Skagit County Hospital Map Quick Sheet: Public Ownership, Projects & Governance

Field reference for facility directors, healthcare architects, engineers, and general contractors scouting North Sound capital works

FREE FIELD SUMMARY
Site: healthcarefacilityhub.org
Target: Post 1866 Reference

Executive Bottom Line: Skagit County is the rare American county where all acute hospitals belong to the public via three distinct Public Hospital Districts (PHDs) operating three distinct models: an *Operator* (District 1), a *Levy Hospital* (District 2), and a *Landlord* (District 304). **Zero Seattle metropolitan health systems** (no MultiCare, Providence, UW Medicine, EvergreenHealth, Overlake, or Valley) operate inpatient hospitals in the county. High-acuity tertiary care is entirely off-county; transfer logistics and transport time govern every clinical facility program.

1. SKAGIT COUNTY PUBLIC HOSPITAL LANDSCAPE AT A GLANCE

Metric / Parameter	District No. 1 (Operator)	District No. 2 (Levy Hospital)	District No. 304 (Landlord)
Operating Entity & Flagship	**Skagit Regional Health** Skagit Valley Hospital (Mount Vernon)	**Island Health** Island Health Hospital (Anacortes)	**United General District 304** PeaceHealth United General (Sedro-Woolley)
Governance & Board	Municipal corp; 7-member elected board	5-member elected commission	Merged 1966 (Sedro-Woolley & Burlington); commission
Licensed Capacity & Census	**137 licensed beds** FY24: 44,593 inpatient days / 50,142 bed-days (**~89% occupancy**); 36,760 ED visits	**43 licensed beds** (6 ICU, 6 Labor & Delivery, 31 Med-Surg). Regional acute anchor for San Juan County	**25-bed Critical Access Hospital** (35 beds facility-wide with 10-bed rehab unit). Avg daily census: 7; 16,699 ED visits
2025–2026 Voter Ballots	Revenue-bond funded ($75.2M bond issue; no property levy on recent ballot)	**PASSED (April 2025)**: Prop 1 levy lift (34¢ → 75¢ statutory ceiling, ~$4M/yr; 4,975 to 4,129; 48% turnout)	**FAILED (August 2026)**: Prop 1 levy lift (9.42¢ → 50¢, ~$5.4M/yr for community programs; failed 45.42% to 54.58%)
Operating Model & Tenancy	Direct public operator. Operates Cascade Valley Hospital (Arlington) via 30-yr lease @ $10/yr	Direct public hospital operator; tax levy funds equipment, facility upgrades, and specialty care	Public property owner / landlord. Leased medical operations to **PeaceHealth since 2014**
Signature Capital Approach	**Decant Model**: Built 60k sq ft off-campus MOB to relieve 6 over-capacity hospital ORs	**Courtyard / Infill**: Building dedicated C-section OR into courtyard; consolidating orthopedics	**Operational Swing Beds**: Converted all 25 acute beds to swing status (zero construction)

2. THREE DISTRICTS, THREE DIFFERENT DEALS: OPERATIONAL PROFILES

DISTRICT NO. 1: THE OPERATOR — SRH

JURISDICTION & SCALE
Mount Vernon, Camano Island, Arlington (Snohomish Co.)

AUDITED FINANCIAL BASE
$690.5M operating revenue; claims corridor dominance across 3 counties.

INPATIENT & OUTPATIENT FOOTPRINT
Skagit Valley Hospital (1958/2007, 137 beds, ~89% occupancy); nearly 500k outpatient clinic visits across network.

REGIONAL PARTNERSHIPS
- Cascade Valley Hospital (Arlington): 30-year operating lease at $10/year since 2016.
- 24/7 pediatric hospitalist coverage with Seattle Children's & UW Medicine.
- Station Square (Mount Vernon): 30k sq ft MOB bought April 2024 for $26.4M ($75.2M bond).
- Arlington Medical Plaza: 30k sq ft facility under construction; opens Fall 2027.

DISTRICT NO. 2: THE LEVY HOSPITAL — ISLAND

JURISDICTION & TERRITORY
Fidalgo, Cypress, Guemes, Sinclair islands; San Juan Co. feeder.

HOSPITAL FOUNDATION & FUNDING
43 licensed beds (6 ICU, 6 L&D, 31 med-surg). Tax levy supplies ~3% of revenue ($4M/yr).

COST PRESSURES & CASELOAD
Operating costs up 21% (2020–2025). 119 cesarean sections in 2024 (44 urgent/unscheduled).

SIGNATURE DEPLOYMENTS
- $1.6M C-section OR in Island Birth Center courtyard (stops main OR bumping).
- $4.0M endoscopy suite expansion for GI & cancer screening.
- $9.8M 25th Street Building ortho / PT / physiatry floor consolidation.
- Orcas Island primary-care clinic operation.

DISTRICT NO. 304: THE LANDLORD — UGD 304

JURISDICTION & TERRITORY
>2,000 sq mi; Sedro-Woolley, Burlington, Upper Skagit into Whatcom Co.

FACILITY TENANCY STRUCTURE
Owns United General campus. Leased to **PeaceHealth since 2014**. Zero levy funds go to PeaceHealth.

ACUITY VS VOLUME DICHOTOMY
25-bed CAH with 7 average daily census against **16,699 emergency visits/yr**.

PUBLIC SIDE OF CAMPUS
- District-operated Fitness Center at 2015 Hospital Drive (50+ programs).
- August 2026 levy failure (45.42% to 54.58%): voters rejected $5.4M/yr for community health.
- March 2026: DOH approved swinging all 25 acute beds (census management).

3. CAMPUS GEOGRAPHY & CO-LOCATION DYNAMICS

ANACORTES COMPRESSED CAMPUS MAP (M AVENUE)

Three competing systems overlap on one island campus without a local tertiary center:

- **Island Health:** Main 43-bed acute facility, birth center, diagnostics, and emergency department.
- **Skagit Regional Health:** Leases and operates its cardiology clinic directly inside Island Health's M Avenue medical building.
- **PeaceHealth:** Maintains cardiology clinic across town; directories route tertiary inpatient care to St. Joseph in Bellingham (Whatcom Co.).
- **Tertiary Transfer Reality:** High-acuity surgical and trauma cases must be transferred via ambulance/air to Seattle or Bellingham.

PARALLEL TRIBAL & BEHAVIORAL CAMPUSES

Critical community care infrastructure operating outside the municipal hospital district tax base:

- **didgʷálič Wellness Center (Swinomish Tribe):** March Point, Anacortes. Opens 5:30 AM; 150+ staff; medical, dental, MAT, psychiatric, housing; serves tribal & non-tribal patients.
- **Sea Mar Community Health:** Mount Vernon & Concrete clinics (primary care, dental, maternity, pharmacy, substance use).
- **Pioneer Human Services Crisis Center:** Opened August 2026 on SR-20 in Sedro-Woolley (adult detox & residential treatment).

Current version — Oct 31, 2026. Update history: https://healthcarefacilityhub.org/skagit-county-hospital-construction-design-demand/

Skagit County Live Capital Projects, Public Solicitations & Regulatory Stack

Procurement benchmarks, back-of-house upgrade schedules, and state/local compliance gates

4. LIVE PROJECTS, ACTIVE BIDS & PROCUREMENT BENCHMARKS

Facility / Campus	Project Scope & Capital Structure	Engineering & Architectural Specs	Procurement & Contract Precedents
Mount Vernon Surgery Center (District 1 / SRH)	**The Decant Solution:** 60k sq ft MOB built 250 yds from hospital on health-zoned land. $23,367,584 fit-out from reserves. Opened Dec 12, 2023.	4 ORs, 3 endo suites, 1 procedure room, imaging suite, 62 exam rooms. Avoided $1,200+/sq ft in-hospital surgical rebuild and ICRA risks.	**Developer Built / Public Fit-Out:** BNBuilders (GC), Zervas Group (Architect). State CON approval carried regional charity-care condition.
Surgery Center Tuning (District 1 Solicitations)	**2026 Interior Conversions:** Closed bids to convert 375 sq ft pain room into 5th OR, and conference room into 3rd X-ray room.	Med-gas piping, structural ceiling boom, fire sprinkler/alarm revisions, and continuous visible-light disinfection system extended from main ORs.	Public works competitive bidding. Public records pending contractor award disclosure.
Skagit Valley Hospital Kitchen (District 1 / Mount Vernon)	**Back-of-House Modernization:** Mid-century kitchen (1950s infrastructure) complete shutdown June 1 – October 1, 2026.	New ventilation hood, exhaust systems, make-up air unit, plaster/tile ceiling replacement, and expanded commercial cooking workflow.	**Amenity Continuity:** Temporary kitchen trailers for patient trays; "San Juan Market" & 3x Bistro Express fridges for public.
MRI & Cooling Plant Upgrades (District 1 / Mount Vernon)	**Magnet Rigging & Central Plant:** Crane pick of Siemens 1.5T MRI scanner; south cooling plant overhaul (solicitation closed Oct 1, 2026).	Rigging through removable concrete roof panel; rooftop chiller & raised access floor swap. Air-cooled R-22 chiller retired for water-cooled unit + BAS.	Owner-furnished medical equipment (OFME). Public works phased solicitation in fully operational acute-care hospital (~89% occupancy).
Island Health Capital Works (District 2 / Anacortes)	**Voter Levy Capital Plan:** Supported by $4M/yr levy lift (Prop 1 passed April 2025). Pre-existing capital bond matures in 2028.	**$1.6M C-Section OR:** Infill inside birth center courtyard (119 C-sections in 2024, 44 urgent). **$4.0M Endoscopy:** Dedicated GI screening suite. **$9.8M 25th St Building:** Ortho/PT floor consolidation.	Phased public hospital district procurement; island logistics constraint (ferry-fed workforce and material delivery coordination).
United General Swing Beds (District 304 / PeaceHealth)	**Acuity Flexibility Approval:** March 2026 DOH approval allowing all 25 acute beds to swing between acute and skilled nursing care (up from 15).	Zero physical construction. Manages acute daily census fluctuations (avg 7) while maintaining 10-bed separate rehabilitation unit.	Regulatory certificate/permission filing. Landlord district maintains public health separation from PeaceHealth hospital operations.

5. LEGISLATIVE ENACTMENTS & REGIONAL REGULATORY CONSTRAINTS

SSB 5923 / CHAPTER 84, LAWS OF 2026 — STATE LAW

Passed Senate 49–0, House 96–0; signed March 17, 2026; effective June 11, 2026.

- **Geographic Clause:** Grants cost-based Medicaid payment eligibility to a critical access hospital *"located on an island operating within a public hospital district in Skagit county."*
- **Single-Facility Scope:** Legislative bill report confirms Island Health in Anacortes is the only hospital in Washington meeting this statutory description.
- **The Bed Reconciliation Gap:** Federal Critical Access Hospital (CAH) designation caps acute beds at 25. Island Health operates 43 licensed beds (6 ICU, 6 L&D, 31 med-surg) with no federal CAH certification on record. Ongoing finance/facility reconciliation.

CODES, CLEAN BUILDINGS & FLOOD STANDARDS — MUNICIPAL & STATE

- **Department of Health (DOH) Construction Review:** Mandated for all hospital physical alterations ≥ $500,000, requiring formal ICRA risk mitigation and Interim Life Safety Measures (ILSM).
- **Clean Buildings Performance Standard:** 60k sq ft MV Surgery Center faces Tier 1 compliance by **June 1, 2028**; 30k sq ft Station Square faces Tier 2 compliance by **July 1, 2027**.
- **Mount Vernon Flood Code:** Classifies hospitals as critical facilities. Requires placement outside base floodplain or lowest floor ≥ **3 feet above base flood elevation (BFE)** with elevated access roads.
- **Skagit Instream Flow Rule:** Restricts new water withdrawals impacting river flows (excludes island PHD, but Anacortes treats drinking water at Mount Vernon river plant).

6. DESIGN & CONSTRUCTION CONTRACTOR ACTION CHECKLIST

Contractor Capability	Operational Reality in Skagit County Public Hospital Work	Key Contact / Regulatory Agency
In-Place Acute Renovation	Skagit Valley Hospital runs near ~89% occupancy; work requires rigid ICRA Class IV containment, negative air monitoring, and after-hours phasing.	WA Dept of Health Construction Review; Skagit Regional Health Facilities Ops
Off-Campus Decanting	Mount Vernon Surgery Center model demonstrates developer-built shell + public district fit-out avoids $1,200/sq ft acute hospital construction costs.	City of Mount Vernon Community Development; WA DOH Certificate of Need
Island Logistics & Labor	Island Health projects must factor ferry schedules (San Juan / Guemes feeders), limited local sub pools, and capital bond sunset in 2028.	City of Anacortes Building Dept; Island Health Facilities & Engineering
BOH Plant Solicitations	Active market in replacing 1950s–1970s infrastructure (kitchen hoods, R-22 chillers, MRI rigging via roof panels) under competitive public bids.	Skagit County Public Hospital District No. 1 Purchasing & Contracts