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## News Release

<b><i>FOR IMMEDIATE RELEASE</i></b>	Contact: PeaceHealth Brien Lautman Phone: (425) 649-3805 email: <a href="mailto:blautman@peacehealth.org">blautman@peacehealth.org</a>
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### **State Approves Certificate of Need for New PeaceHealth San Juan Island Hospital**

Friday Harbor, Wash. – State of Washington Department of Health (DOH) officials approved a Certificate of Need for a new critical access hospital on San Juan Island. The new facility will be owned and operated by PeaceHealth, a regional health system that serves communities in Washington, Oregon and Alaska.

PeaceHealth and the San Juan County Public Hospital District #1 (Hospital District) in March 2009 approved a long-term agreement to significantly expand on-island healthcare services for Hospital District residents and Island visitors. The 50-year contract calls for PeaceHealth to build a new, fully integrated medical center located in Friday Harbor, including a new, expanded primary care and specialty clinic, expanded diagnostic services center, a 24-hour emergency room, and a 10-bed Critical Access Hospital.

The Certificate of Need (CoN) approval allows PeaceHealth and the San Juan Island community to now begin the design planning for the new facility. PeaceHealth signed a purchase and sale agreement for a 22-acre parcel of land for the hospital in July 2009.

“The state’s Certificate of Need process confirmed why PeaceHealth and the San Juan community came together in the first place – to meet the community’s need for enhanced local health care services and increased access to care for all island residents and visitors,” said Peter Adler, PeaceHealth Senior Vice President for Strategy, Innovation and Development, and CEO of HealthVentures. “When we were first invited into this discussion with the San Juan Island community, our focus was on what could be

done to help serve community health care needs and to improve the long-term health and quality of life for islanders. It was a shared vision from the first day forward.”

“We’re excited to now begin the next phase of this project, during which we’ll again seek the guidance and wisdom of the community in the final planning and facility design work. We’re appreciative of the State of Washington DOH, and their thorough review and approval of this project,” said Jim Barnhart, PeaceHealth’s Chief Administrative Officer, Regional Referral Network, and Site Administrator for the San Juan Island hospital.

“This is another big step forward for this project,” said Lenore Bayuk, Chairperson of the Hospital District Board of Commissioners. “The community has really stood behind this effort, and their collective voice was well received by the State Department of Health. There is tremendous need and opportunity for increasing access and providing for the long-term health care needs of Hospital District residents and island visitors. We’re excited to see the new medical center and hospital start to take shape.”

“We’re pleased with the CoN outcome and excited to move forward,” said Tom Cable, Co-Chair of the San Juan Community Hospital Committee, a group of island leaders who led the initial exploration of options for a new facility. “This confirms, formally, the need we’ve seen for so long to improve the health care facilities and services available on our island.”

PeaceHealth has already been working collaboratively with the San Juan Island community. A newly renovated mammogram imaging facility, retrofitted to provide the Island’s first digital mammography, was installed in August 2009 at the Inter Island Medical Center (IIMC) in Friday Harbor. The mammography facilities are operated by Mount Baker Imaging (MBI), a joint venture of PeaceHealth St. Joseph Hospital and Northwest Radiologists (NWR), both of Bellingham.

The State’s Certificate of Need program is a regulatory process that requires certain health care providers to obtain state approval before building certain types of facilities or offering new or expanded services. The CoN process is intended to help ensure that certain facilities and new services proposed by health care providers are needed, appropriately sized, and enjoy the support of their community.

Under the terms of the approved contract signed in March, local philanthropy will contribute \$10 million toward capital costs for the new medical center and hospital. PeaceHealth will fund the remaining \$20 million, own the property and new facility, and will have full responsibility for the delivery of ongoing patient care, staffing and operations when it opens in the year 2012. The Hospital District will not be providing any capital to build the new facility. As a result, no additional Hospital District tax levies will be required to fund the capital costs of the project.

The new Integrated Medical Center will increase the number of physicians serving the Hospital District’s residents and will nearly double the number of other on-island healthcare professionals serving the Island community. The Critical Access Hospital component of the project required, and has now received, Certificate of Need approval.

San Juan County Public Hospital District #1 is a tax-supported agency that currently provides clinic-based medical services and 24/7 urgent care services at the Inter Island Medical Center in Friday Harbor. It also operates San Juan Island EMS, which provides emergency medical services, critical care transport, and injury and accident prevention programs. The Hospital District is comprised of San Juan Island, Town of Friday Harbor, Brown Island, Stuart Island, Johns Island, Speiden Island, Pearl Island and Henry Island in San Juan County, Washington. For more information on the IIMC project, visit [www.sjcommunityhospital.org](http://www.sjcommunityhospital.org).

PeaceHealth is a WA-based not-for-profit healthcare system serving multiple rural and urban communities in Washington, Oregon and Alaska. Founded by the Sisters of St. Joseph of Peace, PeaceHealth has provided care to Northwest communities for more than a century, including serving the needs of small and remote communities through the operation of three successful Critical Access Hospitals. PeaceHealth annually receives national recognition for innovations in patient-centered care, patient safety and healthcare technology. Research published in the June 2008 edition of the Joint Commission Journal on Quality and Patient Safety ranked PeaceHealth as one of the top five quality of care healthcare systems in the country, and the leading system in the West. PeaceHealth is frequently named as one of the region's best employers. For more information, visit [www.peacehealth.org](http://www.peacehealth.org).

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