



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
*PO Box 47852 • Olympia, Washington 98504-7852*

October 24, 2016

CERTIFIED MAIL # 7008 1830 0002 8022 0786

Kathryn Cullen, Director of Special Projects  
DaVita HealthCare Partners-North Star Division  
32275 – 32<sup>nd</sup> Avenue South  
Federal Way, Washington 98001

RE: Certificate of Need Application #16-28

Dear Ms. Cullen:

Enclosed is Certificate of Need #1588 issued to DaVita HealthCare Partners, Inc. approving the establishment of a three-station dialysis center in Lynnwood, within Snohomish County planning area #3.

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. The project must begin during this time. 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.

This decision may be appealed. The appeal options are listed below.

Appeal Option 1:

Any person with standing may request a public hearing to reconsider this decision. The request must state the specific reasons for reconsideration in accordance with Washington Administrative Code 246-310-560. A reconsideration request must be received within 28 calendar days from the date of the decision at one of the following addresses:

Mailing Address:  
Department of Health  
Certificate of Need Program  
Mail Stop 47852  
Olympia, WA 98504-7852

Physical Address:  
Department of Health  
Certificate of Need Program  
111 Israel Road SE  
Tumwater, WA 98501

Appeal Option 2:

Any person with standing may request an adjudicative proceeding to contest this decision within 28 calendar days from the date of this letter. The notice of appeal must be filed according to the provisions of Revised Code of Washington 34.05 and Washington Administrative Code 246-310-610. A request for an adjudicative proceeding must be received within the 28 days at one of the following addresses:

Mailing Address:

Department of Health  
Adjudicative Service Unit  
Mail Stop 47879  
Olympia, WA 98504-7879

Physical Address:

Department of Health  
Adjudicative Service Unit  
111 Israel Road SE  
Tumwater, WA 98501

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 questions, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,



Bart Eggen, Acting Director  
Office of Community Health Systems

Enclosure



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 #1588 is issued to:**

**Legal Name of Applicant:** DaVita HealthCare Partners, Inc.  
**Address of Applicant:** 2000 16<sup>th</sup> Street, Denver, Colorado 80202  
**Type of Service:** End Stage Renal Disease Center  
**Facility Name:** DaVita Lynnwood Dialysis Center  
**Facility Address:** 13619 Mukilteo Speedway, #D-1, Lynnwood, Washington 98087

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED SEPTEMBER 28, 2016 (CN App #16-28)**

**Project Description**

This certificate approves the establishment of a three station dialysis center in Snohomish County planning area #3. At completion of the project, DaVita Healthcare Partners, Inc. is approved to certify and operate three stations at the new dialysis center. Services provided at the new dialysis center include in-center hemodialysis, home hemodialysis and home peritoneal dialysis training and support for dialysis patients, a permanent bed station, an isolation station, and a shift beginning after 5:00 p.m. A breakdown of all stations at project completion is shown below:

Private Isolation Room	1
Permanent Bed Station	1
Other In-Center Stations	1
<b>Total</b>	<b>3</b>

**Service Area**

Snohomish County ESRD Planning Area #3

**Conditions**

Conditions are identified on page 2

**Approved Capital Expenditure**

DaVita HealthCare Partners, Inc. identified a capital cost for the seven-station dialysis center to be \$1,720,865, which includes all construction, equipment, fees, and sales tax. The department expects the costs for the three-station dialysis center to be similar to the costs identified, therefore the approved capital costs were not reduced.

This Certificate authorizes commencement of the project from October 24, 2016 to October 24, 2018 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: October 24, 2016

  
Bart Eggen, Acting Director  
Office of Community Health Systems

**This Certificate is not transferable**



## **Certificate of Need #1588**

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#### **Conditions**

1. Approval of the project description as stated above. DaVita Healthcare Partners, Inc. further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
2. DaVita Healthcare Partners, Inc. shall maintain compliance with the terms and conditions outlined in the October 22, 2014, Corporate Integrity Agreement with Department of Health and Human Services.
3. DaVita Healthcare Partners, Inc. shall finance the project using cash reserves as described in the application.
4. Prior to providing services, DaVita HealthCare Partners, Inc. will provide to the department for review and approval a copy of an executed medical director agreement. The executed agreement must be consistent with the draft agreement provided in the application.
5. Prior to providing services, DaVita HealthCare Partners, Inc. will provide to the department for review and approval a copy of an executed transfer agreement with a local hospital. The executed agreement must be consistent with the draft agreement provided in the application.