

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

PO Box 47852 Olympia, Washington 98504-7852

April 12, 2017

CERTIFIED MAIL # 7016 0910 0000 3454 9252

Amanda Crain, Chief Operating Officer Puget Sound Kidney Centers 1019 Pacific Avenue Everett, Washington 98201

RE: Certificate of Need Application #16-33

Dear Ms. Crain:

Enclosed is Certificate of Need #1598 issued to Puget Sound Kidney Centers approving the establishment of a 44-station dialysis center within Pierce County planning area #5.

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

Amanda Crain, Puget Sound Kidney Centers CN Application #16-33 April 12, 2017 Page 2 of 2

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,

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 #1598 is issued to:

Legal Name of Applicant: Puget Sound Kidney Centers

Address of Applicant:

1019 Pacific Avenue, Everett, Washington 9801

Type of Service:

End Stage Renal Disease Center

Facility Name:

PSKC-Lakewood

The site for the facility has not yet been assigned an address.

Facility Address:

Parcel numbers for the site were provided in the application.

Parcel #021912-2028 and Parcel #021912-2033.

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED MARCH 30, 2017, (CN App #16-33)

PROJECT DESCRIPTION

This certificate approves the establishment of a 29-station dialysis facility in Lakewood, within Pierce County planning area #5. Services to be provided at PSKC-Lakewood would include in-center hemodialysis, home hemodialysis and home peritoneal dialysis training and support for dialysis patients, one 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 Station	1
Permanent Bed Station	1
Other In-Center Station	27
Total In-Center Stations	29

Service Area

Pierce County Planning Area #5

Conditions

Conditions identified on page two

Approved Capital Expenditure

The approved capital expenditure for this 29-station facility is \$8,957,745.

This Certificate authorizes commencement of the project from April 12, 2017 to April 12, 2019, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: April 12, 2017

Steve Bowman, PhD, MHA

Director, Office of Community Health Systems

This Certificate is not transferable.

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Conditions

- 1. Approval of the project description as stated above. Puget Sound 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 commencement of the project, Puget Sound Kidney Centers shall submit to the department an updated Community Service Statement that is consistent with the draft provided in the application, but that includes Pierce County.
- 3. Puget Sound Kidney Centers shall finance this project using existing capital reserves, as described in the application.
- 4. Puget Sound Kidney Centers shall provide a copy of the executed Medical Director contract, consistent with the draft in the application.
- 5. Puget Sound Kidney Centers shall provide a copy of the executed patient transfer agreement, consistent with the draft in the application.