

February 12, 2024

Brian Gibbons Jr. FACHE  
President  
Astria Health  
1016 Tacoma Avenue  
Sunnyside, Washington 98944

Sent via email: [Brian.Gibbons@astria.health](mailto:Brian.Gibbons@astria.health)

RE: Certificate of Need Application #24-06 – Certificate of Need #1612A

Mr. Gibbons:

Thank you for your February 6, 2024, letter accepting the conditions attached to the department's letter approving the amendment of Certificate of Need #1612 by removal of condition nine attached to that Certificate. The department reviewed its records and concludes that your corrected number of beds at Astria Toppenish is correct. We have corrected that error in the evaluation and will publish it to our website. Enclosed is Certificate of Need #1612A issued to Astria Health approving the purchase of Toppenish Community Hospital from Community Health Systems/CHS. Where applicable, applicant and facility names, as well as the facility's numbers of acute care and psychiatric beds, have been updated. The remaining conditions have been attached to the Certificate. Please note that, except for conditions one and seven, which are perpetual, all conditions have already been met. As a consequence, the department has deemed this project complete and will not be issuing any quarterly progress reports to monitor this project.

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

This 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

Brian Gibbons, Jr., President, Astria Health.

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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

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

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

Sincerely,



Eric Hernandez, Program Manager  
Certificate of Need  
Office of Community Health Systems

Attachment



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 #1612A is issued to:**

**Applicant’s Legal Name:** Astria Health  
**Applicant’s Address:** 1016 Tacoma Avenue, Sunnyside, Washington 98944  
**Facility Type** Acute Care Hospital  
**Project Type** Sale/Purchase/Lease  
**Facility Name:** SCH Medical Center – Toppenish, dba Astria Toppenish Hospital  
**Facility Address:** 502 West Fourth, Toppenish, Washington 98948

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT’S RECORD AND EVALUATION DATED JANUARY 29, 2024 (CN APP # 24-04 )**

**Project Description**

This certificate approves the purchase of Toppenish Community Hospital by Astria Health. There is no change in the number of approved beds. A breakdown of beds by type is shown below:

Bed Type	Number of Licensed Beds
General Medical/Surgical	63
PPS Exempt Psychiatric	62
<b>Total Licensed Beds</b>	<b>125</b>

**Service Area**

Yakima County and surrounding communities

**Conditions**

Conditions Identified on Page Two

**Approved Capital Expenditure**

The estimated capital expenditure for the purchase of Toppenish Community Hospital is \$8,556,800.

**This Certificate authorizes commencement of the project from February 12, 2024 to February 12, 2026 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.**

**Date Certificate Issued: February 12, 2024**

Eric Hernandez, Program Manager  
Community Health Systems

**This Certificate is not transferable.**

## Certificate of Need #1612A

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#### Conditions

1. Approval of the project description as stated above. Astria Health 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. Prior to issuance of a Certificate of Need for this project, Astria Health shall submit the documentation referenced in section 2.1 of the Asset Purchase Agreement that identifies a revised closure date for the transaction. **Condition met August 29, 2017**
3. Astria Health shall finance the project as described in the application. **Condition met September 29, 2017**
4. Within 30 days of the acquisition, Astria Health will submit to the department for review and approval the executed copy of the System Benefit Agreement. The executed copy must be consistent with the draft agreement provided in the application. **Condition met September 29, 2017**
5. Within 30 days of the acquisition, Astria Health will submit to the department for review and approval the adopted copies of its admissions policy, non-discrimination policy, end-of-life policy, and reproductive health policy. Each of these policies must be consistent with the drafts provided in the application. **Condition met September 29, 2017**
6. Within 30 days of the acquisition, Astria Health will submit to the Certificate of Need Program a copy of the charity care policy that has been reviewed and approved by the Charity Care Program within the Department of Health. **Condition met September 29, 2017**
7. Toppenish Community Hospital will provide charity care in compliance with its charity care policies reviewed and approved by the Department of Health, or any subsequent policies reviewed and approved by the Department of Health. Toppenish Community Hospital will use reasonable efforts to provide charity care in an amount identified in the application or comparable to the average amount of charity care provided by hospitals in the Central Region – whichever is greater. The amount identified in the application was 0.86% of gross revenue and 3.26% of adjusted revenue. Currently, the regional average is 1.50% gross revenue and 3.67% of adjusted revenue. Toppenish Community Hospital will maintain records of charity care applications received and the dollar amount of charity care discounts granted. The department requires these records to be available upon request.
8. Toppenish Community Hospital will submit annual budgets (required under WAC 246-454-030) that include budgeted charity care of at least the amount identified in the application or comparable to the average amount of charity care provided by hospitals in the Central Region – whichever is greater. **No longer applicable – WAC 246-454-030 was repealed effective January 18, 2019**