



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH

May 8, 2012

CERTIFIED MAIL # 7011 1570 0002 7802 6043

Scott Bosch, FACHE  
President & Chief Executive Officer  
Harrison Medical Center  
2520 Cherry Avenue  
Bremerton, WA 98310

RE: CN#1463 Harrison Silverdale Campus

Dear Mr. Bosch:

Enclosed is Certificate of Need #1463A issued to Harrison Medical Center approving the increase of 50 new medical surgical beds at the Silverdale campus.

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

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

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

Other Than By Mail  
Adjudicative Clerk Office  
310 Israel Road SE, Building 6  
Tumwater, WA 98501



Scott Bosch, President & CEO  
Harrison Medical Center  
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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 question, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,



Steven M. Saxe, FACHE  
Director, Health Professions and Facilities

Enclosure

cc: Linda Foss, Department of Health, Investigations and Inspections Office  
Karen Stricklett, Customer Service Office



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 #1463A is issued to:**

**Legal Name of Applicant:** Harrison Medical Center  
**Address of Applicant:** 2520 Cherry Avenue Bremerton, Washington 98310  
**Type of Service:** Acute Care Hospital  
**Facility Name:** Harrison Medical Center (Silverdale Campus)  
**Facility Address:** 1800 Myhre Road Silverdale, Washington 98383

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORDS AND EVALUATION OF May 1, 2012. (CN App #12-10)**

**Project Description**

Harrison Medical Center is approved to add 50 new medical surgical beds to the Silverdale campus in two phases.

- Phase One: Establishment of a new 24-bed medical/surgical unit designed and equipped to specifically address orthopedic care. These beds are expected to be operational in June 2013.
- Phase Two: Establishment of a new 26 bed medical/surgical unit. These beds are expected to be operational in December 2015.

At project completion the total number of licensed acute care beds for Harrison Medical Center will be 347. The breakdown of the licensed acute care beds is shown in the table below.

Type of Service	Licensed Beds - Bremerton	Licensed Beds - Silverdale
General Acute Care	242	94
Psychiatric	11	0
<b>Total</b>	<b>253</b>	<b>94</b>

**Service Area**  
Kitsap County

**Approved Capital Expenditure**

The approved capital expenditure for the Certificate of Need portion of the project is \$24,963,634.

**Conditions**

Conditions Identified on page 2

This Certificate authorizes commencement of the project from **February 24, 2012**, to **February 24, 2014**, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: May 8, 2012

Steven Saxe  
Director, Health Professions and Facilities

**This Certificate is not transferable.**

## **CN #1463A Conditions**

1. Harrison Medical Center agrees with the project description on page one.
2. Harrison Medical Center will provide charity care in compliance with the charity care policies reviewed and approved by the Department of Health. Harrison Medical Center will use reasonable efforts to provide charity care in an amount comparable to or exceeding the average amount of charity care provided by hospitals in the Puget Sound Region. Currently, this amount is 1.93% of gross revenue, and 3.67% of adjusted revenue. Harrison Medical Center will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.