

MODIFICATION REQUEST COVER SHEET

Name of Filer	DOUGLAS J. SHAE
Reporting Period	<input checked="" type="checkbox"/> Annual reports – calendar years 2017, 2018 & 2019 <input type="checkbox"/> Candidate report
Type of Request	<input type="checkbox"/> New <input type="checkbox"/> Renewal with No Change <input checked="" type="checkbox"/> Full Commission Approval – April 25, 2019 <input checked="" type="checkbox"/> Renewal with Change – original granted April 2, 2018
Office Held/Sought & Term	Prosecuting Attorney, Chelan County Current term expires in December, 2022
Application Rule(s)	<input checked="" type="checkbox"/> Income & Ownership Interest: WAC 390-28-100(1)(b) <input type="checkbox"/> Personal Residence: WAC 390-28-100(1)(d) <input type="checkbox"/> Attorney: WAC 390-28-100(1)(e)(i) <input type="checkbox"/> Judge / Judicial Candidate: WAC 390-28-100(1)(e)(ii) <input type="checkbox"/> Spousal: WAC 390-28-100(1)(e)(iv) <input type="checkbox"/> Other: WAC 390-28-100(1)(e)
Explanation of Rule(s)	<p>Income and ownership interests. An applicant may be exempted from reporting the information otherwise required by RCW 42.17A.710 (1)(f) and (g), if:</p> <p>(i) Public disclosure would violate any legally recognized confidential relationship that serves a legitimate business interest;</p> <p>(ii) The information does not relate to a business entity which would be subject to the regulatory authority of the office sought or held by the applicant in whole or in part;</p> <p>(iii) Such reporting would present a manifestly unreasonable hardship to the applicant including, but not limited to, adversely affecting the competitive position of an entity in which the applicant had an interest of ten percent or more as described in RCW 42.17A.120; and</p> <p>(iv) The interest in question would present no actual or potential conflict with the performance of the duties of the office sought or held.</p>
Supporting Documents (attached)	<input checked="" type="checkbox"/> Amended Modification Request Application <input checked="" type="checkbox"/> Modification Request Application <input checked="" type="checkbox"/> Email Attachment, dated March 30, 2020 <input checked="" type="checkbox"/> Current F-1 (amended May 23, 2020) <input checked="" type="checkbox"/> Current F-1 (filed April 1, 2020) <input checked="" type="checkbox"/> Amended F-1A covering 2018 (filed June 17, 2020)

Supporting Documents, cont. (attached)	<input checked="" type="checkbox"/> Amended F-1 covering 2018 (filed June 17, 2020) <input checked="" type="checkbox"/> Prior Order (if renewal) – April 25, 2019
Reason(s) for Modification (as stated by filer)	<ul style="list-style-type: none"> • Mr. Shae is requesting a renewal of a reporting modification that would exempt him from disclosing the business customers that paid \$12,000 or more during 2019 to Confluence Health. • Mr. Shae has also requested a retroactive modification to exempt him from disclosing governmental customers that paid \$12,000 or more to Confluence Health in 2017, 2018 and 2019. • Mr. Shae erroneously believed that the reporting modification granted by the Commission on April 2, 2018 and renewed on April 25, 2019 covered governmental, as well as business, customers. For this reason, Mr. Shae has expanded his reporting modification request to include governmental customers that paid \$12,000 or more to Confluence Health for reporting years 2017 - 2019. • Confluence Health is a regional and integrated healthcare provider headquartered in Wenatchee. Mr. Shae stated that Confluence Health had gross revenue in excess of \$1.4 billion in 2018. According to Confluence Health's 2018 Annual Report and website, it operates 2 hospitals and 13 clinics in 12 cities and has over 4,000 employees. In 2018, Confluence Health reported over 1 million outpatient customers. Mr. Shae stated that listing the governmental agency and business customer payments and real estate owned by Confluence Health would take an unreasonable amount of time for him and Confluence Health staff, thereby creating a manifestly unreasonable hardship. • Mr. Shae is a board member of Confluence Health with no ownership interest. In his previous request, he stated that he does not make decisions regarding the daily operations. • Mr. Shae stated previously that Confluence Health does not currently have software capable of sorting its customer list or sources of compensation and would require weeks to compile such a list utilizing multiple data systems and cross checking.

Other Issues	<p>Mr. Shae disclosed payments made to Confluence Health by the jurisdiction (Chelan County) in 2017, 2018 and 2019 on F-1 reports.</p> <p>Mr. Shae disclosed the governmental customers that paid \$12,000 or more to Confluence Health in 2017, 2018 and 2019 of which he is aware and able to obtain information.</p> <p>Mr. Shae has agreed to recuse himself if a matter came before him involving a conflict of interest between Confluence Health and Chelan County.</p> <p>Mr. Shae has reviewed his initial reporting modification and has certified that there are no changes to the facts related to his request regarding reportable business customers.</p>
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