



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

*PO Box 47852 - Olympia, Washington 98504-7852
Tel: 360-236-2955 - TTY Relay: 800-833-6384*

September 17, 2019

Emily R. Studebaker, Esq.
Studebaker Nault
11900 Northeast Street, Suite 300
Bellevue, Washington 98005

RE: Certificate of Need Application #19-06

Dear Ms. Studebaker:

As you know, on August 10, 2018, Proliance Surgeons, Inc., P.S. (Proliance Surgeons) submitted a Certificate of Need application on behalf of The Surgery Center at Rainier located in Puyallup, within east Pierce County.¹ The project proposed to add operating rooms (ORs) and expand the types of services currently provided at the existing surgery center. The two ORs were to be relocated from Puyallup Ambulatory Surgery Center also located in east Pierce County.² The expansion of services include those services currently provided at Puyallup Ambulatory Surgery Center. This information is evidenced by the documents provided in the application and confirmed in the screening responses submitted on December 19, 2018.

On August 29, 2019, you submitted a letter on behalf of Proliance Surgeons notifying the Certificate of Need Program that Puyallup Ambulatory Surgery Center would not relocate the ORs or the cases to The Surgery Center at Rainier. Essentially, Puyallup Ambulatory Surgery Center withdrew from this project.

This change affects the rationale for the project, the fundamental assumptions provided in the need and financial feasibility sections, the capital expenditure for the project, the staffing for the expanded surgery center, and the benefits of consolidation of the two surgery centers as purported in the application.³ Puyallup Ambulatory Surgery Center's withdrawal from this project results in significant changes in the foundation of the entire application as originally submitted.

After reviewing the information provided in the application, the screening responses and your letter dated August 29, 2019, the Certificate of Need Program concludes that the application has been amended.

¹ The Surgery Center at Rainier is a Certificate of Need approved facility. [CN #1227A]

² Puyallup Ambulatory Surgery Center is a Certificate of Need exempt facility. [DOR #15-20]

³ Public comment submitted in support of this application also referred to the benefits for patients and referral sources if the two surgery center were combined.

Washington Administrative Code (WAC) 246-310-100 provides the appropriate timeline to amend an application. Under subsection (5), amendments of an application may occur during the screening or public comment timeline of the review. Review of this project commenced on March 1, 2019. Based on the review schedule, any amendment to this project should have occurred on or before April 19, 2019. As a result, the Certificate of Need Program concludes that this project has been inappropriately amended and is returning the application to Proliance Surgeons with no further action by the Certificate of Need Program.

This decision may be appealed. You or 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 addresses listed below.

Mailing Address:

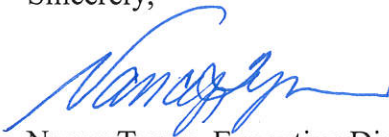
Department of Health
Adjudicative Service Unit
Mail Stop 47879
Olympia, WA 98504-7879

Physical Address

Department of Health
Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

If you have any questions or would like to arrange for a meeting to discuss this decision, please call me at (360) 236-2955.

Sincerely,



Nancy Tyson, Executive Director
Health Facilities and Certificate of Need

cc: Laura X. Kleisle, Proliance Surgeons, Inc., P.S.
Kevin McHugh, Strategic Ancillaries, LLC

Enclosure: CD of Certificate of Need Application to Laura Kleisle