

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

Olympia, Washington 98504

December 7, 2020

Casey Stowell, RVP-Pacific Northwest Fresenius Medical Care

Sent by email: casey.stowell@fmc-na.com

RE: Determination of Reviewability, Relocation Request #21-16

Dear Ms. Stowell:

Thank you for your letter received on November 19, 2020, submitted by Fresenius Medical Care (FMC) requesting relocation of PNRS Fort Vancouver located in Clark County. Below are the facts relevant to the relocation request relied upon by the Certificate of Need (CN) Program in reaching its conclusion regarding your application.

HISTORICAL INFORMATION

- In October 1981, Good Samaritan Hospital and Medical Center in Portland, Oregon was approved to establish an 8-station dialysis center in Vancouver, within Clark County. Once operational, the facility was named Fort Vancouver Kidney Center.
- On July 17, 1985, CN #826 was issued to Good Samaritan Hospital and Medical Center approving the addition of two stations to Fort Vancouver Kidney Center. At project completion, the facility was operating 10 dialysis stations at 505 Northeast 87th Avenue in Vancouver.
- Between July 1985 and March 2003, the department's historical records are unclear for this dialysis center. It appears that five additional stations were added to Fort Vancouver Kidney Center, for a total of 15 stations. Further, FMC purchased the facility from Good Samaritan Hospital and Medical Center during this time. Given that change of ownership for dialysis centers does not require prior Certificate of Need review, the exact date of the change of ownership is not in the department's file. Once purchased by FMC, the dialysis facility was renamed PNRS Fort Vancouver¹.
- On March 18, 2003, CN #1257 was issued to PNRS approving the addition of 9 stations to the 15-station dialysis center. CN #1257 also approved the relocation of the dialysis center to 312 Southeast Stonemill Drive #150, in Vancouver [98684]. At project completion, PNRS Fort Vancouver was operating 24 stations at the new site.
- In March 2018, CN #1731 was issued to FMC approving one exempt isolation station, for a facility total of 25 stations at PNRS Fort Vancouver.²

¹ Pacific Northwest Renal Services or PNRS is a subsidiary of Fresenius Medical Care

² CN #1731 issued consistent with Washington Administrative Code 246-310-809(3).

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Your November 19, 2020, letter requests relocation of the currently operational 25-station PNRS Fort Vancouver in its entirety as allowed under Washington Administrative Code (WAC) 246-310-830(4).

APPLICABLE STATUTE AND RULE

- RCW 70.38.105(3) requires the granting of a Certificate of Need or receipt of an exemption from the department prior to proceeding with a project that is subject to review.
- The department may grant an exemption under WAC 246-310-830(4) for the relocation of an entire kidney disease treatment center provided the following five requirements are met.
 - (a) The existing facility ceases operation;
 - (b) No new stations are added to the relocated facility;
 - (c) There is no break in service between the closure of the existing facility and the operation of the relocated 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.

DETERMINATION OF REVIEWABILITY #21-16 PROJECT DESCRIPTION

- Historical documentation demonstrates FMC's ownership since at least March 2003.
- The proposed site for PNRS Fort Vancouver is 13118 Northeast 4th Street in Vancouver [98684]. The current site and the new site are both located in Clark County as defined in Washington Administrative Code 246-310-280(9).
- FMC expects that the new facility would become operational at the new site by the end of July 2021. The existing facility would cease operation as a dialysis center at its current location once the relocated facility is operational.
- No break in dialysis services would occur as a result of the relocation.
- A breakdown of the existing 25 stations for the new site is shown below.

	CMS Certified Stations	Stations Counted in Methodology
General Use In-Center Stations	24	24
Permanent Bed Station	0	0
Exempt Isolation Station	1	0
Total	25	24

• FMC provided a floor plan showing the treatment space, which includes future expansion space for two dialysis stations. Under WAC 246-310-800(11), the maximum allowable space for a 25-station facility with two future expansion stations is 7,263 square feet; the new site uses 5,180 square feet.

CONCLUSION

Based on the above information, the Certificate of Need Program concludes the PNRS Fort Vancouver relocation project qualifies for a relocation under WAC 246-310-830(4). FMC must agree to the following conditions before the department will issue a Replacement Authorization for the relocated facility.

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Conditions of Relocation Approval

- 1. Fresenius Medical Care agrees with the project description. Fresenius Medical Care agrees further agrees that any change to the project as described above, requires new Certificate of Need Program review.
- 2. Fresenius Medical Care agrees, in adherence to WAC 246-310-830(4)(a), that the existing kidney dialysis facility located at 312 Southeast Stonemill Drive, #150 in Vancouver will cease operation after the relocation.
- 3. Fresenius Medical Care agrees, in adherence to WAC 246-310-830(4)(c) there will be no break in service between the closure of the existing kidney dialysis facility and the operation of the replacement facility.

You have two options, either accept or reject the above in its entirety. If you accept the above in its entirety, your request will be approved and a relocation for the project will be issued. If you reject any provision of the above, you must identify that provision, and your request will be denied because approval would not be consistent with applicable Certificate of Need review criteria.

Please notify the Department of Health within 20 days of the date of this letter whether you accept the conditions above. Your written response can be sent to karen.nidermayer@doh.wa.gov.

If you have any questions or would like to arrange for a meeting to discuss our decision, please contact me at (360) 236-2955.

Sincerely.

Eric Hernandez, Program Manager

Certificate of Need

Community Health Systems

cc: Frank Fox, Consultant [sent by e-mail]