



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
PO Box 47852•Olympia, Washington 98504-7852

October 18, 2017

CERTIFIED MAIL # 7014 2120 0002 7627 2063

Crystal Lussier
555 Corporate Drive, Suite 115
Ladera Ranch, California 92694

RE: Certificate of Need Application #17-35

Dear Ms. Lussier:

Enclosed is Certificate of Need #1619 issued to Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC approving the establishment of Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC in Spokane within Spokane County secondary health services planning area.

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

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

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

Appeal Option 1:

Any person with standing may request a public hearing to reconsider this decision. The request must state the specific reasons for reconsideration in accordance with Washington Administrative Code 246-310-560. A reconsideration request must be received within 28 calendar days from the date of the decision at one of the following addresses:

Mailing Address:
Department of Health
Certificate of Need Program
Mail Stop 47852
Olympia, WA 98504-7852

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

Crystal Lussier
Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC
CN Application #17-35
October 18, 2017
Page 2 of 2

Appeal Option 2:

Any person with standing may request an adjudicative proceeding to contest this decision within 28 calendar days from the date of this letter. The notice of appeal must be filed according to the provisions of Revised Code of Washington 34.05 and Washington Administrative Code 246-310-610. A request for an adjudicative proceeding must be received within the 28 days at one of the following addresses:

Mailing Address:

Department of Health
Adjudicative Service Unit
Mail Stop 47879
Olympia, WA 98504-7879

Physical Address

Department of Health
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.

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

Sincerely,



Steve Bowman, PhD, MHA
Director, Office of Community Health Systems

Enclosure



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 #1619 is issued to:

Legal Name of Applicant: Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC
Address of Applicant: 510 S. Cowley Street, Spokane, WA 99202
Type of Service: Ambulatory Surgery Center
Facility Name: Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC
Facility Address: 510 S. Cowley Street, Spokane, WA 99202

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED SEPTEMBER 28, 2017 (CN App #17-35)

Project Description

This certificate approves Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC to establish a single specialty two-operating room ASC located at 510 S. Cowley Street within the city of Spokane in Spokane County secondary health services planning area. The ASC would provide dermatology surgical services to patients of all age groups, with emphasis on patients with various types of skin cancer who are not expected to require hospitalization and can be served in an outpatient surgery setting. Surgical procedures to be provided at the ASC include malignant (cancerous) skin growths, benign (non-cancerous) skin growths, treatment for skin cancer, tissue transfer or rearrangement, myocutaneous (skin) flap, skin graft, and Mohs surgery.

Service Area

Spokane County secondary health services planning area

Conditions

Conditions Identified on Page Two

Approved Capital Expenditure

The approved capital expenditure for this project is \$1,171,000.

This Certificate authorizes commencement of the project from October 18, 2017 to October 18, 2019 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: October 18, 2017

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

Steve Bowman, PhD, MHA
Director, Office of Community Health Systems

This Certificate is not transferable

Certificate of Need #1619

Page Two

Conditions

1. Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC agrees with the project description as stated above. Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC 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. Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC must be Medicare and Medicaid certified and must maintain its Medicare and Medicaid certification throughout the life of the facility, regardless of ownership.
3. Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC must obtain and maintain state licensure throughout the life of the facility, regardless of ownership.
4. Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC will provide charity care in compliance with the charity care policy provided in the application, or any subsequent policies. Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC 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 Spokane County. Currently, this amount is 1.84% for gross revenue and 5.09% for adjusted revenue. Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC will maintain records of charity care amount provided by documenting the amount of charity care it provides and demonstrating compliance with its charity care policies.
5. Prior to providing services, Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC will provide an executed copy of the patient transfer agreement for the department's review and approval. The executed patient transfer agreement must be consistent with the draft agreement provided in the application.
6. Prior to providing services, Chesnut Institute of Cosmetic & Reconstructive Surgery, PLLC will provide executed copies of the agreements listed below for the department's review and approval.
 - Lab services
 - Radiology Services
 - Hazardous Waste Disposal
 - Biomedical Services
 - Linen Services