



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH

September 2, 2011

CERTIFIED MAIL # 7009 2250 0001 8669 3277

Richard Petrich  
VP Planning and Business Development  
Franciscan Health Systems  
1717 S. J Street  
P. O. Box 2197  
Tacoma, Washington 98401-2197

Dear Mr. Petrich:

Enclosed is Certificate of Need #1453 issued to Franciscan Health Systems proposing to add 18 Level IIB ICN beds to the hospital's license.

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.

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,

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

Enclosure

cc: Linda Foss, Department of Health, Investigations and Inspections Office  
Karen Stricklett, Department of Health, 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 #1453 is issued to:**

**Legal Name of Applicant:** Franciscan Health Systems  
**Address of Applicant:** 1717 S. J Street, Tacoma, Washington 98401-2197  
**Type of Service:** Intermediate Care Neonatal level II  
**Facility Name:** St. Joseph Hospital  
**Facility Address:** 1717 S. J Street, Tacoma, Washington 98401-2197

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION OF August 12, 2011 (CN App #11-11b – Intermediate Care Neonatal level II bed addition )**

**Project Description:**

Add the existing 18 ICN level II bassinets to FHS-St. Joseph's licensed beds. At project completion the breakdown of beds is as follows.

**FHS-St. Joseph  
Proposed Acute Care Bed Breakdown**

Type of Service	Currently Licensed
General Medical Surgical	320
Intermediate care nursery level II	18
Neonatal intensive care nursery level III	0
Psychiatric	23
<b>Total</b>	<b>361</b>

**Service Area**  
Pierce County

**Conditions**

1. Approved project as described above.
2. FHS-St. Joseph will provide charity care in compliance with the charity care policies provided in this Certificate of Need application, or any subsequent policies reviewed and approved by the Department of Health. FHS-St. Joseph 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 2.02 % of gross revenue and 4.41% of adjusted revenue. FHS-St. Joseph will maintain records documenting the amount of charity care it provides and demonstrating its compliance with its charity care policies.

**Approved Capital Expenditure**

The approved capital expenditure associated with this project is zero

This Certificate authorizes commencement of the project from September 2, 2011, to September 2, 2013, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: September 2, 2011

Steven Saxe  
Director, Health Professions and Facilities

**This Certificate is not transferable.**