

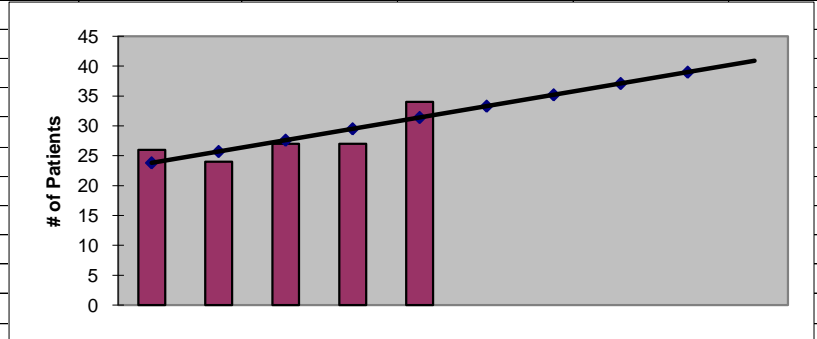


**2011  
Mason County  
ESRD Need Projection Methodology**

| Planning Area  |  | 6 Year Utilization Data - Resident Incenter Patients |                                    |           |           |           |  |
|--|--|--|------------------------------------|-----------|-----------|-----------|--|
| Mason  | 2005                                     | 2006   | 2007                               | 2008      | 2009      | 2010      |  |
| Mason County   | 31                                       | 26   | 24                                 | 27        | 27        | 34        |  |
| <b>TOTALS</b>  | <b>31</b>                                | <b>26</b>  | <b>24</b>                          | <b>27</b> | <b>27</b> | <b>34</b> |  |
| <b>246-310-284(4)(a)</b>   | Rate of Change                           | -16.13%  | -7.69%                             | 12.50%    | 0.00%     | 25.93%    |  |
|  | 6% Growth or Greater?                    | FALSE  | FALSE                              | TRUE      | FALSE     | TRUE      |  |
|  | Regression Method:                       | Linear   |                                    |           |           |           |  |
| <b>246-310-284(4)(c)</b>   |  |  | Year 1                             | Year 2    | Year 3    | Year 4    |  |
|  |  |  | 2011                               | 2012      | 2013      | 2014      |  |
| Projected Resident Incenter Patients   | from 246-310-284(4)(b)                   |  | 33.30                              | 35.20     | 37.10     | 39.00     |  |
| Station Need for Patients  | Divide Resident Incenter Patients by 4.8 |  | 6.9375                             | 7.3333    | 7.7292    | 8.1250    |  |
|  | Rounded to next whole number             |  | 7                                  | 8         | 8         | 9         |  |
| <b>246-310-284(4)(d)</b>   | subtract (4)(c) from approved stations   |  |                                    |           |           |           |  |
| Existing CN Approved Stations  |  |  | 6                                  | 6         | 6         | 6         |  |
| Results of (4)(c) above  |  | -  | 7                                  | 8         | 8         | 9         |  |
| Net Station Need   |  |  | -1                                 | -2        | -2        | -3        |  |
| Negative number indicates need for stations  |  |  |                                    |           |           |           |  |
| <b>246-310-284(5)</b>  |  |  |                                    |           |           |           |  |
| Name of Center   | # of Stations                            | Patients   | Utilization (Patients per Station) |           |           |           |  |
| FMC Shelton  | 6  | 22   | 3.67                               |           |           |           |  |
| <b>Total</b>   | <b>6</b>                                 | <b>22</b>  |                                    |           |           |           |  |
| Source: Northwest Renal Network data 2005-2010   |  |  |                                    |           |           |           |  |
| Most recent year-end data: 2010 year-end data as of 02/16/2011   |  |  |                                    |           |           |           |  |
| Most recent quarterly data as of the 1st day of application submission period: 4th quarter 2010 as of 02/16/2010 |  |  |                                    |           |           |           |  |

**2011  
Mason County  
ESRD Need Projection Methodology**

| x    | y  | Linear |
|------|----|--------|
| 2006 | 26 | 24     |
| 2007 | 24 | 26     |
| 2008 | 27 | 28     |
| 2009 | 27 | 30     |
| 2010 | 34 | 31     |
| 2011 |    | 33.300 |
| 2012 |    | 35.200 |
| 2013 |    | 37.100 |
| 2014 |    | 39.000 |



**SUMMARY OUTPUT**

| Regression Statistics |             |
|-----------------------|-------------|
| Multiple R            | 0.79442991  |
| R Square              | 0.631118881 |
| Adjusted R Square     | 0.508158508 |
| Standard Error        | 2.652043237 |
| Observations          | 5           |

| ANOVA      |    |      |             |             |                |
|------------|----|------|-------------|-------------|----------------|
|            | df | SS   | MS          | F           | Significance F |
| Regression | 1  | 36.1 | 36.1        | 5.132701422 | 0.108369442    |
| Residual   | 3  | 21.1 | 7.033333333 |             |                |
| Total      | 4  | 57.2 |             |             |                |

|              | Coefficients | Standard Error | t Stat       | P-value     | Lower 95%    | Upper 95%   | Lower 95.0%  | Upper 95.0% |
|--------------|--------------|----------------|--------------|-------------|--------------|-------------|--------------|-------------|
| Intercept    | -3787.6      | 1684.009032    | -2.249156583 | 0.110023978 | -9146.868321 | 1571.668321 | -9146.868321 | 1571.668321 |
| X Variable 1 | 1.9          | 0.838649708    | 2.265546606  | 0.108369442 | -0.768957665 | 4.568957665 | -0.768957665 | 4.568957665 |

**RESIDUAL OUTPUT**

| Observation | Predicted Y | Residuals |
|-------------|-------------|-----------|
| 1           | 23.8        | 2.2       |
| 2           | 25.7        | -1.7      |
| 3           | 27.6        | -0.6      |
| 4           | 29.5        | -2.5      |
| 5           | 31.4        | 2.6       |