

BEFORE SEATTLE CITY COUNCIL
CITY OF SEATTLE

In the Matter of the Appeal of:

Swedish Medical Center

New Major Institution Master Plan
Application

Notice Regarding Clerk File 311936
DPD Project No. 3012953, Type IV

19TH AVENUE BLOCK WATCH/SQUIRE
PARK NEIGHBORS' MOTION TO
DISMISS AND RESPONSE TO
APPLICANT'S SUPPLEMENT THE
RECORD

The undersigned declares under penalty of perjury under the laws of the State of Washington that I am now and at all times herein mentioned, a resident of the State of Washington, over the age of eighteen years, the representative of 19th Avenue Block Watch/Squire Park Neighbors (19th Ave), and competent to be a witness herein.

I. BACKGROUND

Washington CAN, prior to its withdrawal of its appeal, sought the proposed MIMP be remanded back to the Hearing Examiner, or approved with two additional conditions:

1. The Applicant meet with specific local residents represented by Washington CAN to draft a new charity care and billing policy to meet Washington CAN's definition of community needs with an independent oversight board to ensure compliance.
2. Prior to the issuance of the MUP for any project under the MIMP, the Applicant will provide all authorized parties (Director, Department and SAC) documentation for the demonstrated need for the development. Approval would be based on consensus of these parties.

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19th Avenue Block Watch/Squire Park Neighbors (19th Ave) also raised concerns about charity care not adequately being provided on the Swedish Cherry Hill Campus, along with limited neighborhood access to health and wellness courses and workshops offered elsewhere within the Swedish/Providence system, and that the Swedish/Providence system' charity care within Seattle was presented as the charity care solely on the Cherry Hill Campus.¹

Based on the Applicant's Motion for Leave to Supplement the Record, it appears that Washington Can and the Applicant have come to some agreement concerning a new charity care and billing practices policy. It is unclear whether there is now an independent oversight board formed to ensure compliance.

Those Central Area residents who originally testified during the public hearing that they were initially harmed by the previous policy appear to still not have received any further assistance or relief from their financial difficulties with Providence/Swedish to date.

Washington CAN and the Applicant were able to cut a deal that results in a better uncompensated care policy. That's great news for our neighborhood and for many others. But the fact is they never communicated this to any of Appellants and community leaders to share the news within the neighborhood.

¹ 2014 *Washington State Charity Care in Washington Hospitals Report*, Washington State Department of Health, January 2016, shows Providence/Swedish – Cherry Hill reported to the Washington State Department of Health that its charity care charges were \$17,921,371 for FY 2014. The approximate cost of what the hospital actually spent providing charity care to patients FY 2014 was \$4,853,258.

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II. ARGUMENT

A. In their brief, the Applicant states that "no party will be prejudiced" by the new (so-called) evidence because no other appellant raises the same central question related to uncompensated care that was raised by Washington CAN.

If that is the case, that is, if no other party has raised this central issue, then this new evidence is immaterial and irrelevant to the issues before the City Council and should not be admitted.

B. The Applicant's motion does not comply with the rule which allows new evidence to be presented. The Applicant is trying to claim that the new evidence is in the form of a sworn affidavit ---- which it is not. There is a sworn affidavit that claims that the e-mails attached are genuine. However, 19th Ave argues that the rules really require that the actual information/opinion --- "Swedish is a leader" --- needs to be by sworn affidavit.

C. Although the Applicant's Request to Supplement the Record was filed by the deadline for filing a Reply, and the Response to Request to Supplement the Record must be submitted by the tenth calendar day to all parties and the City Clerk, the Reply must be filed by the seventh calendar day after the Response was filed. Upon review of the calendar, the City Council Hearing is scheduled for March 1, 2016. The Applicant filed its Request to Supplement the Record on February 16, 2016. The 19th Ave's Response to Supplement the Record is due February 26, 2106. The Applicant's Reply is then due March 4, 2016, after the City Council Hearing. This timeframe puts 19th Ave in the difficult situation:

a) shortening our authorized time to submit our Response to ensure Applicant has its allowed time to Reply; or

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b) using our allowed time, and risk Applicants declaring they were cheated of their time and using this argument to motion the Appellant(s)' Response be inadmissible.

The Applicant knew about the emails on January 25, 2016, but did not file its Request to Supplement the Record until February 16, 2016. The Applicant waited until the last possible moment as a strategy to deny Appellants sufficient time to respond.

D. Although the new charity care policy appears generous, it actually has now caught up to other hospitals in the Seattle Metropolitan area.² The UW Medical Center/Harborview (and affiliates), Virginia Mason, Seattle Children's, Overlake, and Group Health Co-op all have had generous charity care policies, which with the exception of Overlake, all pre-date the Applicant's new policy effective date. Seattle Children's and Overlake provide charity care to qualifying individuals and families up to 400 percent of the federal poverty rate since 2012 and 2015 respectively, compared to Applicant's 300 percent rate since January 2016. Group Health Co-op, while not a hospital, is entirely free up to the 200 percent rate and matches the Applicant's 300 percent rate for care provided on the Swedish Cherry Hill and First Hill Campuses. The University of Washington (UW) Medical Center/Harborview (and affiliates) and Overlake rates match the Applicant's 300 percent rate. Most provide a sliding scale above 300 percent and/or consider a variety of factors on a case by case basis when charity care can cover portions of the costs for individuals and families with higher incomes.

² The Washington State Department of Health publishes all hospitals' policies concerning charity care on its website.

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Of the twenty-two hospitals in King County, there are eight large hospitals in the Seattle Metropolitan area, including Bellevue with over one billion dollars in total patient service revenue. The Applicant ranks seventh (\$17,921,371) for charity care charges, compared to Harborview (\$167,681,000), UW Medicine (\$36,959,237), Seattle Children's Hospital (\$29,843,579), Swedish – First Hill (\$28,727,734), Valley Medical Center (\$22,740,801), and Overlake Hospital Medical Center (\$19,294,196). Virginia Mason reported \$13,701,194 in charity care charges. However, when examining the approximate cost of what the hospitals actually spent on providing charity care to patients³, the Applicant ranks eighth (\$4,853,258), compared to Harborview(\$71,342,653), UW Medicine (\$18,005,246), Seattle Children's Hospital (\$15,547,710), Swedish – First Hill (\$9,116,576), Valley Medical Center (\$7,552,355), Virginia Mason (\$6,726,833), and Overlake Hospital Medical Center (\$6,720,428). As a further comparison, Harborview alone accounted for 18 percent of the statewide total charity care charges and 41 percent of the King County total charity care charges. In contrast, Providence/Swedish – Cherry Hill accounted for 2 percent of the statewide total charity care charges and 4 percent of the King County total charity care charges.

III. CONCLUSION

While we are relieved that Providence/Swedish is now finally catching up with other comparable large hospitals in the Seattle area concerning their charity care policy, Chris Genese, Organizing Director, Washington Community Action Network, is in error to claim

³ Charity care data reported by the hospitals are based on billed charges, not the actual payment expected by the hospital. Calculating the approximate cost of providing charity care can be estimated by applying a cost-to-charge ratio. Multiplying the charity care dollars by the cost-to-charge ratio results in an approximate cost of what hospitals actually spent providing charity care to patients. Cost-to-Charge formula is total operating expense/total patient services revenue. *2014 Washington State Charity Care in Washington Hospitals Report*, Washington State Department of Health, January 2016.

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Providence/Swedish is a leader in Seattle and the rest of state as provided in a copy of an email. The Applicant's dollar amount of charity care is particularly egregious since the Campus is squarely in the Central Area, a neighborhood that historically has been on the "short end of the stick" as it relates to service equity.

Therefore, 19th Ave requests a motion to disregard and reject Applicant's Request to Supplement the Record because it contains unfounded opinions, errors and omissions of fact. Further, the Applicant failed to submit an affidavit from Chris Genese. Mr. Dixon's affidavit is nothing more than hearsay. Therefore, the Applicant's new evidence is immaterial and irrelevant to the issues before the City Council and should not be admitted.

Providence/Swedish –Cherry Hill's community benefits remain inadequate and does not mitigate or balance the proposed MIMP's height, bulk, scale, density, and intensity or transportation and parking impacts to the Squire Park neighborhood. Should City Council allow the Applicant's Supplemental to Record to be admitted, 19th Ave requests that its Response to Applicant's Supplement the Record also be admitted in its entirety.

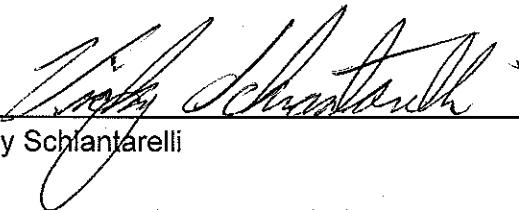
Exhibits provided as part of the 19th Avenue Block Watch/Squire Park Neighbors Response to Applicant's Supplement the Record include:

1. 2014 Charity Care in Washington Hospitals
2. Charity Care Policies for each hospital referenced (UW Medicine/ Harborview, Seattle Children's Hospital, Providence/Swedish, Overlake Hospital Medical Center, and Virginia Mason).

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This added evidence meets the standard for supplementation because it did not exist until after the open record hearing before the Hearing Examiner had closed in July 2015 and is provided in response to the Applicant's Supplement the Record to demonstrate its inaccuracies and deficiencies in accordance with the Rules.

DATED this 23rd day of February, 2016.



Vicky Schiantarelli

