

# STATE OF WASHINGTON DEPARTMENT OF HEALTH

May 24, 2012

Jason Bosh, Regional Operations Director DaVita, North Star, Region 1 1301 A Street, #400 Tacoma, Washington 98402

Dear Mr. Bosh:

Thank you for your March 20, 2012, letter requesting a Determination of Reviewability (DOR) related to DaVita, Inc.'s (DaVita) proposed relocation of Kent Dialysis Center. Below are the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding your proposed relocation project.

#### **FACTS**

- On October 22, 1998, DaVita, Inc.<sup>1</sup> was issued Certificate of Need (CN) #1183 approving the establishment of the 12-station dialysis center known as Kent Community Dialysis Center. The facility became operational in February 2000 at the approved location of 21501 84<sup>th</sup> Avenue South in Kent, within King County.
- Kent Community Dialysis Center has remained in continuous operation at its current location since its inception in February 2000. The facility has been renamed DaVita Kent Dialysis Center.
- On March 20, 2012, DaVita submitted a request for relocation of Kent Dialysis Center with the following information.
  - $\triangleright$  The new site is  $21851 84^{th}$  Avenue South in Kent, within King County.
  - > The current site and the new site are both located in King County.
  - ➤ Information obtained by the Certificate of Need Program demonstrates that the current site and proposed site are both located in King County ESRD planning area #10 as defined in Washington Administrative Code (WAC) 246-310-280(9).
  - DaVita expects that the new facility would become operational in June 2013. The existing facility would cease operation once the relocated facility was operational.
  - > No break in dialysis services would occur as a result of the relocation.
  - The relocated facility would continue to operate with 12 dialysis stations, and no new stations would be added in conjunction with the relocation.

<sup>&</sup>lt;sup>1</sup> CN #1183 was issued to Total Renal Care, Inc.

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#### **ANALYSIS**

- Revised Code of Washington (RCW) 70.38.105(4) identifies the types of projects subject to prior Certificate of Need review and approval. Subsection (a) identifies that the construction, development, or other establishment of a new health care facility is subject to CON review. RCW 70.38.025(6) defines "health care facility" to include kidney disease treatment centers.
- WAC 246-310-289 allows for relocation of a kidney disease treatment center within the same planning area [as defined in WAC 246-310-280(9)] without undergoing prior Certificate of Need review and approval, provided the following five requirements are met.
  - (a) The existing facility ceases operation;
  - (b) No new stations are added to the replacement facility;
  - (c) There is no break in service between the closure of the existing facility and the operation of the replacement facility;
  - (d) The existing facility has been in operation for at least five years at its present location; and
  - (e) The existing facility has not been purchased, sold, or leased within the past five years.

### CONCLUSION

Based on the above factual information, the Certificate of Need Program concludes that the proposed relocation of DaVita Kent Dialysis Center qualifies for a relocation exemption under WAC 246-310-289. You may proceed with the relocation of Kent Dialysis Center without further Certificate of Need approvals.

This determination of non-reviewability does not constitute approval under any other local, federal, or state statute, or implementing rules and regulations. Examples where additional approval may be necessary include, but are not limited to, construction plan approval through the Construction Review Section 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.

We monitor projects until completed or the expiration date, whichever occurs last. We do this with quarterly progress reports. Near the end of June 2012, you will receive a progress report to complete and return for this relocation project.

# **APPEAL OPTIONS**

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

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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

Other Than By Mail
Department of Health
Certificate of Need Program
310 Israel Road SE
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
310 Israel Road SE, Building 6
Tumwater, WA 98501

Please call me at (360) 236-2957 if you have any questions as you proceed with the relocation.

Sincerely,

Karen Nidermayer, Analyst Certificate of Need Program

Office of Certification and Technical Support

cc: Department of Health, Investigations and Inspections Office