



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH

April 26, 2010

CERTIFIED MAIL # 7007 3020 0000 3056 2452

James Good  
VP Specialty Services  
St. Joseph Medical Center  
1717 'J' St.  
Tacoma, Washington 98405

Dear Mr. Good:

Thank you for your April 22, 2010, letter agreeing to the terms associated with our approval of Franciscan Health System / St. Joseph Medical Center proposing to establish a new 12 station dialysis facility in Pierce County planning area #4. Enclosed is Certificate of Need #1421.

The certificate is not approval for any other local, federal, or state statutes, rules, or regulations. Such a project may also need Department of Health approval for a construction plan and facility licensing or certification, as well as other federal or local jurisdiction permits.

The Certificate of Need is valid for two years during which time you must start the project. If there is substantial and continuing progress, we may extend the certificate for one six month period. For an extension, you must submit an extension request at least 120 days before the expiration. You cannot begin a project after the expiration date.

We monitor projects until completed or the expiration date, whichever occurs last. We do this with quarterly progress reports. At least 30 days before the report's due date, you will receive a form to complete and return. If you have any question, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,

Steven M. Saxe, FACHE  
Director, Health Professions and Facilities

Enclosure

cc: Linda Foss, Department of Health, Investigations and Inspections Office  
Department of Health, Construction Review Services





This Certificate is granted under the authority of RCW 70.38. Issuance of this Certificate does not constitute approval under any other local, federal or state statute, implementing rules and regulations. Examples where additional approval may be necessary include, but are not limited to, construction plan approval through the Construction Review Unit of the Department of Health, facility licensing/certification through the Department of Social and Health Services or Department of Health, and other federal or local jurisdiction permits.

**Certificate of Need #1421 is issued to:**

**Legal Name of Applicant:** Franciscan Health System / St. Joseph Medical Center  
**Address of Applicant:** 1717 South 'J' Street, Tacoma, Washington 98405  
**Type of Service:** End Stage Renal Disease Facility  
**Facility Name:** St. Joseph Medical Center East Tacoma Dialysis Center  
**Facility Address:** 1415 East 72<sup>nd</sup> Street, Suite E, Tacoma, Washington 98404

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORDS AND EVALUATION OF APRIL 9, 2010 (CN App #09-33)**

**Description/Services To Be Provided:**

This certificate approves the establishment of a 12-station dialysis facility through the transfer of stations from St. Joseph Medical Center. Services include in-center dialysis and an isolation bed, but will not include an evening shift beginning after 5:00 pm.

**Approved Stations**

|                                    |           |
|------------------------------------|-----------|
| St. Joseph Medical Center          | 38        |
| <b>East Tacoma Dialysis Center</b> |           |
| Private Isolation Room             | 1         |
| Other In-Center Stations           | 11        |
| <b>Total</b>                       | <b>12</b> |

**Service Area**

Pierce County ESRD Planning Area #4

**Terms**

Please see page two of certificate

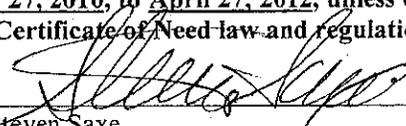
**Approved Capital Expenditure**

The approved capital expenditure is \$1,979,936 and is broken down as follows.

| Item                                 | Cost                |
|--------------------------------------|---------------------|
| Construction/Leasehold Improvements  | \$ 980,259          |
| Fixed & Moveable Equipment           | \$ 687,092          |
| Professional Fees                    | \$ 105,795          |
| Permits                              | \$ 59,510           |
| Sales Tax                            | \$ 147,280          |
| <b>Total Estimated Capital Costs</b> | <b>\$ 1,979,936</b> |

This Certificate authorizes commencement of the project from April 27, 2010, to April 27, 2012, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: April 27, 2010

  
 Steven Saxe  
 Director, Health Professions and Facilities

This Certificate is not transferable.

Terms:

1. FHS/SJMC will provide a copy of the executed medical director agreement with Dr. Anel prior to commencement of services consistent with the draft agreement provided within the application.
2. FHS/SJMC will provide the program with a finalized lease that is consistent with the rates and terms outlined in the draft provided with the application.