



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

April 22, 2013

Thomas Krech, VP of Operations
Aesthetic Physicians, PC
dba Sonobello
8900 East Pinnacle Peak Road, #E200
Scottsdale, Arizona 85255

RE: DOR #13-20

Dear Mr. Krech:

The department has completed the review of your exemption request regarding the proposed construction of an ambulatory surgery center in Tacoma, within Pierce County. Below is the information considered and the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding your project.

INFORMATION CONSIDERED

- Ambulatory Surgery Center (ASC) exemption application received November 27, 2012
- Revised Code of Washington (RCW) 70.38
- Washington Administrative Code (WAC) 246-310
- Washington Secretary of State and Department of Revenue information obtained from the respective websites
- Department of Health external provider look-up
- Department of Health Integrated Licensing and Regulatory System (ILRS)
- Information obtained from Aesthetic Physicians, PC website
- Information obtained from the Sonobello website
- Information obtained from the Accreditation Association for Ambulatory Health Care website

FACTS CONSIDERED

- Aesthetic Physicians, PC is a solo practice governed by one member—Eduardo Avila, MD—a sole share holder.
- Aesthetic Physicians, PC is incorporated in Washington State. Governing persons are Eduardo Avila, MD, serving as president, chairman, and director; and Thomas Trench, servicing as vice president, treasurer, and secretary. Both persons list an address in Scottsdale, Arizona. [source: Secretary of State website]

- The dba of Sonobello is located in the following states: Georgia, Texas, Massachusetts, California, Florida, Pennsylvania, Arizona, Oregon, Utah, and Washington. [source: Sonobello website at www.sonobello.com]¹

- For Washington State, Aesthetic Physicians, PC dba Sonobello has the two sites identified below.

Address	City	Zip
1200 – 112 th Avenue Northeast, Building C, #154	Bellevue	98004
3209 South 23rd Street, #170	Tacoma	98405

- You intend to establish an exempt ASC at the Tacoma practice site listed in bold above.
- The application identifies three physicians would have access to the proposed ASC. Information related to each of the three physicians is listed below.

Physician Name	Credential Status	% of Time Employed by Practice
Louis David Potyondy	Active	100%
Alexander Sobel	Active	20%
Tarak Patel	Active-Military ²	20%

- Procedures to be performed at the ASC typically require general anesthesia and include those surgeries generally associated with laser assisted tumescent liposuction.
- Aesthetic Physicians, PC contracts with a separate corporation for management services. The management corporation is Body Contour Center, LLC, which is governed by Christofer Michael Par [source: Secretary of State website]
- A copy of the management Services Agreement between Aesthetic Physicians, PC dba Sonobello and Body Contour Center, LLC, was provided in the application. The agreement became effective February 25, 2012, and identifies a 10 year term.

CONCLUSION

Based on the totality of information considered your exemption request is denied. The proposed ASC meets the definition of an ASC under the Certificate of Need provisions of WAC 246-310-010 and is subject to prior Certificate of Need review and approval before it is established. This conclusion is based on the following information.

- None of the three physicians are 100% employed by Aesthetic Physicians, PC. While Louis Potyondy was identified in the application as 100% employed, on January 8, 2013, Dr. Potyondy obtained an exemption for an ASC associated with his own practice.
- Alexander Sobel obtained an exemption for an ASC associated with his practice on June 22, 2012.
- Tarak Patel, MD spends 80% of his time at Madigan Army Medical Center and only 20% at the ASC associated with Aesthetic Physicians, PC.

¹ It is unclear from the application whether all Sonobello sites are associated with Aesthetic Physicians, PC because the application lists only the Washington State sites.

² The 'Active-Military' status means that the physician is currently in active duty. This status does not prevent a physician from practicing at a non-military facility. [source: DOH medical quality assurance commission representative]

Thomas Krech, Aesthetic Physicians, PC
DOR #13-30
April 22, 2013
Page 3 of 3

- The application indicates that the three physicians are under contract employment with Aesthetic Physicians, PC, however, copies of the employment contracts were not provided.

Enclosed is a copy of the Certificate of Need rules, (WAC 246-310), regulations (RCW 70.38), and a blank application form should you wish to pursue this project.

APPEAL OPTION

This decision may be appealed. Your appeal option is identified below.

Appeal Option:

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

Other Than By Mail
Department of Health
Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

Please call me directly at (360) 236-2957 if you have any questions or you would like to meet to discuss this determination.

Sincerely,



Karen Nidermayer, Analyst
Certificate of Need Program
Office of Certification and Technical Support

Enclosure