source: Application page 15]

- DoH staff reproduction of WCPM historical and projected sources of revenue based on screening responses. [Source: Screening responses received August 22, 2016, page 8]

Reproduced WCPM Current Payor Source, Percentages of Cases and gross revenue

| Payer Group | % Cases | Gross Revenue |
|-----------------------------------|----------------|----------------------|
| Medicare | 33% | 32% |
| Medicaid | 0.0% | 0% |
| Commercial/Health Care Contractor | 54% | 56% |
| HMO | 5.0% | 4% |
| Other Government/L&I | 8.0% | 8% |
| Self-Pay | 0.0% | 0% |

Reproduced WCPM Projected Payor Source, Percentages of Cases and gross revenue

| Payer Group | % Cases | Gross Revenue |
|-----------------------------------|----------------|----------------------|
| Medicare | 33% | 32% |
| Medicaid | 0% | 0% |
| Commercial/Health Care Contractor | 55% | 57% |
| HMO | 5% | 4% |
| Other Government/L&I | 7% | 7% |
| | 0% | 0% |

Public Comments

- None

Rebuttal Comments

- None

DoH staff summary of WCPM Charity care data based on screening responses. [Source: Screening responses received August 22, 2016, page 7]

Reproduced WCPM Project Charity Care

| | <i>% of Total Revenue</i> | <i>% of Adjusted Revenue</i> |
|---|----------------------------------|-------------------------------------|
| Hospitals in King County Region (excluding Harrison Medical Center charity care data) | 1.95% | 4.10% |
| East King County Four Hospitals Combined | 5.42/4 = 1.35 % | 11.44/4 = 2.86% |
| Washington Center for Pain Management | 2.5% | 3.68% |

Department Evaluation

The admission policy provided by WCPM outlines the process and criteria the applicant uses to admit patients for treatment and ensures that patients will receive appropriate care at the ASC. WCPM stated it is certified to provide services to Medicare and Medicaid eligible patients. Information provided in the application shows WCPM expects reimbursements from Medicare, but it does not show reimbursements from Medicaid. WCPM stated it would continue to maintain its Medicare and Medicaid certification. [Sources: Application page 4 and Screening responses received August 22, 2016, page 8] If a project is approved, the department attaches a condition requiring the applicant to continue to maintain its Medicare and Medicaid certification consistent with the information provided in the application. If WCPM project is approved, the department would attach a similar condition.

The department notes that WCPM demonstrated its intent to provide charity care to patients receiving treatments at the ASC by submitting a charity care policy to be used at the facility. A review of the policy outlines the process patients would use to access services when they do not have the financial resources to pay for required treatments. [Source: Application, Exhibit 16]

WCPM is located in East King County secondary health planning area within the King County region. Currently, there are 21 hospitals operating in the region. Of those 21 hospitals, four are acute care hospitals operating within East King County secondary health planning area and the approval of this project may affect these four hospitals.

For this project, the department reviewed the most recent three years charity care data for the 21 existing hospitals currently operating within the King County Region, but mainly focused on the four general acute care hospitals within East King County secondary health services planning area. The three years of charity care data reviewed are 2013, 2014, and 2015. Shown in Table 5 is a comparison of the three years average charity care for the King County Region as a whole, the combine four hospitals charity care averages, and WCPM projected charity care¹¹ for this project.¹² [Sources: HPDS Charity Care 2013-2015, WCPM Supplemental information received August 22, 2016, Page 7 and Exhibit J]

**Table 5
Charity Care**

| | % of Total Revenue | % of Adjusted Revenue |
|--------------------------------|---------------------------|------------------------------|
| King County Region | 1.32% | 2.60% |
| Four Hospitals Combined | 1.23% | 2.23% |
| WCPM | 2.51% | 3.06% |

As shown above, the proposed charity care levels represented in WCPM application exceeded the regional and the four-hospital average. In its pro forma financial statement, WCPM also included a ‘charity care’ line item as a deduction from expenses. [Sources: Screening responses received August 22, 2016, Exhibit J] Based on the review of WCPM historical financial statements, it does not appear the applicant currently provide charity care. If a project is approved, the department attaches a

¹¹ At the time, WCPM submitted its application year 2015 charity care data from HPDS was not yet available. As at the writing of this evaluation, year 2015 charity care data is now available.

¹² Harborview Medical Center is subsidized by the state legislature to provide charity care services. Charity care percentages for Harborview make up almost 50% of the total percentages provided in the King County Region. Therefore, for comparison purposes, the department excludes Harborview Medical Center’s percentages.

condition requiring the applicant to provide a copy of the final charity care policy consistent with the policy documentation. If WCPM project is approved, the department would attach a similar condition.

Based on the source document reviewed and the applicant agreement to the conditions identified in the “conclusion” section of this evaluation, the department concludes that all residents including low income, racial and ethnic minorities, handicapped, and other under-served groups would have access to the services provided by the applicant. **This sub-criterion is met.**

(3) The applicant has substantiated any of the following special needs and circumstances the proposed project is to serve.

(a) The special needs and circumstances of entities such as medical and other health professions schools, multidisciplinary clinics and specialty centers providing a substantial portion of their services or resources, or both, to individuals not residing in the health service areas in which the entities are located or in adjacent health service areas.

Department Evaluation

This sub-criterion is not applicable to the application.

(b) The special needs and circumstances of biomedical and behavioral research projects designed to meet a national need and for which local conditions offer special advantages.

Department Evaluation

This sub-criterion is not applicable to the application.

(c) The special needs and circumstances of osteopathic hospitals and non-allopathic services.

Department Evaluation

This sub-criterion is not applicable to the application.

(4) The project will not have an adverse effect on health professional schools and training programs. The assessment of the conformance of a project with this criterion shall include consideration of:

(a) The effect of the means proposed for the delivery of health services on the clinical needs of health professional training programs in the area in which the services are to be provided.

Department Evaluation

This sub-criterion is not applicable to the application.

(b) If proposed health services are to be available in a limited number of facilities, the extent to which the health professions schools serving the area will have access to the services for training purposes.

Department Evaluation

This sub-criterion is not applicable to the application.

- (5) The project is needed to meet the special needs and circumstances of enrolled members or reasonably anticipated new members of a health maintenance organization or proposed health maintenance organization and the services proposed are not available from nonhealth maintenance organization providers or other health maintenance organizations in a reasonable and cost-effective manner consistent with the basic method of operation of the health maintenance organization or proposed health maintenance organization.

Department Evaluation

This sub-criterion is not applicable to the application.

B. Financial Feasibility (WAC 246-310-220)

Based on the source information reviewed and the applicant’s agreement to the conditions identified in the conclusion section of this evaluation, the department determines that Washington Center for Pain Management, PLLC dba Bellevue Surgery Center has met the financial feasibility criteria in WAC 246-310-220.

- (1) The immediate and long-range capital and operating costs of the project can be met.

WAC 246-310 does not contain specific WAC 246-310-220(1) financial feasibility criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs what the operating revenues and expenses should be for a project of this type and size. Therefore, using its experience and expertise the department evaluates if the applicant’s pro forma operating statements reasonably project the proposed project is meeting its immediate and long-range capital and operating costs by the end of the third complete year of operation.

WCPM

- *The ASF operating rooms are fully built-out and operational. The capital expenditures are limited to the acquisitions of equipment identified in Exhibit 7.* [Source: Application page 16]
- *Please see Exhibit 7, which contain a complete list of equipment proposed for the proposed project, including expected costs. All equipment for this project will be purchased with financing from Wells Fargo.* [Source: Application page 16]
- DoH staff summary of operating and expenses based on Exhibit J screening responses [Source: Screening responses received August 22, 2016, Exhibit J]

WCPM Projected Revenue and Expenses Years 2017 through 2020

| Injections | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|--------------------|--------------------|---------------------|---------------------|
| Operations Nervous Medicare | \$1,042,008 | 1,094,133 | \$1,148,765 | \$1,206,404 |
| Operations Nervous Other | \$2,214,267 | \$2,325,033 | \$2,441,125 | \$2,563,608 |
| Total Injections | \$3,256,275 | \$3,419,166 | \$3,589,890 | \$3,770,012 |
| Surgery | | | | |
| Surgery Medicare | \$2,022,844 | \$2,043,825 | \$2,104,874 | \$2,144,698 |
| Surgery Other | \$4,298,544 | \$4,343,127 | \$4,472,858 | \$4,557,483 |
| Total Surgery | \$6,321,389 | \$6,386,953 | \$6,577,732 | \$6,702,181 |
| Total Revenue | \$9,577,663 | \$9,806,119 | \$10,167,622 | \$10,472,192 |

| | 2017 | 2018 | 2019 | 2020 |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
| Total Expenses | 6,879,814 | \$6,937,481 | \$7,110,873 | \$7,250,030 |
| | | | | |
| Net Ordinary Income | \$2,697,850 | \$2,868,638 | \$3,056,750 | \$3,222,162 |
| | | | | |
| Other Expenses | | | | |
| Depreciation/Amortization | \$19,000 | \$19,000 | \$23,000 | \$23,000 |
| Other Expenses | (\$19,000) | (\$19,000) | (\$19,000) | (\$19,000) |
| Net Income | \$2,678,850 | \$2,849,638 | \$3,033,750 | \$3,199,162 |

- Please find requested pro forma balance sheet and the accounting statement, statements of changes in financial position of unrestricted funds and changes in components of working capital attached as Exhibit 17. [Source: Application page 18]
- Please find the requested balance sheets detailing the assets, liabilities, and net worth of Washington Center for Pain Management for the last three full fiscal years attached as Exhibit 20. [Source: Application page 18]

WCPM Balance Sheet Year 2014

| Assets | | Liabilities | |
|--------------------------|--------------------|-------------------------------------|--------------------|
| Current Assets | \$1,694,769 | Current Liabilities | \$438,654 |
| Fixed Assets | \$211,666 | Long Term Debt | \$117,741 |
| Accumulated Depreciation | (\$10,390) | Other Liabilities | \$0 |
| Receivables | \$200,000 | Equity | \$1,539,649 |
| Total Assets | \$2,096,045 | Total Liabilities and Equity | \$2,096,045 |

WCPM Preliminary Balance Sheet Year 2015

| Assets | | Liabilities | |
|--------------------------|--------------------|-------------------------------------|--------------------|
| Current Assets | \$5,301,461 | Current Liabilities | \$751,585 |
| Fixed Assets | \$346,930 | Long Term Debt | \$176,196 |
| Accumulated Depreciation | (\$10,390) | Other Liabilities | \$0 |
| Receivables | \$285,460 | Equity | \$4,995,678 |
| Total Assets | \$5,923,460 | Total Liabilities and Equity | \$5,923,460 |

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

WCPM anticipates this project would become operational by the end of December 2016¹³. Under this timeline, year 2017 would be the facility's first full calendar year of operation and 2019 would be year three. [Source: Application Page 8 and Supplemental information received August 22, 2016].

¹³ WCPM assumed the project would commence by the end of December 2016 when the department is still reviewing this project. According to this project review timeline, the department decision is scheduled to be released on January 27, 2017.

Table 6
WCPM Projected Revenue and Expenses Years 2017 through 2020

| | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|--------------------|--------------------|---------------------|---------------------|
| Utilization | 2,569 | 2,619 | 2,686 | 2,739 |
| <u>Injections</u> | | | | |
| Operations Nervous Medicare | \$1,042,008 | 1,094,133 | \$1,148,765 | \$1,206,404 |
| Operations Nervous Other | \$2,214,267 | \$2,325,033 | \$2,441,125 | \$2,563,608 |
| Total Injections | \$3,256,275 | \$3,419,166 | \$3,589,890 | \$3,770,012 |
| | 2017 | 2018 | 2019 | 2020 |
| <u>Surgery</u> | | | | |
| Surgery Medicare | \$2,022,844 | \$2,043,825 | \$2,104,874 | \$2,144,698 |
| Surgery Other | \$4,298,544 | \$4,343,127 | \$4,472,858 | \$4,557,483 |
| Total Surgery | \$6,321,389 | \$6,386,953 | \$6,577,732 | \$6,702,181 |
| Total Revenue | \$9,577,663 | \$9,806,119 | \$10,167,622 | \$10,472,192 |
| Total Expenses | 6,879,814 | \$6,937,481 | \$7,110,873 | \$7,250,030 |
| Net Ordinary Income | \$2,697,850 | \$2,868,638 | \$3,056,750 | \$3,222,162 |
| Other Expenses | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Depreciation/Amortization | \$19,000 | \$19,000 | \$23,000 | \$23,000 |
| Net Income | \$2,678,850 | \$2,849,638 | \$3,033,750 | \$3,199,162 |

The “Total Expenses” line item includes salaries and wages & benefits, charity care, bad debt, general allocation, lease and interest costs. As shown above, WCPM anticipate Certificate of Need approval will contribute to profitability over time, as services are able to expand. Dr. Praveen Mambalam an employee was identified as medical director of the ASC. This position does not require a contract. [Source: Application Page 19]

WCPM is located at 199 –116th Avenue NE Suite 201 in the City of Bellevue and facility currently leases office space from Expanding Enterprises, LLC. WCPM provided an executed lease agreement between Expanding Enterprises, LLC (Landlord) and Washington Pain Management PLLC and/or assigns (Tennant). [Source: Application, Exhibit 12] The lease expires in 2023 and the tenant has the right or option to extend the lease. The executed lease agreement outlines the roles and responsibilities of the lessor and lessee.

Based on the information above, the department concludes the immediate and long-range operating costs of the project can be met. **This sub criterion is met.**

- (2) The costs of the project, including any construction costs, will probably not result in an unreasonable impact on the costs and charges for health services.

WAC 246-310 does not contain specific WAC 246-310-220(2) financial feasibility criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs what an unreasonable impact on costs and charges would be for a project of this type and size. Therefore, using its experience and expertise the department compared the proposed project's costs with those previously considered by the department.

WCPM

- *Please see Exhibit 7, which contain a complete list of equipment proposed for the proposed project, including expected costs. All equipment for this project will be purchased new.* [Source: Application page 7]

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

Consistent with Certificate of Need Program practices, WCPM submitted a letter of intent identifying the total costs for the project to be \$181,047. The capital costs identified in the application is consistent with the costs in the letter of intent. [Source: Application, page 7 and Exhibit 6]

There is no construction associated with this project, but there is equipment costs associated with this project. WCPM stated it would finance the cost of the equipment needed to expand services with a loan from Wells Fargo Equipment Finance, Inc. The impact of the cost is already included in the current operating revenue and expenses statement of the facility. Under the circumstances converting the currently exempt ASC to an open CN approved ASC, may not have an impact on the costs and charges of surgeries performed at this ASC. Any increase in operating costs will be associated with the increase in the number of procedures to be performed in the existing operating rooms. Based on the information, the department concludes this project may not have an unreasonable impact on the costs and charges for healthcare services in East King County secondary health services planning area. **This sub criterion is not met.**

- (3) The project can be appropriately financed.

WAC 246-310 does not contain specific source of financing criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs how a project of this type and size should be financed. Therefore, using its experience and expertise the department compared the proposed project's source of financing to those previously considered by the department.

WCPM

- *This project will be financed with a loan from Wells Fargo. See Exhibit 6 for letter from Wells Fargo.* [Source: Application, page 7]
- *This project will be financed with a loan from Wells Fargo Equipment Finance, Inc.* [Source: Application, page 7 and Exhibit 6]

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

The department concludes the cost of the equipment's to be used at the ASC can be appropriately financed **this sub criterion is met.**

C. Structure and Process (Quality) of Care (WAC 246-310-230)

Based on the source information reviewed and provided the applicant agrees to the conditions identified in the conclusion section of this evaluation, the department determines Washington Center for Pain Management, PLLC dba Bellevue Surgery Center has met the structure and process of care criteria in WAC 246-310-230.

- (1) A sufficient supply of qualified staff for the project, including both health personnel and management personnel, are available or can be recruited.

WAC 246-310 does not contain specific WAC 246-310-230(1) criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs what specific staffing patterns or numbers of full time equivalents (FTEs) that should be employed for projects of this type or size. Therefore, using its experience and expertise the department determined whether the proposed staffing would allow for the required coverage.

WCPM

- *This project request CN approval for Washington Center for Pain Management to convert its existing, two operating room CN-exempt ambulatory surgery center to a two operating room CN-approved ASF. Washington Center for Pain Management intends to continue employment of all its staff in good standing. Accordingly, a sufficient number of qualified health manpower and management personnel are already in place.*
- *Table 9 details the projected staffing for the first four years of the project. [Source: Application page 18]*

Table 9 (Reproduced)
Washington Center for Pain Management Current and Proposed Staffing
by Discipline 2016 - 2019

| | Current | 2016 | 2017 | 2018 | 2019 |
|--------------------------|---------|------|------|------|------|
| RN | 5 | 5 | 5 | 6 | 7 |
| LPN | 0 | 0 | 0 | 0 | 0 |
| Tech | 1 | 1 | 1 | 2 | 3 |
| Patient Care Coordinator | 1 | 1 | 1 | 1 | 2 |
| MA-C or NAC | 1 | 2 | 2 | 3 | 4 |
| Total | 8 | 9 | 9 | 12 | 16 |

- DoH staff summary of Washington Center for Pain Management active medical staff based on screening responses [Source: Screening responses received August 22, 2016, page 9]

Active Medical Staff: Physicians

| Name | Specialty |
|-----------------------------|-------------------|
| Hyun Hong, M.D. | Intervention Pain |
| Praveen Mambalam, M.D. | Intervention Pain |
| Yongyi Zhu, M.D. | Intervention Pain |
| Russell Kinder, M.D | Intervention Pain |
| Josemaria “JM” Paterno, M.D | Intervention Pain |

Active Medical Staff: Other staff

| Name | Specialty |
|---------------------------|-----------------|
| Ben Westin, M.D | Psychology |
| Dustin Reed, Pharm D., PA | Pain Management |
| Peter Peng, PA | Pain Management |
| Catherin Milgate, PA | Pain Management |
| Michelle Dougan | |
| Jacky Hong | |
| Kathleen Thomas | |
| Andrea Ulisch | |
| Thuy Ta | |
| Gordon Nelson | |
| Alexandria Throckmorton | |
| Helen Sun | |
| Jordan Deignan | |
| Kristina Butler | |

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

As shown in reproduced Table 9 above, it appears that WCPM currently have about half of the FTE’s needed for this project. A review of year 2016 to year 2020 shows that WCPM expects to add another 8 FTEs to the ASC. The majority of the additional FTEs would be in the categories of tech and MA or NAC. Dr. Praveen Mambalam an employee of the ASC was identified as the medical director. This position does not require a contract. Based on the above information, the department concludes that WCPM has the ability and expertise to recruit and retain a sufficient supply of qualified staff for this project. **This sub criterion is met.**

- (2) The proposed service(s) will have an appropriate relationship, including organizational relationship, to ancillary and support services, and ancillary and support services will be sufficient to support any health services included in the proposed project.

WAC 246-310 does not contain specific WAC 246-310-230(2) criteria as identified in WAC 246-310-200(2)(a)(i). There are no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that a facility must meet when it is to be Medicare certified and Medicaid eligible. Therefore, using its experience and expertise the department assessed the applicant history in meeting these standards at other facilities owned or operated by the applicant.

WCPM

- *This project does not propose the addition of any new service. Washington Center for Pain Management's existing ancillary and support services will support the ASF. Its Medical Director is Praveen K. Mambalam... Its Director of Nursing is Jacky K. Hong.* [Source: Application Page 19]

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

WCPM provided an executed copy of its patient transfer agreement between itself and Overlake Hospital Medical Center, and other ancillary agreements. [Source: Application, Page 26] and Supplemental information received August 22, 2016, Exhibits E and G] Based on the information reviewed in the application, the department concludes that there is reasonable assurance that WCPM would continue to maintain the necessary relationships with local ancillary and support services providers located in the community. The department concludes that conversion of the CN-exempt ASC to CN-approved may not negatively affect the applicant existing healthcare relationships **this sub criterion is met.**

- (3) There is reasonable assurance that the project will be in conformance with applicable state licensing requirements and, if the applicant is or plans to be certified under the Medicaid or Medicare program, with the applicable conditions of participation related to those programs.

WAC 246-310 does not contain specific WAC 246-310-230(3) criteria as identified in WAC 246-310-200(2)(a)(i). There are no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that a facility must meet when it is to be Medicare certified and Medicaid eligible. Therefore, using its experience and expertise the department assessed the applicant's history in meeting these standards at other facilities owned or operated by the applicant.

WCPM

- *Washington Center for Pain Management has no history with respect to the actions described in CN criterion WAC 246-310-230(5)(a).*
- *Washington Center for Pain Management operates all existing programs in conformance with applicable state and federal laws, rules and regulations.* [Source: Application, Page 20]

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

WCPM has been a provider in East King County since at least 2012. As a part of this review, the department must conclude that the services provided by the ASC would continue to be provided in a manner that ensures safe and adequate care to the public.¹⁴ To accomplish this task, the department reviewed the quality of care compliance history for all healthcare facilities owned, operated, or managed by the applicant. [Source: Certificate of Need historical files]

WCPM is accredited by the Accreditation Association for Ambulatory Health Care (AAAHC).¹⁵ AAAHC accreditation for ASCs is awarded for three years. WCPM accreditation by the AAAHC is effective through March 2019. WCPM provided a copy of its most recent survey by AAAHC. [Sources: ILRS, AAAHC website, Application page 4 and Supplemental information received August 22, 2016, Exhibit A] The last survey conducted in September 2013 by Washington State office of Investigation and Inspection revealed no substantial non-compliance issues for WCPM facilities. The department did not find any substantiated complaints related to the facilities owned or operated by WCPM. [Sources: Application Page 4, ILRS, and AAAHC website]

The department conducted quality of care check for all WCPM active medical staff and others through the Nursing Quality Assurance Commission (NQAC) and Health Systems Quality Assurance (HSQA OCS). The department quality check shows that WCPM credentialed staff members licenses are in good standing, and this includes the ASC designated Clinical Director Jacky Hong RN. [Source: Application Page 19 and Supplemental information received August 22, 2016, Pages 4-5 and NQAC, HSQA OCS]

Table 7 shows the facilities owned or operated by the WCPM license numbers and CoN status. [Sources: Application page 3 and ILRS]

Table 7
Washington Pain Management Center Ambulatory Surgery Centers

| Address | City | License Number | CON Status | Owned Operated |
|---|-------------|-----------------------|-------------------|-----------------------|
| 1900 116 th Avenue NE, Suite 201 | Bellevue | ASF.FS.60287715 | Exempt | Owned |
| 1301 4 th Avenue NW, Suite 200 | Issaquah | ASF.FS.60287715 | Exempt | Owned |
| 3305 Nassau St. | Everett | ASF.FS.60287715 | Exempt | Owned |
| 21616 76 th Avenue West | Edmonds | ASF.FS.60287715 | Exempt | Owned |

¹⁴ WAC 246-310-230(5)

¹⁵ The Accreditation Association for Ambulatory Health Care is a private, non-profit organization that accredits more than 6,000 organizations, including ambulatory surgery centers, community health centers, medical and dental group practices, medical home practices, and managed care organizations. The AAAHC develops standards to advance and promote patient safety, quality care, and value for ambulatory health care through a peer-based accreditation process, education, and research. With a single focus on the ambulatory care community, AAAHC offers organizations a cost-effective, flexible, and collaborative approach to accreditation. AAAHC accreditation for ASCs holds Medicare deemed status from the Centers for Medicare and Medicaid Services (CMS).

[source: AAAHC website]

| | | | | |
|--|-------------|-----------------|--------|-------|
| 13125 121 th Avenue NE | Kirkland | ASF.FS.60287715 | Exempt | Owned |
| 1412 SW 43 RD Street, Suite 110 | Renton | ASF.FS.60287715 | Exempt | Owned |
| 922 S 348 th Street | Federal Way | ASF.FS.60287715 | Exempt | Owned |
| 1408 3 rd Street SE | Puyallup | ASF.FS.60287715 | Exempt | Owned |
| 145 Lilly Road NE, Suite 101 | Olympia | ASF.FS.60287715 | Exempt | Owned |

According to the Department of Health’s Office of Investigation and Inspections, all WCPM facilities comply with facility licensing standards. In addition to verifying the quality of care for WCPM facilities, the department also performed a quality of care check for the six active physicians and surgeons at WCPM. The results of the quality of care for all of the six physicians show that none has unrestricted licenses with the State of Washington. [Sources: DOH Provider Credential Search and Supplemental information received on August 22, 2016, Pages 5-6]

Given the compliance history of the healthcare facilities owned and operated by WCPM and staff, there is reasonable assurance the ASC would continue to be operated and managed in conformance with applicable state and federal licensing and certification requirements.

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

Based on the information reviewed, the department concludes that there is reasonable assurance that WCPM would continue to operate and managed in conformance with applicable state and federal licensing and certification requirements if this project is approved. **This sub criterion is met.**

- (4) The proposed project will promote continuity in the provision of health care, not result in an unwarranted fragmentation of services, and have an appropriate relationship to the service area's existing health care system.

WAC 246-310 does not contain specific WAC 246-310-230(4) criteria as identified in WAC 246-310-200(2)(a)(i). There are also no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b) that directs how to measure unwarranted fragmentation of services or what types of relationships with a services area’s existing health care system should be for a project of this type and size. Therefore, using its experience and expertise the department assessed the materials in the application.

WCPM

- *The proposed project proposes to convert an existing high volume, high quality CN-exempt ambulatory surgery center to a CN-approved ASF. No change in location is anticipated as a result of this project. The proposed project will ensure the continued operation of a highly utilized service and make that service available to additional patients in the East King Secondary Health Services Planning Area who need the services. A CN-approved Washington Center for Pain Management will increase access to these needed services and reduce patient wait times by allowing qualified, credentialed and privileged physicians in good standing to utilize Washington Center for Pain Management’s fully built-out and*

operational facility. Approving a CN for this existing facility is cost-effective means of increasing of increasing patient access to these services. Washington Center for Pain Management's existing working relationship will assure continuity of care. [Source: Application Page 19]

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

The ASC is operational as an exempt facility, and working relationships with existing healthcare facilities have already been established. Since the ASC will remain in the same planning area, the department expects existing relationships to continue. As discussed under WAC 246-310-230(2), WCPM asserted that all ancillary and support agreements will not be affected by Certificate of Need approval.

The department considered WCPM's history of providing care to residents in Washington State and concludes that the applicant has been providing services to the residents of Washington State for at least four years and has been appropriately participating in the relationship with community facilities to provide a variety of medical services. Nothing in the materials reviewed by staff suggests that approval of this project would change these relationships.

Based on the source documents evaluated, the department concludes approval of this project would promote continuity in provision of healthcare for the planning area, and may not result in an unwarranted fragmentation of services. **This sub criterion is met.**

- (5) *There is reasonable assurance that the services to be provided through the proposed project will be provided in a manner that ensures safe and adequate care to the public to be served and in accord with applicable federal and state laws, rules, and regulations.*

This sub-criterion is addressed in sub-section (3) above and **is met.**

D. Cost Containment (WAC 246-310-240)

Based on the source information reviewed and provided the applicant agrees to the conditions identified in the conclusion section of this evaluation, the department concludes that Washington Center for Pain Management, PLLC dba Bellevue Surgery Center project has met the cost containment criteria in WAC 246-310-240

- (1) *Superior alternatives, in terms of cost, efficiency, or effectiveness, are not available or practicable.*
To determine if a proposed project is the best alternative, the department takes a multi-step approach. Step one determines if the application has met the other criteria of WAC 246-310-210 thru 230. If it has failed to meet one or more of these criteria, then the project is determined not to be the best alternative, and would fail this sub-criterion.

If the project has met the applicable criteria in WAC 246-310-210 through 230 criteria, the department then assesses the other options considered by the applicant. If the department determines the proposed project is better or equal to other options considered by the applicant and

the department has not identified any other better options this criterion is determined to be met unless there are multiple applications.

If there are multiple applications, the department's assessment is to apply any service or facility superiority criteria contained throughout WAC 246-310 related to the specific project type in Step three. The superiority criteria are objective measures used to compare competing projects and make the determination between two or more approvable projects, which is the best alternative. If WAC 246-310 does not contain any service or facility type superiority criteria as directed by WAC 246-310-200(2) (a)(i), then the department would use WAC 246-310-240(2)(a)(ii) and (b) for criteria to make the assessment of the competing proposals. If there are no known recognized standards as identified in WAC 246-310-200(2)(a)(ii) and (b), then using its experience and expertise, the department would assess the competing projects and determine which project should be approved.

Department Evaluation

Step One

The department determined WCPM met the applicable review criteria under WAC 246-310-210, 220, and 230 including WAC 246-310-270. Therefore, the department moves to step two.

For this project, WCPM is the only applicant and has met the review criteria in the applicable sections of WAC 246-210, WAC 246-310-220, and WAC 246-310-230. Therefore, the department reviews the proposed alternatives by the applicant.

Step Two

WCPM

- *As discussed above, there is significant net need for outpatient surgery operating rooms in the East King Secondary Planning Area. The proposed project will improve access, a key criterion of certificate of need. The proposed project will also provide a low cost, freestanding ASF in the health planning area to meet the needs of patients and help residents of the planning area avoid wait times for procedures. [Source: Application Page 20]*
- *Washington Center for Pain Management has a presence in the East King Secondary Planning Area, and the proposed ASF will build upon this presence and offer Washington Center for Pain Management patients and others patients convenient access to surgical procedures. Washington Center for Pain Management is committed to providing high quality, affordable care in the East King Secondary Planning Area, and the proposed project will help accomplish this goal. The proposed project promotes continuity of care with Washington Center for Pain Management's other services as well as cost containment. Making the ASF available to other qualified, credentialed and privileged physician in good standing is significantly less costly than building a new ASF to address waiting times for surgical services. [Source: Application Page 20]*
- *Washington Center for Pain Management is requesting a CN for the proposed ASF so that all other qualified credentialed and privileged physicians in good standing can utilize this facility, which will be operational upon issuance of a CN. As part of its due diligence, Washington Center for Pain Management examined alternatives to the proposed project and evaluated those alternatives. [Source: Application Page 21]*

Alternative 1: “Do Nothing”

- *Washington Center for Pain Management rejected a “do nothing” alternative. The East King Secondary Planning Area currently has too few outpatient ambulatory surgical operating rooms. Planning area residents are underserved relative to the forecasted demand for ambulatory surgical services and must travel or wait to obtain care. Washington Center for Pain Management has a presence in the East King Secondary Health Services Planning Area, including eight locations, and can add value to the community and other patients. A “do nothing “ alternative strategy is detrimental to the community, in that such a strategy would do nothing to reduce the wait times for surgical services, would further restrict needed health care services within the health planning area, and would not improve the cost effectiveness of care delivery. There is no advantage to the “do nothing” alternative, so it was not considered feasible. [Source: Application Page 21]*

Alternative 2: Request Approval for a Freestanding ASF, i.e., The proposed Project

- *In contrast to the “do nothing” approach, the advantages of a CN-approved ASF are clear. A CN-approved ASF would afford increase access and local choice for the health planning area residents and local, independent physicians. The ASF will open to all qualified, credentialed and privileged physicians in good standing, increasing their ease of access and improving their ability to deliver high care to their patients. This alternative model reduces the overall cost of care and passes these relative cost and efficiency advantages of a freestanding ASF to patients and payers. There are no disadvantages to granting Washington Center for Pain Management’s request for a CN. The data demonstrates there would not be a duplication of services, given a projected net demand of 21.8 outpatient operating rooms in the health planning area. [Source: Application Page 21]*

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

The department did not identify any other alternatives that would equal to or superior to those considered by the applicant. WCPM comments that there is projected net need for 21.8 outpatient s operating rooms in the east King County planning area is not true. The department found there is need for additional 13.65 ORs in the planning area. A key rationale considered by WCPM to support the approval of this project stated that approval of this project would allow non-member physicians to use the facility and this would expand patient’s volumes. As a result, the reasoning for rejecting the do nothing alternative would be reasonable. Based on the source information evaluated the department concludes that **this sub-criterion is met.**

(2) In the case of a project involving construction:

(a) The costs, scope, and methods of construction and energy conservation are reasonable;

Department Evaluation

This sub-criterion is not applicable to the application.

(b) The project will not have an unreasonable impact on the costs and charges to the public of providing health services by other persons.

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

The information reviewed by the department is consistent with similar projects. Because there is a demonstrated need for additional outpatient's operating rooms in the east King County planning area, the department does not anticipate an unreasonable impact on the costs and charges to the public for providing these type services. The department concludes **this sub criterion is met.**

(3) The project will involve appropriate improvements or innovations in the financing and delivery of health services which foster cost containment and which promote quality assurance and cost effectiveness.

Public Comments

- None

Rebuttal Comments

- None

Department Evaluation

This project has the potential to improve delivery of ambulatory surgical services within the planning area. Information within WCPM application stated the applicant intend to use a commercial loan to be obtained from Wells Fargo Equipment, Inc. to finance this project. The applicant provided a loan commitment letter from Wells Fargo Equipment, Inc. The department concludes **this sub criterion is met.**

APPENDIX A



APPENDIX A
ASC Need Methodology
East King County

| | | | | | | | | |
|--------|---|-------------------|----------|---------|-----------|-------------------------------|--------|----------------------|
| | Service Area Population: 2019 Surgeries @ 140,482/1,000: | 576,362 80,968 | Claritas | Age:15+ | | | | |
| a.i. | 94,250 minutes/year/mixed-use OR | | | | | | | |
| a.ii. | 68,850 minutes/year/dedicated outpatient OR | | | | | | | |
| a.iii. | 35 dedicated outpatient OR's x 68,850 minutes = | | | | 2,409,750 | minutes dedicated OR capacity | 40,305 | Outpatient surgeries |
| a.iv. | 39 mixed-use OR's x 94,250 minutes = | | | | 3,675,750 | minutes mixed-use OR capacity | 33,366 | Mixed-use surgeries |
| b.i. | projected inpatient surgeries = | 24,936 | = | | 2,747,149 | minutes inpatient surgeries | | |
| | projected outpatient surgeries = | 56,032 | = | | 3,350,030 | minutes outpatient surgeries | | |
| b.ii. | Forecast # of outpatient surgeries - capacity of dedicated outpatient OR's | | | | | | | |
| | 56,032 - | | = | | 40,305 | outpatient surgeries | | |
| b.iii. | average time of inpatient surgeries | | = | | 110.17 | minutes | | |
| | average time of outpatient surgeries | | = | | 59.79 | minutes | | |
| b.iv. | inpatient surgeries*average time | | = | | 2,747,149 | minutes | | |
| | remaining outpatient surgeries(b.ii.)*ave time | | = | | 940,280 | minutes | | |
| | | | | | 3,687,429 | minutes | | |
| c.i. | if b.iv. < a.iv., divide (a.iv.-b.iv.) by 94,250 to determine surplus of mixed-use OR's | | | | | | | |
| | Not Applicable - Go to c.11. and ignore any value here. | | | | | | | |
| | 3,675,750 | | | | | | | |
| | - 3,687,429 | | | | | | | |
| | -11,679 / | | | | 94,250 | | | |
| | | | = | | -0.12 | | | |
| c.ii. | if b.iv. > a.iv., divide (inpatient part of b.iv - a.iv.) by 94,250 to determine shortage of inpatient OR's | | | | | | | |
| | USE THESE VALUES | | | | | | | |
| | 2,747,149 | | | | | | | |
| | - 3,675,750 | | | | | | | |
| | (928,601) / | | | | 94,250 | | | |
| | | | = | | -9.85 | | | |
| | divide outpatient part of b.iv. By 68,850 to determine shortage of dedicated outpatient OR's | | | | | | | |
| | 940,280 / | | | | 68,850 | | | |
| | | | = | | 13.66 | | | |

| Facility | Credential Number | ZIP Code | Special Procedure Rooms | Dedicated Inpatient ORs | Dedicated Outpatient ORs | Mixed Use ORs | Inpatient min/case | 2015 Inpatient Cases in Mixed Use ORs | 2015 Inpatient Mins. In Mixed Use ORs | Outpatient Min/Case | Outpatient Cases | Outpatient Mins. | Data Source |
|--|-------------------|----------|-------------------------|-------------------------|--------------------------|---------------|--------------------|---------------------------------------|---------------------------------------|---------------------|------------------|------------------|--|
| EvergreenHealth | HAC.FS.00000164 | 98034 | 0 | 0 | 0 | 8 | 113.0 | 6,989 | 790,045 | | | | Data obtained from Year 2014 survey. |
| Overlake Hospital Medical Center | HAC.FS.00000131 | 98004 | 4 | 0 | 1 | 18 | 115.1 | 11,543 | 1,328,058 | 50 | 231 | 11,550 | Data obtained from Year 2014 survey. Mins/surg equated 9. Not likely correct. Used default 50 min/case |
| Snoqualmie Valley Hospital | HAC.FS.00000195 | 98065 | 1 | 0 | 0 | 1 | 30.0 | 181 | 5,430 | | | | Data obtained from Year 2014 survey. |
| Swedish Medical Center-Issaquah | HAC.FS.60256001 | 98029 | 4 | 0 | 0 | 12 | 97.0 | 4,705 | 456,336 | | | | Data obtained from Year 2014 survey. |
| Aesthetic Facial Plastic Surgery, PLLC | ASF.FS.60429334 | 98004 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 71.0 | 348 | 24,699 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Aesthetic Physicians dba Sono Bello | ASF.FS.60291172 | 98004 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 111.5 | 548 | 61,081 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. |
| Allure Laser Center | ASF.FS.60574719 | 98033 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 50.0 | 842 | 42,100 | Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for FY 2014. |
| Anderson Sobel Cosmetic Surgery | ASF.FS.60278641 | 98004 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 133.8 | 86 | 11,508 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. |
| Athenix Body Sculpting Institute | ASF.FS.60329939 | 98005 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 50.0 | 639 | 31,950 | Year 2014 data obtained from year 2015 survey. Did not provide minutes/case. Used 50 x # of cases. |
| Aysel K. Sanderson, MD, PS | ASF.FS.60101705 | 98033 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 185.7 | 148 | 27,484 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Bellevue Plastic Surgery Center [Newvue] | ASF.FS.60320007 | 98004 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 152.6 | 154 | 23,503 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. |
| Bellevue Spine Specialist | ASF.FS.60100993 | 98005 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 50.0 | 2,500 | 125,000 | Per ILRS; outpatient minutes calculated using 50 x # of cases. 2009 data - still active |
| Bellevue Surgery Center (Wash Center for P | ASF.FS.60287715 | 98004 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 14.1 | 915 | 12,920 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. |
| Bel-Red Ambulatory Surgical Facility | ASF.FS.60102983 | 98004 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 50.0 | 200 | 10,000 | Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2015 license renewal |
| Center for Plastic Surgery (David Stephens, MD | ASF.FS.60134975 | 98004 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 50.0 | 151 | 7,550 | Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2015 license renewal |
| Cosmetic Surgery & Dermatology of Issaquah | ASF.FS.60100024 | 98027 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 60.0 | 641 | 38,480 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Eastside Endoscopy Center-Bellevue | ASF.FS.60100020 | 98004 | | | | | | | | | | | |
| Eastside Endoscopy Center-Issaquah | ASF.FS.60100200 | 98027 | | | | | | | | | | | |
| Eastside Surgery Center | ASF.FS.60477711 | 98027 | 1 | 0 | 2 | 0 | 0.0 | 0 | 0 | 50.0 | 3,587 | 179,350 | Year 2015 data obtained from year 2016 survey. Minutes/case too low for facility providing orthopedic, podiatric, and ophthalmologic (3587 cases, 145867 minutes reported). Calculated using 50 x # of cases |
| Egari Plastic Surgery Center | ASF.FS.60307710 | 98004 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 50.0 | 346 | 17,300 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Evergreen Endoscopy Center | ASF.FS.60103003 | 98034 | | | | | | | | | | | |
| Evergreen Surgical Center (under HAC license) | HAC.FS.00000164 | 98034 | 3 | | 6 | | | | | | | | |
| EvergreenHealth Ambulatory Surgical Care (Evergreen Surgical Clinic ASC) | ASF.FS.60584768 | 98034 | 0 | 0 | 3 | 0 | 0.0 | 0 | 0 | 71.1 | 1,177 | 83,730 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. |
| Gaboriau Center | ASF.FS.60100719 | 98074 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 90.0 | 28 | 2,520 | Response 2015 survey indicated 0 outpatient procedure and 0 minutes |
| Group Health Cooperative-Bellevue | ASF.FS.60100954 | 98004 | 1 | 0 | 6 | 0 | 0.0 | 0 | 0 | 62.9 | 5,082 | 319,500 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. |
| John H Brunsmann | ASF.FS.60102987 | 98073 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 50.0 | 100 | 5,000 | Per ILRS; outpatient minutes calculated using 50 x # of cases. 2012 data - still active per facility website http://www.foo-clinic.net/ |
| Naficy Plastic Surgery and Rejuvenation Center | ASF.FS.60101790 | 98004 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 150.0 | 593 | 88,950 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. |
| Northwest Center for Aesthetic Plastic Surgery | ASF.FS.60101127 | 98004 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 50.0 | 200 | 10,000 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Northwest Laser and Surgery Center | ASF.FS.60277121 | 98005 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 146.0 | 250 | 36,500 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. 15 min/surg not likely, used 50 X cases |
| Northwest Nasal Sinus Center | ASF.FS.60118035 | 98033 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 36.9 | 1,441 | 53,220 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Overlake Reproductive Health | ASF.FS.60350164 | 98004 | 0 | 0 | 1 | 0 | 0.0 | 0 | 0 | 45.0 | 210 | 9,450 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Overlake Surgery Center | ASF.FS.60101029 | 98004 | 0 | 0 | 4 | 0 | 0.0 | 0 | 0 | 82.4 | 2,869 | 236,449 | Year 2014 data obtained from year 2015 survey. Minutes/surgery calculated. |
| Pacific Cataract and Laser Institute-Bellevue | ASF.FS.60101107 | 98004 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 50.0 | 4,905 | 245,250 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Plastic Surgery Northwest | ASF.FS.60102710 | 98034 | 0 | 0 | 2 | 0 | 0.0 | 0 | 0 | 50.0 | 203 | 10,150 | Per ILRS; outpatient minutes calculated using 50 x # of cases. Data for 2012 license renewal. NB: per ILRS, closed as of 6/24/2015 |
| Proliance Eastside Surgery Center | ASF.FS.60101042 | 98029 | 0 | 0 | 4 | 0 | 0.0 | 0 | 0 | 64.0 | 4,490 | 287,262 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Proliance Highlands Surgery Center | ASF.FS.60101051 | 98029 | 0 | 0 | 4 | 0 | 0.0 | 0 | 0 | 71.8 | 4,668 | 335,063 | Year 2015 data obtained from year 2016 survey. Minutes/surgery calculated. |
| Redmond Ambulatory Surgery Center, LLC | PENDING | 98053 | 0 | 0 | 3 | | | | | | | | Recently approved ASC - CN #1577, issued April 22, 2016. |

