February 1, 2013

CERTIFIED MAIL #7011 1570 0002 7809 5322

Jeff Lehman, Executive Director
Olympic Peninsula Kidney Centers
2613 Wheaton Way
Bremerton, Washington 98310

Dear Mr. Lehman:

Enclosed is Certificate of Need #1497 issued to Olympic Peninsula Kidney Centers approving the establishment of OPKC-Care Coordination Unit in Bremerton, within Kitsap County.

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 two appeal options are listed below.

Appeal Option 1:
You or any interested or affected person 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: Other Than By Mail
Janis Sigman, Manager Janis Sigman, Manager
Certificate of Need Program Certificate of Need Program
Department of Health Department of Health
Mail Stop 47852 111 Israel Road SE
Olympia, WA 98504-7852 Tumwater, WA 98501
Appeal Option 2:
You or any affected 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:**
Adjudicative Service Unit  
Mail Stop 47879  
Olympia, WA 98504-7879

**Other Than By Mail**
Adjudicative Clerk Office  
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 question, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,

[Signature]

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

Enclosure

cc: Linda Foss, Department of Health, Investigations and Inspections Office  
    Karen Stricklett, Department of Health, Customer Service Office
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 #1497 is issued to:

Legal Name of Applicant: Olympic Peninsula Kidney Centers
Address of Applicant: 2613 Wheaton Way, Bremerton, Washington 98310
Type of Service: End Stage Renal Disease
Facility Name: OPKC-Care Coordination Unit
Facility Address: 2740 Clare Avenue, Bremerton, Washington 98310


Project Description:
This certificate approves the establishment of the dialysis facility known as OPKC Care Coordination Unit. OPKC Coordination Unit is approved to certify and operate a maximum of four stations. The four dialysis stations will be transferred from the OPKC-Bremerton facility. At project completion OPKC-Bremerton will be approved to certify and operate a maximum of 15 stations. Services to be provided at the OPKC Care Coordination Unit include in-center hemodialysis, nocturnal in-center hemodialysis, home dialysis orientation, training, and support, and backup hemodialysis for home dialysis patients. The station breakdown for the two affected facilities is listed below:

<table>
<thead>
<tr>
<th>Care Coordination Unit</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Isolation Room stations</td>
<td>1</td>
</tr>
<tr>
<td>Hemodialysis stations</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPKC - Bremerton</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Training stations</td>
<td>0</td>
</tr>
<tr>
<td>Hemodialysis stations</td>
<td>15</td>
</tr>
</tbody>
</table>

Service Area  
Kitsap County

Conditions Listed on Page Two

Approved Capital Expenditure
The approved capital expenditure associated with this project is $542,580.

This Certificate authorizes commencement of the project from February 1, 2013, to February 1, 2015, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: February 1, 2013

Steven Saxe  
Director, Health Professions and Facilities

This Certificate is not transferable.
Certificate of Need #1497

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Conditions:
1. Approved project description as described above. OPKC 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. OPKC will provide the Department with an executed copy of the Medical Director Agreement that is consistent with the draft agreement provided within the application for department review and approval prior to commencement of services.

3. OPKC will provide the Department with an updated copy of the Transfer Agreement that is consistent with the current agreement provided within the application for department review prior to commencement of services.

All OPKC Facilities Condition:
4. OPKC agrees that if the department, during future application reviews, finds that:
   
a. An OPKC facility is operating or certified for more than the Certificate of Need approved stations, the department will require OPKC to immediately cease operating the un-approved stations. The department may, at its discretion, notify the applicable certifying authority. OR
b. An OPKC facility is certified for fewer than the Certificate of Need approved stations, the department will interpret this as a voluntary relinquishment of the stations. The number of approved stations for that facility will be reduced by the number equaling the difference between the Certificate of Need approved stations and the certified amount. For example:

<table>
<thead>
<tr>
<th>CN Approved Stations</th>
<th>Facility Certified Stations</th>
<th>Difference</th>
<th>New CN Approved Stations for Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>6</td>
<td>4</td>
<td>6</td>
</tr>
</tbody>
</table>