November 21, 2017

CERTIFIED MAIL # 7014 2120 0002 7627 2087

Austin Ross, Vice President of Planning
Northwest Kidney Centers
700 Broadway
Seattle, Washington 98122-4302

RE: Certificate of Need Application #17-31

Dear Mr. Ross:

Enclosed is Certificate of Need #1621 issued to Northwest Kidney Centers approving the establishment of NKC Fife Kidney Center in Pierce County End Stage Renal Disease planning area #4.

The certificate is not an 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:

<table>
<thead>
<tr>
<th>Mailing Address:</th>
<th>Physical Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Health</td>
<td></td>
</tr>
<tr>
<td>Certificate of Need Program</td>
<td></td>
</tr>
<tr>
<td>Mail Stop 47852</td>
<td></td>
</tr>
<tr>
<td>Olympia, WA 98504-7852</td>
<td></td>
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<tr>
<td>Department of Health</td>
<td></td>
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<tr>
<td>Certificate of Need Program</td>
<td></td>
</tr>
<tr>
<td>111 Israel Road SE</td>
<td></td>
</tr>
<tr>
<td>Tumwater, WA 98501</td>
<td></td>
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</tbody>
</table>
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,

[Signature]

Steve Bowman, PhD, MHA  
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 #1621 is issued to:

Legal Name of Applicant: Northwest Kidney Centers dba NKC Fife Kidney Center
Address of Applicant: 700 Broadway, Seattle, WA 98122-4302
Type of Service: End Stage Renal Disease Facility
Facility Name: NKC Fife Kidney Center
Facility Address: 6021 12th Street East, Suite 100, Fife, WA 98424

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT’S RECORD AND EVALUATION DATED NOVEMBER 6, 2017 (CN App #17-31)

Project Description
This certificate approves the construction of a new ten-station dialysis center in Fife within Pierce County planning area #4. At project completion, the dialysis center is approved to certify and operate ten dialysis stations. Services to be provided at NKC Fife Kidney Center include in-center hemodialysis, home hemodialysis training and backup, home peritoneal dialysis training and backup, treatment shifts beginning after 5:00 p.m., a permanent bed station, and a dedicated isolation/private room. A breakdown of the approved ten stations is shown below:

<table>
<thead>
<tr>
<th>NKC Fife Kidney Center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Isolation Room</td>
</tr>
<tr>
<td>Permanent Bed Station</td>
</tr>
<tr>
<td>Other In-Center Stations</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Service Area
Pierce County planning area #4

Conditions
Conditions Identified on Page Two

Approved Capital Expenditure
Identified on Page Two

This Certificate authorizes commencement of the project from November 21, 2017 to November 21, 2019 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: November 21, 2017

Steve Bowman, PhD, MHA
Director, Office of Community Health Systems

This Certificate is not transferable
Certificate of Need #1621
Page Two

Conditions

1. Northwest Kidney Centers agrees with the project description as stated above. Northwest Kidney Centers 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. Prior to providing services, Northwest Kidney Centers will provide an executed copy of the medical director agreement for the department’s review and approval. The executed medical director agreement must be consistent with the draft provided in the application.

3. Prior to commencement Northwest Kidney Centers will provide an executed copy of the lease agreement for the department’s review and approval. The executed lease agreement must be consistent with the draft provided in the application.

Approved Costs:
The approved capital expenditure for this project is $1,707,381. This amount represents the total project cost of $2,179,918, minus the landlord’s cost of $472,537.