NORTHWEST
Kidney Centers

December 2, 2018

Janis Sigman, Program Manager Certificate of Need Program
Department of Health
P.O. Box 47852
111 Israel Road SE
Tumwater, WA 98501

Dear Ms. Sigman:

Enclosed please find a copy of Northwest Kidney Centers' (NKC) Non Special Circumstances certificate of need application NKC Auburn Kidney Center, located in the King 11 Dialysis Planning Area.

Also enclosed is the appropriate review fee of $25,054.00.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Joyce F. Jackson

Joyce F. Jackson
President & CEO

Certificate of Need Application
Proposing Non-Special Circumstance
Expansion
of
NKC Auburn Kidney Dialysis Center
King 11 Dialysis Planning Area

Cycle 2
December 1, 2018

Certificate of Need Application
Kidney Disease Treatment Facilities

Certificate of Need applications must be submitted with a fee in accordance with Washington Administrative Code (WAC) 246-310-990.

Application is made for a Certificate of Need in accordance with provisions in Revised Code of Washington (RCW) 70.38 and WAC 246-310, rules and regulations adopted by the Washington State Department of Health. I attest that the statements made in this application are correct to the best of my knowledge and belief.

Signature and Title of Responsible Officer: Joyce F. Jackson President & Chief Executive Officer **Email Address**: Joyce.Jackson@nwkidney.org	**Date:** December 1, 2018 **Telephone Number:** 206-720-8500
Legal Name of Applicant: Northwest Kidney Centers / NKC Auburn Kidney Center **Address of Applicant:** 700 Broadway Seattle, WA 98122-4302	**Estimated capital expenditure**: $18,831,477
This application is submitted under (check **one** box only): [ ] Concurrent Review **Cycle 1** – Special Circumstances: [ ] Concurrent Review **Cycle 1** – Nonspecial Circumstance --- [ ] Concurrent Review **Cycle 2** – Special Circumstances: [X] Concurrent Review **Cycle 2** – Nonspecial Circumstance	
Identify the Planning Area for this project as defined in WAC 246-310-800(15). King 11	

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INTRODUCTION

As a prefatory matter, Northwest Kidney Centers ("NKC") notes that it submits this Certificate of Need (CN) application pursuant to WAC 246-310-806(7). While NKC is cognizant that the CN Program has yet to make a decision on a pending application in the King 11 Dialysis Planning Area , the new CN rules (effective January 1, 2018) plainly provide that the CN Program will accept new nonspecial circumstance applications for a planning area "if the department has not made a decision on pending applications within the review timelines of nine months for a concurrent review and six months for a regular review." In this case, the department has not made a decision on DaVita's pending application in King 11 within the [six month] review timeline, and NKC is thus permitted to submit this application to meet the indicated need.

Furthermore, DaVita's application proposing to establish a new 22 station facility in Auburn submitted in the Cycle 1 Non Special Circumstances was simply premature. WAC 246-310-812(5) states:

> Before the department approves new in-center kidney dialysis stations in a 4.8 planning area, all certificate of need counted stations at each facility in the planning area ***must be operating at 4.5 in-center patients per station (emphasis added).*** However, when a planning area has one or more facilities with stations not meeting the in-center patients per stations standard, the department will consider the 4.5 in-center patients per station standard met for those facilities when:
>
> > *(a) All stations for a facility have been in operation for at least three years; or*
> > *(b) Certificate of need approved stations for a facility have not become operational within the timeline as represented in the approved application. For example, an applicant states the stations will be operational within eight months following the date of the certificate of need approval. The eight months would start from the date of an uncontested certificate of need approval. If the certificate of need approval is contested, the eight months would start from the date of the final department or judicial order.* ***However, the department, at its sole discretion, may approve a one-time modification of the timeline for purposes of this subsection upon submission of documentation that the applicant was prevented from meeting the initial timeline due to circumstances beyond its control (emphasis added).***

NKC was approved to establish a new 14 station facility in February 2017 (to be known as NKC Federal Way East). This facility was to be established with both relocated and new CN approved stations. At the time that DaVita's application was submitted, the most recent Northwest Renal Network data available was for 12/31/2017. As DaVita acknowledged in Table 5 of its application, NKC Federal Way East had reported no data as of 12/31/2017. Therefore, its utilization was below the 4.5 minimum requirement in WAC. In addition, DaVita also argued that NKC Federal Way East had not become operational in the timeline outlined in its application and therefore, WAC 246-310-812 (5) (b) was met.

As the CN Program is aware, NKC Federal Way East became "operational" (as defined in WAC 246-310-800(12) on March 12, 2018. On September 4, 2018, NKC submitted a request for an exception to its timeline and outlined the reasons for the delay. This letter, as required by WAC 246-310-812(5)(b), documented the delays in the timeline that were beyond NKC's control. On October 26, 2018, the CN Program provided a response to NKC's September 2018 letter and concluded the following:

> *Based on the totality of the information considered, the department concludes NKC was prevented from meeting the timeline submitted in the application due to circumstances beyond its control.*

A copy of the letter is included in Exhibit 1. Based on the above information, WAC 246-310-812 (5) was not met at the time of the submittal of DaVita's application and therefore, consistent with WAC 246-310-812(5), NKC anticipates that DaVita's application will be rejected. NKC is aware of the unmet need in King 11 and this Cycle 2 application offers a fully compliant application to address the need from a high quality applicant with a proven track record of timely operationalizing stations.

SECTION 1
APPLICANT DESCRIPTION

1. **Provide the legal name(s) and address(es)of the applicant(s)**
   Note: The term "applicant" for this purpose includes any person or individual with a ten percent or greater financial interest in the partnership or corporation or other comparable legal entity.

The legal name of the applicant is Northwest Kidney Centers ("NKC") dba NKC Auburn Kidney Center ("NKC Auburn"). NKC proposes to relocate and expand its existing 12 station NKC Auburn by 22 stations, under the non-special circumstances criteria specified in WAC 246-310-812. Upon project completion, NKC Auburn will have a total of 34 stations that are counted within the methodology. In addition, upon project completion, NKC Auburn will have one exempt isolation station as allowed in WAC 246-310-800(9). As allowed in WAC 246-310-800(9), NKC Auburn will have a total of 35 CMS approved stations but for CN purposes, only 34 stations will be counted for projecting future station need or in calculating existing station use.

Consistent with Technical Assistance (TA) provided by the Program on November 29, 2018, NKC will file a Replacement Authorization (RA) request related to the 12 stations to be replaced. Because: a) the existing NKC Auburn facility has been in operation for more than 5 years; b) the existing location will cease operations when the new location opens; c) there will be no break in service; and d) the maximum treatment floor space will be consistent with the CN approved 12 stations, NKC is confident that the RA will be approved. On the November 29, 2018 TA call, the Program confirmed that there is not a specific timeline for this request to be submitted, and that this application can proceed even without the RA being filed.

2. **Identify the legal structure of the applicant (LLC, PLLC, etc.) and provide the UBI number.**

NKC is a Washington not-for-profit 501(c) (3) corporation. NKC's UBI number is 600 006 964.

3. **Provide the name, title, address, telephone number, and email address of the contact person for this application.**

Questions regarding this application should be addressed to:

Austin Ross
Vice President of Planning
Administration
Northwest Kidney Centers
700 Broadway, Seattle, WA 98122
Tel: 206-720-8505 | Fax: 206-860-5821
Austin.Ross@nwkidney.org

4. **Provide the name, title, address, telephone number, and email address of the consultant authorized to speak on your behalf related to the screening of this application (if any).**

The consultant authorized to speak on behalf of the screening related to this application is:

Lori Aoyama
Health Facilities Planning & Development
Planning and Business Development
120 1st Avenue West, Suite 100
Seattle, WA 98119
(206) 441-0971
(206) 441-4823 (fax)
Email: healthfac@healthfacilitiesplanning.com

5. **Provide an organizational chart that clearly identifies the business structure of the applicant(s).**

NKC is governed by a volunteer Board of Trustees comprised of medical, civic, patient and business leaders from the communities we serve. The Board has appointed an Executive Committee that meets monthly to review, approve, and monitor operating policies, performance benchmarks, and major capital expenditures for all of its programs and facilities.

An organizational chart depicting the Board structure is shown in Exhibit 2. An organizational chart showing the Operations (staff) structure is shown in Exhibit 3.

6. **Identify all healthcare facilities owned, operated by, or managed by the applicant. This should include all facilities in Washington State as well as out-of-state facilities, and should identify the license/accreditation status of each facility.**

A listing of each of the facilities owned and operated by NKC is included in Exhibit 4. NKC does not own or operate any facility outside of Washington State.

SECTION 2
PROJECT DESCRIPTION

1. **Provide the name and address of the existing facility.**

The name of the existing facility is NKC Auburn Kidney Center. The address of NKC Auburn Kidney Center is:

1501 W Valley Hwy N # 104
Auburn, WA 98001

2. **Provide the name and address of the proposed facility. If an address is not yet assigned, provide the county parcel number and the approximate timeline for assignment of the address.**

NKC is proposing the expansion of a relocated facility. This new address will be:

635 C Street SW
Auburn, WA 98001

3. **Provide a detailed project description of the proposed project.**

NKC proposes to establish a new facility with 12 stations relocated from the existing NKC Auburn. This facility will be expanded with the 22 stations demonstrated as needed per the methodology outlined in WAC 246-310-812. As discussed during the two TA conference calls with CN Program staff, NKC intends to relocate the existing facility regardless of the outcome of this application. The lease for the existing NKC Auburn facility ends in April 2021 and NKC previously made the decision to not renew the lease and purchased property on which to construct a replacement facility. The site is large enough to accommodate the 22 additional statements requested in this Application. As noted earlier, NKC understands that it will need to file a separate Replacement Authorization request to relocate the existing 12 stations. For full transparency, NKC is providing the total project costs of the proposed 34 station facility and in the financial feasibility section (Table 9) will detail the breakout of capital costs between the 12 station relocation and the 22 station addition.

This project will add 22 new stations to the service area, for a total of 34 approved stations at NKC Auburn. As allowed under current rules, NKC will also have one additional station licensed but not counted in methodology for providing medically necessary isolation within the center. In 2016, NKC submitted a CN application proposing to establish a 14 station dialysis center in King 11. Of these 14 stations, only two were new per the methodology in WAC; the remaining 12 were relocated from NKC Auburn Kidney Center. This facility, known as NKC Federal Way East, became operational on March 12, 2018.. Since our 2016 application, the census and station need has grown such that an additional 22 stations are now demonstrated as needed per the methodology in WAC 246-310-812. Both NKC Auburn and NKC Federal Way East now operate 'at capacity'.

4. **Identify any affiliates for this project, as defined in WAC 246-310-800(1).**

Per WAC 246-310-800 (1) "Affiliate" or "affiliated" means:

(a) Having at least a ten percent but less than one hundred percent ownership in a kidney dialysis facility;
(b) Having at least a ten percent but less than one hundred percent financial interest in a kidney dialysis facility; or
(c) Three years or more operational management responsibilities for a kidney dialysis facility.

There are no affiliates associated with NKC Auburn.

5. **With the understanding that the review of a Certificate of Need application typically takes 6-9 months, provide an estimated timeline for project implementation, below:**

The concurrent review timeline for the Non Special Circumstances Cycle 2 is defined in WAC 246-310-806. This WAC indicates that the CN Program will issue its decision in July 2019. Assuming a timely decision and further assuming that project implementation means ready for survey, NKC anticipates that the project will be implemented in April 2021 as depicted in Table 1. In summary – from the CN issuance date to the date of seeing the first patient ("survey ready"), we anticipate it will take 21 months. If CN decision moves, the dates for the timeline will move concomitantly.

Table 1
NKC Auburn Timeline

Event	Anticipated Date
Design and Permit Complete	December 20th, 2019
Construction Commenced	January 21st 2020
Construction Completed	February 1st, 2021
Facility Prepared for Survey	April 1st 2021

Source: Applicant

6. **Identify the date the facility is expected to be operational as defined in WAC 246-310-800(12).**

WAC 246-310-800 (12) defines operational as:

> *"Operational" means the date when the kidney dialysis facility provides its first dialysis treatment in newly approved certificate of need stations, including relocated stations*

As noted in Table 1, this date is April 1st, 2021. From the CN issuance date to the date of seeing the first patient ("survey ready"), we anticipate it will take 21 months. If CN decision moves, the dates for the timeline will move concomitantly.

7. **Provide a detailed description of the services represented by this project. For existing facilities, this should include a discussion of existing services and how these would or would not change as a result of the project. Services can include but are not limited to: in-center hemodialysis, home hemodialysis training, peritoneal dialysis training, a late shift (after 5:00 pm), etc.**

NKC Auburn currently provides the following services:

- Outpatient maintenance hemodialysis.
- A bed for patients who are unable to dialyze in an upright position.
- Home peritoneal training.
- Back up support treatments for both home hemodialysis and home peritoneal dialysis patients.
- Hemodialysis services for visitors.
- Shift beginning after 5:00 PM.

In addition to the above services, NKC Auburn, upon relocation and expansion, will also provide medically necessary isolation in a private room and home hemodialysis training.

8. **Provide a general description of the types of patients to be served by the facility at project completion.**

Upon project completion, NKC Auburn will serve the following patient population:

- Stable outpatient maintenance hemodialysis patients.
- Patients whose medical condition requires treatment in a bed.
- Training for home peritoneal dialysis patients.
- Training for home hemodialysis patients
- Provide clinics for PD patients
- Provide clinics for HH patients
- Provide back up runs and support for HH and PD patients
- Visiting hemodialysis patients.
- Stable institutionalized hemodialysis patients transported for outpatient treatments.
- Patients who work or go to school during the day and require treatments that begins after 5:00 PM in the evening.

In addition to the above patient populations, NKC Auburn, upon relocation and expansion, will also care for patients who require isolation in a private room.

9. **Provide a copy of the letter of intent that was already submitted according to WAC 246-310-080.**

A copy of the letter of intent is included in Exhibit 5.

10. **Provide single-line drawings (approximately to scale) of the facility, both before and after project completion. Reference WAC 246-310-800(11) for the definition of maximum treatment area square footage. Ensure that stations are clearly labeled with their square footage identified, and specifically identify future expansion stations (if applicable).**

Single line drawings with the requested information are included in Exhibit 6.
Additionally, Table 2 provides the actual square footage proposed for NKC Auburn, upon project completion and also calculates, consistent with WAC 246-310-800(11) the maximum treatment area square footage. If the CN Program requires specific square footage information related to the station addition, NKC requests to be allowed to provide it in screening.

Table 2
NKC Auburn
Actual Square Footage and Maximum Allowable Treatment Area Square Footage, At Project Completion (34 CN counted stations + 1 exempt isolation station)

Category	NKC Auburn Square Footage
Actual Square Footage	
Treatment Floor Space- Stations Actual	
In-center Dialysis Station (31 stations x 80 sqft)	2,480
Isolation Stations (3 stations x 100 sqft)	300
Permanent Bed Station (1 station x 100 sqft)	100
Future Stations (1 stations x 80 sqft)	80
Sub-Total Treatment Floor Space	2,960
Other treatment Floor Space	3,150
Total Treatment Floor Space	**6,110**
Non Incenter Floor Space (home training, lobby, waiting, toilets, reception, support, water rooms etc.)	9,640
Total Square Footage	**15,750**
Maximum Allowable Treatment Area Square Footage Calculation	
Maximum Treatment Area Square Footage	
In-Center (10 stations) x 150	4,650
Permanent bed station (1 station) and Isolation stations (3 stations) x 200	800
1 Future Stations x 150	150
Total Station Space per MTASF	5,600
Other Treatment Floor Space @75% of Station Space per MTASF	4,200
Total	**9,800**

Source: Applicant

11. Provide the gross and net square feet of this facility. Treatment area and non-treatment area should be identified separately (see explanation above re: maximum treatment area square footage).

The gross and net square feet at project completion will be 15,750. As indicated in Table 2, the total treatment area will be 2,960 and the other areas treatment areas will be 3,150. In addition, the non treatment area will be 9,460 square feet.

12. Confirm that the facility will be certified by Medicare and Medicaid. If this application proposes the expansion of an existing facility, provide the existing facility's Medicare and Medicaid numbers.

NKC Auburn is Medicare and Medicaid certified. The existing provider numbers are:

Medicare: 50-2520
Medicaid: 3990413

SECTION 3
A. Need (WAC 246-310-210)

1. **List all other dialysis facilities currently operating in the planning area, as defined in WAC 246-310-800(15).**

NKC Auburn is located in ESRD King County Planning Area #11 (King 11). NKC Federal Way East is the only other facility located in King 11.

2. **Provide utilization data for the facilities listed above, according to the most recent Northwest Renal Network modality report. Based on the standards in WAC 246-310-812(5) and (6), demonstrate that all facilities in the planning area either:**
   a) have met the utilization standard for the planning area;
   b) have been in operation for three or more years; or
   c) have not met the timeline represented in their Certificate of Need application.

Table 3 details the current utilization of the existing King 11 dialysis facilities.
As detailed in the table, both facilities are operating above 4.5 patients per station.

Table 3
King 11 Dialysis Facilities 6/30/2018 Utilization

Facility	No. of Stations	6/30/2018 Census	Patients/Station
NKC Auburn	12	74	6.17
NKC Federal Way East	14	78	5.57

Source: Applicant and Northwest Renal Network 6/30/2018 Modality Reports

3. **Complete the methodology outlined in WAC 246-310-812. For reference, copies of the ESRD Methodology for every planning area are available on our website. Please note, under WAC 246-310-812(1), applications for new stations may only address projected station need in the planning area where the facility is to be located, unless there is no existing facility in an adjacent planning area. If this application includes an adjacent planning area, station need projections for each planning area must be calculated separately.**

In-center dialysis station need for the planning area was determined by applying the methodology set forth in WAC 246-310-812[1]. The specific methodology as applied to King 11 is detailed below. A copy of the CN Program's methodology is included in Exhibit 7.

Step (a)
Determine the Type of Regression Analysis to be Used

Determine the type of regression analysis to be used to project resident in-center station need by calculating the annual growth rate in the planning area using the end-of-year number of resident in-center patients for each of the previous six consecutive years, concluding with the base year.

(i) If the planning area has experienced less than six percent growth in any of the previous five annual changes calculations, use linear regression to project station need; or
(ii) If the planning area has experienced six percent or greater growth in each of the previous five annual changes, use nonlinear (exponential) regression to project station need.

Table 4 details the year end number of in-center hemodialysis patients in King 11. As Table 4 demonstrates, growth did not exceed six percent in two of the five previous annual change calculations. As such, a linear regression is to be used to project station need.

Table 4
King 11 Year-End Resident In-Center Hemodialysis Patients and Annual Rate of Change from Prior Year
2012-2017

Year	2012	2013	2014	2015	2016	2017
Number of Patients	94	87	101	112	141	147
Rate of Change from Prior Year		-7.45%	16.09%	10.89%	25.89%	4.26%

Source: Certificate of Need Program, End Stage Renal Disease Service Area Methodologies, Year End Data (as of December 31, 2017)

[1] Defined as in-center hemodialysis and home training patients.

Step (b)
Project the Number of Resident In-Center Patients

Project the number of resident in-center patients in the projection year using the regression type determined in (a) of this subsection. When performing the regression analysis use the previous five consecutive years of end-of-year data concluding with the base year. For example, if the base year is 2015, use end-of-year data for 2011 through 2015 to perform the regression analysis.

Table 5 details the number of projected in-center patients in King 11 in the years 2018 – 2022.

Table 5
Projected Year-End Resident In-Center Hemodialysis Patients
Linear Projection

Year	2018	2019	2020	2021	2022
Number of Patients	165.6	181.6	197.6	213.6	229.6

Source: DOH Need Projected Methodology

Step (c)
Determine the Number of Dialysis Stations Needed

Determine the number of dialysis stations needed to serve resident in-center patients in the planning area in the projection year by dividing the result of (b) of this subsection by the appropriate resident in-center patient per station number from subsection (3) of this section. In order to assure access, fractional numbers are rounded up to the nearest whole number. For example, 5.1 would be rounded to 6.0. Rounding to a whole number is only allowed for determining the number of stations needed.

Per WAC, the projection year is 2022. For King 11, the appropriate resident in-center patient per station number is 4.8. Assuming 229.6 patients, 48 stations are calculated as needed in 2022.

Step (d)
Determine Net Station Need

Subtract the number calculated in (c) from the total number of certificate of need approved stations located in the planning area.

Table 6 demonstrates that there are currently 26 CN approved and/or operational stations in King 11, when total projected need is subtracted, leaves a net need for 22 stations in 2022.

Table 6
Analysis of Current Supply vs. Net Station Need

	Stations
Current Supply:	
NKC Auburn	12
NKC Federal Way East	14
Total Supply:	**26**
2022 Projected Need	48
Net Station Need	**22**

Source: Department of Health end of year ESRD projection

4. **For existing facilities, provide the facility's historical utilization for the last three full calendar years.**

Table 7 provides the requested information for the three full fiscal years ending June 30. Note that the patient count is as of the last day of the year, and it likely fluctuated up and or down throughout the period. Further note that NKC Auburn relocated 12 stations and the bulk of its home patients in March of FYE 2018 to NKC Federal Way East. Treatments represent the total actual treatments provided throughout the period.

Table 7
NKC Auburn Kidney Center
Historical Utilization, FYE2016-2018[2]

	FYE2016	FYE2017	FYE2018
Total in-center stations	24	24	12
Total in-center patients as of ***last day of period***	133	139	74
Total in-center treatments	18,763	19,395	17,462
Total home patients as of ***last day of period***	25	22	2
Total home equivalent treatments	2,371	3,529	2,507
Total patients as of last day of period	**158**	**161**	**76**
Total Treatments	**21,134**	**22,924**	**19,969**

Source: Applicant

5. For existing facilities proposing to add one or two stations under WAC 246-310-818, provide the facility's historical utilization data for the most recent six months preceding the letter of intent period. This data should be acquired from the Northwest Renal Network.

NKC is not proposing a Special Circumstances application. This question is not applicable.

6. Provide projected utilization of the proposed facility for the first three full years of operation. For existing facilities, also provide the intervening years between historical and projected. Include all assumptions used to make these projections.

The requested information is included in Table 8 and is for fiscal years ending June 30. The assumptions are included in Exhibit 8.

[2] Home CCPD and CAPD treatments are provided daily and are converted to hemo equivalents to facilitate comparability to in-center.

Table 8
NKC Auburn Kidney Center
Projected Utilization, FYE2018-FYE2024

	FY2019 Projected	FY2020 Projected	FY2021 Projected	FY2022 Projected	FY2023 Projected	FY2024 Projected
Total in-center stations **last day of year**	12	12	34	34	34	34
Total in-center patients **last day of year**	76	76	91	115	140	164
Total in-center treatments	11,238	11,263	11,541	15,265	18,896	22,526
Total home patients last day of year	2	2	9	11	14	16
Total home treatments	198	296	426	1,482	1,853	2,223

Source: Applicant

7. For existing facilities, provide patient origin zip code data for the most recent full calendar year of operation.

A patient origin report is included in Exhibit 9.

8. Identify any factors in the planning area that could restrict patient access to dialysis services. WAC 246-310-210(1), (2).

NKC is undertaking this project and adding stations now in order to mitigate factors that serve to restrict patient access to dialysis treatment. The very high growth rate of incenter dialysis patients (averaging 13% annually just in the last three years) coupled with the high census of the two existing King 11 facilities, confirms the restricted access that is experienced daily in South King County. Adding new stations to King 11 will improve, not restrict patient access.

9. Identify how this project will be available and accessible to low-income persons, racial and ethnic minorities, women, mentally handicapped persons, and other under-served groups. WAC 246-310-210(2)

NKC has a long-established history of developing and providing services that meet the dialysis needs of the communities it serves. NKC Auburn, as with all other NKC facilities, is committed to providing services to all patients regardless of race, color, ethnic origin, religious belief, sex, age or ability to pay.

Copies of the admission policies and procedures and the charity care policy for the existing NKC Auburn are included in Exhibit 10.

10. If this project proposes either a partial or full relocation of an existing facility, provide a detailed discussion of the limitations of the current site consistent with WAC 246-310-210(2).

The current NKC Auburn facility is nearing the end of its useful life, and the existing lease scheduled to end on April 30, 2021. In addition, the current building:

1) Does not have space to expand to meet the needs of King 11.
2) The Landlord is requiring significantly higher rates than the market will allow or we are willing to pay for the quality of building.
3) And NKC's long term strategy is to own the buildings in which its centers are located as this results in lower and more predictable operating costs. While NKC has historically made long term commitments to the communities it serves with long term leases, owning the buildings outright further strengthens our commitment to the dialysis patients.

11. If this project proposes either a partial or full relocation of an existing facility, provide a detailed discussion of the benefits associated with relocation consistent with WAC 246-310-210(2).

As discussed in earlier sections of this application, this application proposes the expansion of a to be relocated facility. NKC will submit a separate request to the CN Program for a Replacement Authorization. Therefore, NKC's application is specifically for the expansion of an existing facility. However, in an effort to be fully transparent, NKC notes that the proposed new facility will be less than two miles from the existing NKC Auburn and will provide the same access to Medicare and Medicaid recipients. In addition, NKC is committed to serving all patients including the underserved groups identified in WAC 246-310-210(2).

In addition, the new facility will provide better and easier access for transport van services for patients along with adequate parking for patients who drive themselves and plenty of staff parking. The new facility will also offer the following new services:

- A medically necessary isolation "suite" made up of 3 stations (NKC notes that only one of the stations will meet the definition of an exempt isolation station in WAC 246-310-800(9). This will allow patients that are HepB positive to receive full treatment.
- Space for CKD education classes that include education to slow the onset of kidney failure that delays when a patient needs to receive dialysis. This will include classes on eating well, transplant options and other options for our patients.
- A state of the art Home Training program that will allow for training of both PD and Home Hemo patients at the same time (in separate rooms).
- Our most advanced water treatment system that no longer uses chemicals to sanitize the water system (it uses heat instead).

12. Provide a copy of the following policies:

- **Admissions policy**
- **Charity care or financial assistance policy**
- **Patient Rights and Responsibilities policy**
- **Non-discrimination policy**
- **Any other policies directly associated with patient access (example, involuntary discharge)**

Copies of the requested policies are included in Exhibit 10.

SECTION 4
B. Financial Feasibility (WAC 246-310-220)

1. **Financial feasibility of a dialysis project is based on the criteria in WAC 246-310-220 and WAC 246-310-815.**
   - **Provide documentation that demonstrates the immediate and long-range capital and operating costs of the project can be met. This should include but is not limited to:**
   - **Utilization projections. These should be consistent with the projections provided under the Need section. Include all assumptions.**
   - **Pro Forma financial projections for at least the first three full calendar years of operation. Include all assumptions.**
   - **For existing facilities proposing a station addition, provide historical revenue and expense statements, including the current year. Ensure these are in the same format as the pro forma projections. For incomplete years, identify whether the data is annualized.**

At the current time, NKC anticipates undertaking a tax-exempt bond financing through the Washington Health Care Facilities Authority (WHCFA) for approximately $14.5 million of the $18,000,000+ required for this project. NKC has secured WHCFA tax-exempt financing successfully in the past including as recently as June 2018. The remaining funding will come from NKC reserves. Our pro forma financial assumes an interest rate of 3.8%.

As the CN Program is aware, the WHCFA will not approve a financing, nor confirm an interest rate until all CN obligations are met. The rate we included in the pro forma is slightly higher than current WHCFA rates. We anticipate filing an application with WHCFA in the fall of 2019. In the event that the tax-exempt financing is delayed for some reason, our audited financials included in Appendix 1 demonstrate that we have adequate reserves to undertake and complete 100% of the project without external financing. We are electing to disclose the potential for tax-exempt bonds at this time, so that the CN Program has the ability to analyze the impact of the interest expense (versus no interest expense) associated with this method. Included in Exhibit 11 is a letter from NKC's CFO confirming these assumptions.

The requested pro forma financial information is included in Exhibit 8. As required by WAC 246-310-815 (1) the calculation of net income is subtraction of all operating and non-operating expenses, including appropriate allocated and overhead expenses, amortization and depreciation from total revenue. And because NKC Auburn is an existing facility, revenue and expense projections are based on current payer mix and current expenses.

2. **Provide the following agreements/contracts:**
   - **Management agreement**
   - **Operating agreement**
   - **Medical director agreement**
   - **Development agreement**
   - **Joint Venture agreement**

NKC does not have a management agreement, operating agreement or a joint venture agreement related to NKC Auburn. A copy of the draft medical director agreement, valid through at least the first three full years following completion have a clause with automatic renewals is included in Exhibit 12. In addition, NKC will use a project management firm (Spectrum Development) for the design, permitting and building of NKC Auburn. A copy of the agreement is included in Exhibit 13 and the costs associated with the agreement are included in the "supervision and project management" line item in the capital expenditure breakout in Table 9.

3. **Provide documentation of site control. This could include either a deed to the site or a lease agreement for the site. If a lease agreement is provided, the terms must be for at least five years following project completion.**

NKC has already purchased the proposed site and there will be no lease. Information from the King County Assessor's office documenting that NKC is the property owner is included in Exhibit 14. If the documentation from the King County Assessor's office is not sufficient demonstration of site control, NKC requests that the CN Program ask in screening for additional documentation.

4. **Provide county assessor information and zoning information for the site. If zoning information for the site is unclear, provide documentation or letter from the municipal authorities showing the proposed project is allowable at the identified site.**

Information regarding the zoning is included in Exhibit 15 (a letter from the City of Auburn's Community Development & Public Works Department). The site is zoned C-3, Heavy Commercial. Exhibit 15 demonstrates that a dialysis center is an allowable use. The existing building is a restaurant (Long Horn BBQ) and it will be demolished so that NKC can construct a new building.

5. **Complete the table below with the estimated capital expenditure associated with this project. Capital expenditure for the purposes of dialysis applications is defined under WAC 246-310-800(3). If you have other line items not listed below, include the definition of the line item. Include all assumptions used to create the capital expenditure estimate.**

The capital expenditures for the project are included in Table 9. Please note that the capital expenditure breakout between the relocated facility and expansion is an allocation based on the number of stations. If the Program prefers another allocation methodology, please advise in screening.

Table 9
NKC Auburn Kidney Center
Estimated Capital Expenditure

Item	Cost associated with the 12 station[3]	Cost associated with the 22 station CN	Total Project Costs
a. Land Purchase	$816,667	$1,283,333	$2,100,000
b. Utility inspection fees / insurance	$200,278	$314,722	$515,000
c. Land Improvements	$738,008	$1,159,726	$1,897,734
d. Building Purchase	$0	$0	$0
e. Residual Value of Replaced Facility	$0	$0	$0
f. Building Construction and Engineering Fees	$3,286,079	$5,163,839	$8,449,918
g. Fixed Equipment (not already included in the construction contract)	$315,000	$495,000	$810,000
h. Moveable Equip	$276,111	$433,889	$710,000
i. Architect	$360,500	$566,500	$927,000
j. Consulting Fees	$178,111	$279,889	$458,000
k. Permit Fees (includes impact fees)	$186,667	$293,333	$480,000
l. Supervision and PM	$213,889	$336,111	$550,000
m. Any Costs Associated with Securing the Sources of Financing (include interim interest during construction)	$295,190	$463,870	$759,060
1. Land	$0	$0	$0
2. Building	$0	$0	$0
3. Equipment	$0	$0	$0
4. Other	$0	$0	$0
n. Washington Sales Tax	$456,853	$717,912	$1,174,765
Total Estimated Capital Expenditure	**$7,323,352**	**$11,508,125**	**$18,831,477**

Source: Applicant

[3] Consistent with WAC, the 12 station relocation will include space for two additional (future) stations.

6. **Identify the entity responsible for the estimated capital costs identified above. If more than one entity is responsible, provide breakdown of percentages and amounts for all.**

The construction costs and architectural and engineering fees cost estimates were provided by NKC's contractor Aldrich and Associates. The equipment (fixed and moveable) costs were based on NKC's experience purchasing dialysis equipment over the past decades.

7. **Provide a non-binding contractor's estimate for the construction costs for the project.**

A non-binding contractor's estimate is included in Exhibit 16.

8. **Provide a detailed narrative regarding how the project would or would not impact costs and charges for services. WAC 246-310-220.**

This project will have no impact on the costs and charges for services as NKC's charges for services are not determined by capital expenditures. The pro forma operating assumptions and statement, which include the impact of the depreciation expense on operations, is included in Exhibit 8.

9. **Provide documentation that the costs of the project, including any construction costs, will not result in an unreasonable impact on the costs and charges for health services in the planning area. WAC 246-310-220.**

This project will have no impact on the costs and charges for services. The capital costs for this project will not negatively impact payers or patients. NKC's charges for services are not determined by capital expenditures. The pro forma operating assumptions and statement, which include the impact of the depreciation expense on operations, is included in Exhibit 8.

In addition, WAC 246-310-815 (Financial Feasibility) provides a 'test' on the impact of costs and charges for health care services by limiting the cost of the project to less than the maximum floor treatment space. As noted in Table 2, NKC's project expansion is less than the maximum floor treatment space and therefore, the project does not have an unreasonable impact on the costs and charges of health care services.

10. Provide the projected payer mix by revenue and by patients using the example table below. If "other" is a category, define what is included in "other."

NKC Auburn's current payer mix is detailed in Table 10. No change in payer mix is assumed for this project. Note: Medicare and Medicaid include fee for service and government managed care plans.

Table 10
NKC Auburn Kidney Center
Current and Projected Payer Mix

Payer Mix	Percentage by Revenue	Percentage by Patient
Medicare	47.6%	72.9%
Medicaid	8.2%	17.8%
Commercial	44.2%	9.3%
Total	100.0%	100.0%

Source: Applicant

11. If this project proposes the addition of stations to an existing facility, provide the historical payer mix by revenue and patients for the existing facility. The table format should be consistent with the table shown above.

The current and projected payer mix is detailed in Table 10.

12. Provide a listing of all new equipment proposed for this project. The list should include estimated costs for the equipment. If no new equipment is required, explain.

Exhibit 17 contains a listing of the proposed equipment for this project.

13. Provide a description of any equipment to be replaced, including cost of the equipment, and salvage value (if any) or disposal, or use of the equipment to be replaced.

NKC proposes to purchase new equipment for the existing 12 stations at NKC Auburn that are moving to the new facility so that all stations (relocated and new) have the same generation of equipment. These costs are included in the capital expenditure budget provided in this application.

14. Identify the source(s) of financing (loan, grant, gifts, etc.) and provide supporting documentation from the source. Examples of supporting documentation include: a letter from the applicant's CFO committing to pay for the project or draft terms from a financial institution.

As discussed in earlier sections, NKC intends to use tax exempt bond financing as the financing for the project. As the CN Program is aware, the WHCFA will not approve a financing, nor confirm an interest rate until all CN obligations are met. The rate we used in the pro forma is slightly higher than current rates. We anticipate filing an application with WHCFA in the fall of 2019. In the event that the tax-exempt financing is delayed for some reason, our audited financials included in Appendix 1 demonstrate that we have adequate reserves to undertake and complete this project. We are electing to disclose the potential for tax-exempt bonds at this time, so that the CN Program has the ability to analyze the impact of the interest expense (versus no interest expense) associated with this method. This method of financing was previously reviewed and approved for another NKC project (NKC Rainier Beach, CN #1630) in February 2018.

15. If this project will be debt financed through a financial institution, provide a repayment schedule showing interest and principal amounts for each year over which the debt will be amortized. WAC 246-310-220

The requested repayment scheduled is included in Exhibit 18.

16. Provide the applicant's audited financial statements covering at least the most recent three years. WAC 246-310-220

The audited financials are included in Appendix 1.

SECTION 5
C. Structure and Process (Quality) of Care (WAC 246-310-230)

1. **Provide a table that shows FTEs [full time equivalents] by category for the proposed facility. If the facility is currently in operation, include at least the last three full years of operation, the current year, and the first three full years of operation following project completion. There should be no gaps in years. All staff categories should be defined.**

Table 11 details the historic, current and projected staffing by fiscal year (ending June 30). Please recall that the existing facility was a total of 24 stations from FYE 2016-2019, when 14 were relocated to establish NKC Federal Way East.

Table 11
Current and Proposed Total Staffing – NKC Auburn

		Historic			Annualized	Projected				
	Avg. Salary (Current)	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024
Clinical Director	69.16	.20	.20	.20	.20	.20	.20	.20	.20	.20
Nurse Manager/Care Manager	54.37	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Tech	18.95	16.93	17.16	16.37	10.54	10.56	10.82	14.31	17.71	21.12
RN –In Center	40.49	9.75	11.96	8.81	5.67	5.69	5.83	7.71	9.54	11.37
RN-Home Training (PD and HD)	48.28	1.0	1.0	.5	.5	.5	1.0	1.5	1.5	1.5
Facility System Specialist	27.61	1.0	1.0	.5	.5	.5	1.0	1.0	1.0	1.0
MSW	36.06	1.0	1.4	.69	.71	.71	.91	1.15	1.40	1.64
Dietician	35.17	1.0	1.19	.65	.65	.65	.83	1.05	1.28	1.50
Receptionist	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total		**32.88**	**35.91**	**29.72**	**20.77**	**20.81**	**22.59**	**28.92**	**34.63**	**40.33**

Source: Applicant

2. **Provide the assumptions used to project the number and types of FTEs identified for this project.**

The staffing in Table 11 is based on current staff to patient ratios and actual average salaries at NKC Auburn. WAC 246-310-815(c)(iii) states that known expenses must be used in the pro forma income statement. Given that NKC knows both staffing ratios and average salaries, this information is included in both Table 11 and the pro forma financials.

3. **Identify the salaries, wages, and employee benefits for each FTE category.**

The average salary by FTE category is detailed in Table 11. Employee benefits are assumed to be 27%.

4. **Provide the name and professional license number of the current or proposed medical director. If not already disclosed under 210(1) identify if the medical director is an employee or under contract.**

The medical director for NKC Auburn is Paramita Mukherje, MD. Dr. Mukherje's license number is: MD60166387.

5. **Identify key staff, if known. (nurse manager, clinical director, etc.)**

A listing of key staff is detailed in Exhibit 19. Ray Robles, RN is the Nurse Manager and Shelley Bromstrup, RN is the Clinical Director.

6. **For existing facilities, provide names and professional license numbers for current credentialed staff.**

The requested information is provided in Exhibit 19.

7. **Describe your methods for staff recruitment and retention. If any barriers to staff recruitment exist in the planning area, provide a detailed description of your plan to staff this project.**

NKC is proactive in its efforts to assure quality staffing. NKC offers a competitive wage and benefit package as well as numerous other recruitment and retention strategies. Specific strategies include:

- NKC offers competitive wage and benefit packages. To ensure that its wages and benefits remain competitive, NKC conducts an annual market survey to benchmark its compensation package.

- NKC remains active on various job board including but not limited to indeed.com, nursing associations, Health e-careers, and other local resources.
- NKC also has contacts with colleges and universities throughout the Puget Sound area to both recruit staff as well as to serve as a clinical rotation site.
- NKC staff participate, at least monthly, in job fairs in and around the Puget Sound area.
- NKC also offers a substantial tuition reimbursement program for existing staff. Typically, in an average year, 15-20 employees take advantage of this program. Primarily, dialysis technician staff use this program to become registered nurses.
- NKC human resources staff are active in various boards and councils that focus on sharing of recruitment and retention strategies.
- NKC human resources staff also work with agency personnel as needed for the use of temporary filling of staff positions.
- NKC has a highly successful employee referral program that incentivizes current employees to refer colleagues from outside the organization for open positions.
- NKC will, as needed, work with outside recruiters if a position has been challenging to fill.

Recent history demonstrates that NKC has been successful in staffing our new facilities. The most recent examples include the Federal Way East (located in King 11) and Federal Way West Campus facilities. These new units were staffed with a combination of individuals that chose to transfer from other locations and new hires to the organization. In the case of NKC Auburn because it will be an expansion, NKC is already located in the planning area as a provider of services. In addition, NKC likely has part time staff that would be willing to expand their work hours.

The record will further demonstrate that in those rare circumstances in which we have faced staffing shortages (due to extended leave of absences or other issues), we have successfully used our roster of per diem staff or staff from other facilities nearby to supplement. The proximity of NKC Auburn to NKC Federal Way East and Federal Way West also allows for sharing with those facilities in the event we have a situation that requires additional staffing.

8. **Provide a listing of proposed ancillary and support agreements for the facility. For existing facilities, provide a listing of the vendors.**

Ancillary and support service vendors currently in place at NKC Auburn are detailed in Table 12.

Table 12
NKC Auburn
Ancillary and Support Services

Service	Vendor
IT/Network Engineering	GCI Northpoint
Copier leases and support	Copiers NW
Janitorial Services	Citywide
Lab Services	Ascend

Source: Applicant

9. **For existing facilities, provide a listing of ancillary and support service vendors already in place.**

Table 12 details the existing ancillary and support service vendors already in place at NKC Auburn.

10. **For new facilities, provide a listing of ancillary and support services that will be established.**

NKC Auburn is already established in this community, therefore, this question is not applicable. For clarity - no change is anticipated with the relocation.

11. Provide a listing of ancillary and support services that would be provided on site and those provided through a parent corporation off site.

At the time that NKC Auburn opens, NKC will be operating three Support Centers in Burien/SeaTac, and Seattle. The Support Centers provide ancillary and support services to each dialysis facility. These Support Centers are staffed with our own NKC employees and are not outside contractors. Table 13 details which services are provided on site and which ones are administered via the Support Centers (Off-site).

Table 13
Ancillary and Support Services for NKC Auburn

Service	Offered Onsite/Offsite
Administration	Off site
Community Relations	Off site
Human Resources	Off site
Informatics Nurses	Off site
Information Systems	Off site
Material Management	Off site
Medical Staff Credentialing	Off site
Nutrition Services	On site
Patient Education	On site
Patient Financial Counseling	On site
Pharmacy	On and Offsite
Plant Operations	On site
Public Relations	Off site
Technical Services	On site
Visitor Dialysis	On site
Water Purification Specialists	On site

Source: Applicant

12. Identify whether any of the existing ancillary or support agreements are expected to change as a result of this project.

No changes to existing ancillary or support agreements are anticipated as a result of this project.

13. If the dialysis center is currently operating, provide a listing of healthcare facilities with which the dialysis center has working relationships.

Table 14 details the health care entities that NKC has working relationships with.

Table 14
NKC's Working Relationships with Healthcare Facilities

Category	Examples/Providers	Status of Existing Relationship	How existing relationship will be expanded to support continuity
Hospitals	▪ MHS Auburn Regional Medical Center ▪ CHI / Highline Medical Center ▪ CHI / St. Francis Hospital ▪ Evergreen Hospital Medical Center ▪ Harborview Medical Center ▪ MultiCare Tacoma General ▪ Northwest Hospital ▪ Overlake Hospital Medical Center ▪ Swedish Edmonds ▪ Swedish Issaquah ▪ Swedish Cherry Hill ▪ Swedish Medical Center ▪ University of Washington ▪ Valley Medical Center ▪ Virginia Mason Medical Center	NKC has existing referral relationships with all of the hospitals listed.	NKC's existing relationships will be continued for the expanded NKC Auburn.
Clinics/Nephrology Groups (Sample)	▪ Cascade Kidney Specialists ▪ CHI Franciscan Nephrology Associates ▪ Eastside Nephrology ▪ Harborview Medical Center ▪ MultiCare Nephrology ▪ Polyclinic, The (and The Polyclinic Madison Center) ▪ Rainier Nephrology ▪ Seattle Nephrology ▪ South Seattle Nephrology Associates ▪ Transplant and Nephrology NW ▪ University of Washington Medical Center ▪ Valley Medical Center Nephrology Services ▪ Virginia Mason Federal Way	NKC has existing relationships with all of the physician groups listed as well as other groups located in King, Clallam and Snohomish Counties.	NKC's existing relationships will be continued for the expanded NKC Auburn.

Category	Examples/Providers	Status of Existing Relationship	How existing relationship will be expanded to support continuity
Community partners working to cure kidney disease, slow the onset of kidney disease, which collaborate to help educate and support our patients or help support our system	▪ American Diabetes Association – Washington Chapter ▪ Kidney Research Institute ▪ National Kidney Foundation – Washington Chapter ▪ Navos – consultation and training for NKC staff on behavioral health. ▪ Seattle King County Dental Society and Project Access Northwest / Access to Dental Program ▪ Northwest Healthcare Response Network (15 counties in Western Washington Healthcare Emergency Services Coalition) ▪ Arcora Foundation – Partnership to improve oral health. ▪ AARTH – Diabetes education. ▪ Washington State Hospital Association. ▪ Northwest Kidney Care Alliance – CMS Demonstration program to coordinate care for ESRD beneficiaries ▪ Lifecenters NW – organ procurement program	NKC has existing relationships the entities listed to collaborate and education patients, staff and clinicians.	NKC's existing relationships will be continued for the expanded NKC Auburn.
Other not for profit dialysis providers including a mutual aid plan (in the event of a disaster). A copy of the agreement is included in Exhibit 20	▪ Puget Sound Kidney Centers ▪ Olympic Peninsula Kidney Centers ▪ Seattle Children's Hospital	NKC has existing relationships with the other not for profit dialysis providers.	NKC's existing relationships will be continued for the expanded NKC Auburn.

Source: Applicant

A copy of NKC Auburn's existing transfer agreement is included in Exhibit 21.

14. **For a new facility, provide a listing of healthcare facilities that the dialysis center would establish working relationships.**

NKC Auburn is an existing facility. This question is not applicable.

15. **Clarify whether any of the existing working relationships would change as a result of this project.**

No change to any existing working relationships will result from this project.

16. **Fully describe any history of the applicant concerning the actions noted in Certificate of Need rules and regulations WAC 246-310-230(5)(a). If there is such history, provide documentation that the proposed project will be operated in a manner that ensures safe and adequate care to the public to be served and in conformance with applicable federal and state requirements. This could include a corporate integrity agreement or plan of correction.**

NKC has no history with respect to the actions noted in CN regulation WAC 246-310-230(5) (a).

17. **Provide documentation that the proposed project will promote continuity in the provision of health care services in the planning area, and not result in an unwarranted fragmentation of services. WAC 246-310-230**

NKC has operated outpatient dialysis services since 1962 (the very first in the Country); growing from 9 patients to over 1,700 today. NKC has, and continues to be, committed to providing optimal health, quality of life and independence for people with kidney disease. Further, NKC has experienced firsthand, and to the direct benefit of our patients that fragmentation is reduced or eliminated, when services are highly coordinated.

NKC strives to provide services that deliver dialysis care that is coordinated via multiple entities including, but not limited to, physicians, other health care providers (nursing homes, assisted living facilities), home health care, hospitals, etc. as dialysis patients frequently have multiple providers and entities from which they receive services. For example, for nursing home or assisted living patients, NKC will report any care needs or issues identified during dialysis (as well as inform the patient's physician, if appropriate).As patients are admitted and discharged from the hospital, NKC staff follow their care needs to ensure that the facility is prepared to provide dialysis to these patients upon discharge from the hospital.

In addition, NKC filed an application and secured a Comprehensive ESRD Care (CEC) accountable care organization designation from CMS. This entity, known as the Northwest Kidney Care Alliance is designed to identify, test, and evaluate new ways to improve care for Medicare beneficiaries with End-Stage Renal Disease (ESRD). The premise is that a new payment and service delivery model that provides Medicare beneficiaries with person-centered, high-quality and non-fragmented care that reduces costs and improves outcomes is better for patients. This is the only such entity in Washington State.

NKC Auburn has been providing outpatient dialysis services in the King 11 Dialysis Planning Area since 1997. Growth has continued, and today it operates at full capacity (6.0 patients per station). NKC Auburn's current occupancy means that its patients have difficulty receiving timely access to services. The additional stations will assure that our commitment to the community to provide timely access and high quality remains.

Because of our longevity and our commitment to patient centered care, NKC enjoys long-standing established relationships with area health care providers, including but not limited to hospitals, physicians, nursing homes, assisted living facilities and adult family homes. In addition, NKC has mechanisms in place to assure that coordination of services is in place and fragmentation is avoided. In fact, as the only existing provider in the planning area, NKC is well positioned to assure that fragmentation is avoided.

NKC Auburn through its Nurse Manager, Care Manager, Social Worker and support through Admitting and Patient Services staff, routinely coordinate and communicate with the patients' physicians, families or other relevant care providers for any changes that might impact their care.

NKC Auburn has all of the ancillary and support agreements and a comprehensive array of in-house services already in place that help to assure that continuity of care is in place for patients.

18. Provide documentation that the proposed project will have an appropriate relationship to the service area's existing health care system as required in WAC 246-310-230.

NKC, in general (through its two existing King 11 facilities) and NKC Auburn, in particular, have appropriate relationships with the existing health care system in the Planning Area. Table 14 provides examples of NKC's existing working relationships with area health care providers. Table 14 also includes a brief description of its existing relationship with the health care entities noted and a description of how the relationship will be expanded related to the proposed project.

19. Provide documentation to verify that the facility would be operated in compliance with applicable state and federal standards. The assessment of the conformance of a project to this criterion shall include, but not be limited to, consideration as to whether:

a. The applicant or licensee has no history, in this state or elsewhere, of a criminal conviction which is reasonably related to the applicant's competency to exercise responsibility for the ownership or operation of a health care facility, a denial or revocation of a license to operate a health care facility, a revocation of a license to practice a health profession, or a decertification as a provider of services in the Medicare or Medicaid program because of failure to comply with applicable federal conditions of participation; or

b. If the applicant or licensee has such a history, whether the applicant has affirmatively established to the department's satisfaction by clear, cogent and convincing evidence that the applicant can and will operate the proposed project for which the certificate of need is sought in a manner that ensures safe and adequate care to the public to be served and conforms to applicable federal and state requirements.

NKC operates all existing programs in conformance with applicable federal and state laws, rules and regulations.

In the most recent King 11 CN decision (February 2017), which proposed the establishment of NKC Federal Way East, the CN Program noted:

> *NKC provides dialysis services in Clallam and King counties within Washington State. All NKC's dialysis facilities are Medicare certified. The department reviewed the quality of care compliance history for all 15 kidney dialysis facilities owned, operated, or managed by NKC.*
>
> *The Department of Health's Investigations and Inspections Office (IIO), as the contractor for Medicare, completed 15 compliance surveys facilities own or managed by NKC.[12] These surveys revealed minor non-compliance issues typical of a dialysis facility. NKC submitted and implemented acceptable plans of correction. [Source: Facility survey data provided by the Investigations and Inspections Office]*

The CN Program reviewed the Star ratings on the Center for Medicare & Medicaid Services (CMS) website related to dialysis facilities. CMS assigns a one to five 'star rating' in the following categories: best treatment practices, hospitalizations, and deaths. The more stars, the better the rating.

Table 15 below identifies the CMS star ratings for each of NKC's fifteen dialysis centers which have data. As noted in Table 15, NKC's average star rating is 4.5.

Table 15
Northwest Kidney Centers Dialysis Facilities CMS Star Rating

Facilities	City	Star Rating
NKC Auburn Center	Auburn	4.0
NKC Broadway Kidney Center	Seattle	5.0
NKC Elliot Bay Kidney Center	Seattle	4.0
NKC Enumclaw Kidney Center	Enumclaw	4.0
NKC Kent Kidney Center	Kent	5.0
NKC Kirkland Kidney Center	Kirkland	5.0
NKC Lake City Kidney Center	Lake Forest Park	4.0
NKC Lake Washington	Seattle	4.0
NKC Port Angeles Kidney Center	Port Angeles	5.0
NKC Renton Kidney Center	Renton	4.0
NKC Scribner Kidney Center	Seattle	5.0
NKC SeaTac	SeaTac	4.0
NKC Seattle Kidney Center	Seattle	4.0
NKC Snoqualmie Kidney Center	Snoqualmie	5.0
NKC West Seattle Center	Seattle	5.0
Average		**4.5**

Source: CMS compare data, November 28, 2018

SECTION 6
D. Cost Containment (WAC 246-310-240)

1. **Identify all alternatives considered prior to submitting this project.**

NKC spent the past year evaluating the following options:

1) Wait until Cycle 1 2019 to apply for an expansion or
2) Undertake expansion project as soon as all CN requirements for submittal were met

2. **Provide a comparison of the project with alternatives rejected by the applicant. Include the rationale for considering this project to be superior to the rejected alternatives. Factors to consider can include, but are not limited to: patient access to healthcare services, capital cost, legal restrictions, staffing impacts, quality of care, and cost or operation efficiency.**

Given the high census at the two existing NKC King 11 dialysis centers, the significant need in the Planning Area for new stations and the fact that we fully expect the DaVita application will be denied for reasons cited earlier, waiting for Cycle 1 2019 was found to not be in the best interest of patient access and was ruled out. In addition, with the expiration of the lease at the existing NKC Auburn in 2021, NKC has previously expended considerable time and effort into evaluating whether to remain at its existing location (and renewing the lease) or relocating the facility to a new site. For reasons noted earlier, the decision was to relocate and in anticipation of an eventual move, property was acquired in January of 2018 (prior to the 2018 station need estimates being produced by the Program). For each of these reasons, it makes sense to submit an application in Cycle 2 and not delay any further the ability to add stations in King 11.

NKC's site acquisition and construction of a new building provides the framework to create a high quality patient care environment that will ultimately (because it owns, not leases the building) increase its overall operating efficiencies in the long run. As NKC has already acquired the site, there are no legal restrictions for this project and no risk that the City of Auburn planning oversight might reject the project like currently exists with DaVita's proposed project.

3. **For existing facilities, identify your closest two facilities as required in WAC 246-310-827(3) (a).**

The two NKC facilities closest to NKC Auburn are NKC Kent and NKC SeaTac. Table 16 details the straight line distances of these two facilities to NKC Auburn:

Table 16
Travel Distances from Existing NKC Facilities to NKC Auburn[4]

Facilities	Address	Distance to proposed NKC Auburn	NKC Facility Used for "Closest Two" Calculation
NKC Auburn Center	1501 W. Valley Highway N Auburn, WA 98001-1606	1.7 miles	Current Center
NKC Broadway Kidney Center	700 Broadway Seattle, WA 98122-4302	21.6 miles	
NKC Elliot Bay Kidney Center	600 Broadway, Suite 240 Seattle, WA 98122-5371	21.6 miles	
NKC Enumclaw Kidney Center	857 Roosevelt Ave E Enumclaw, WA 98022-9239	14.2 miles	
NKC Kent Kidney Center	25316 74th Ave. So. Kent, WA 98032-6022	5.1 miles	X
NKC Kirkland Kidney Center	11327 N.E. 120th Street Kirkland, WA 98034	28.2 miles	
NKC Lake City Kidney Center	14524 Bothell Way NE Lake Forest Park, WA 98155-7606	30.1 miles	
NKC Lake Washington	1474 - 112th Ave. NE Bellevue, WA 98004-3762	22.4 miles	
NKC Port Angeles Kidney Center	809 Georgiana Street Port Angeles, WA 98362-3511	78.8 miles	
NKC Renton Kidney Center	602 Oakesdale Ave. SW Renton, WA 98057-5224	11.9 miles	
NKC Scribner Kidney Center	2150 N. 107th, Suite 160 Seattle, WA 98133-9031	28.5 miles	
NKC SeaTac	17900 International Blvd, #301 SeaTac, WA 98188-4232	10.2 miles	X
NKC Seattle Kidney Center	548 - 15th Avenue Seattle, WA 98122-5609	21.5 miles	
NKC Snoqualmie Kidney Center	35131 SE Douglas Street, Suite 113 Snoqualmie, WA 98065-9233	23.0 miles	
NKC West Seattle Center	4045 Delridge Way SW, Suite 100 Seattle, WA 98106-1276	19.4 miles	

Source: Applicant and Google Maps

[4] NKC opened two new centers in 2018, NKC Federal Way East and NKC Federal Way West. As these facilities were not open at the time that the superiority data is required to be submitted (February 15th), consistent with WAC 246-310-803 they have been excluded from Table 16.

4. **For new facilities, identify your closest three facilities as required in WAC 246-310-827(3) (b).**

This application proposes the expansion of an existing facility. This question is not applicable.

5. **Identify whether any aspects of the facility's design could lead to operational efficiency. This could include but is not limited to: LEED building, water filtration, or the methods for construction, etc. WAC 246-310-240(2) and (3).**

NKC proposes to expand a to be relocated facility with all new construction. While we believe that the facility will meet LEED Silver upon project completion, NKC is not contemplating applying for certification.

Exhibit 1
NKC Federal Way East Correspondence

NORTHWEST
Kidney Centers

September 4, 2018

Karen Nidermayer, Analyst
Certificate of Need Program
Department of Health
P.O. Box 47852
Olympia, WA 98504

RE: CN #1593

Dear Karen:

Consistent with WAC 246-310-812 (5)(b), this letter serves as Northwest Kidney Center's (NKC) request for an exception to the timeline outlined in our Certificate of Need application (CN) that culminated in the issuance of CN#1593. CN #1593 granted NKC permission to establish the 14 station NKC Federal Way East Kidney Center. The source of stations included 12 existing stations from NKC Auburn Kidney Center and the addition of two new stations awarded.

In the CN, NKC projected that NKC Federal Way East would be open and operational by January 1, 2018. Under the definition of operational (WAC 246-310-800(12), NKC Federal Way East became operational on March 12, 2018, or 71 days later than expected.

The very short delay was the result of three factors: a CN decision and award arriving later than expected, extended permitting and several construction related delays. In their entirety, the delays that were beyond NKC's control reached a total of 98 calendar days – well beyond the 71 days of difference between the CN expected opening and the actual March 12, 2018 operational day. Each is discussed separately below:

1. **Late Decision**

The CN was submitted on May 31, 2016. Formal review commenced on October 21, 2016. According to the beginning of review notice published on October 17, 2016, the CN decision date was to be January 27, 2017. The actual issuance date was February 21, 2017. The CN was awarded on March 10, 2017; 42 days later than anticipated in the CN application. The delayed CN award accounts for 43% of the 98-day delay.

2. Extended Permitting

Letters from Salus Architecture and Aldrich & Associates (NKC's architect and contractor) are included in Attachment 1. These letters detail the extended permitting, which were a series of issues that could not be anticipated by NKC or the contractors at the time of CN application submittal.

For example, duct work in one area of the space was not identified properly on the "as-built" drawings. When the problem was discovered, it required redesign of ceilings, and triggered a "re-start" of the permitting process. In addition, this project was assigned to a City of Federal Way Plans Reviewer who had not worked with ESRD facilities in the past, and while reasonable, the learning curve, added to the duct work problem extended a 6 to 8-week estimated review into 12 weeks. The 6-8 week estimated review timeline for the City of Federal Way is identified on their website and in the attached email.

This delay caused the project to start 33 days late (33 days past the 8-week high estimate for permits). The delayed permit award accounted for 34% of the 98-day delay in the project.

3. Construction Delays

Again, the Aldrich & Associates' letter provides detail on the major construction delay, and again, this delay could not have been known at the time of CN submittal. Specifically, vapor transmissions from the existing concrete slabs exceeded the floorcovering manufacturer's requirements for warranty and this required an extensive moisture mitigation effort to resolve. In addition, Aldrich found a 12" thick slab floor – well beyond standard of 4" to 6" - that caused additional delay to saw cut and install underground plumbing and water loop.

The delay associated with the moisture mitigation and slab thickness also had the impact of pushing the completion of the project into the holiday season. This had the unfortunate additional burden of delays in scheduling for final inspections and punch list reviews (because City inspectors and others had planned time off).

NKC has identified a 23 calendar day delay associated with the concrete condition and final inspections. The delayed construction schedule accounted for 23% of the 98-day delay in the project.

Table 1 below summarizes the delays that the project experienced that could not have been anticipated by NKC.

NORTHWEST Kidney Centers

Table 1
NKC Federal Way East
Expected and Actual Timelines and Resultant Delays

	Expected	Actual	No. of Days Delay (Calendar Days)	Notes
CN Decision /issuance of the CN	January 27, 2017	March 10, 2017	42	
Permitting Process with City of Federal Way (expecting 6 to 8 weeks – table assumes 8 weeks).	June 28, 2017	July 31, 2017	33	Please see attached documentation from Salus Architecture, NKC's Architect.
Upon early demolition we discovered that the existing Concrete Slap was significantly thicker than industry standard. This necessitated additional work to installing under slab plumbing.	August	August	7	Please see attached documentation from Aldrich & Associates, NKC contractor.
Also found in early demolition during concrete slab testing, we found the concrete slab had significantly higher moisture content than industry standard warranting that we install an epoxy sealant to enable us to apply our flooring.	August	August	9	Please see attached documentation from Aldrich & Associates, NKC contractor.
Scheduling delays related to punchlist reviews and final inspections during the Christmas and New Year holidays	September	December/January	7	Please see attached documentation from Aldrich & Associates, NKC contractor.
Total Day Delay due to factors beyond our control:			**98**	

Each of these factors were outside of the control of NKC and impacted the unit becoming operational. While NKC experienced a 98 day delay due to these circumstances, we only missed our CN target date by 71 days delivering the center as quick as possible. In addition to this letter and contractor letters, a revised final Progress Report is also attached.

Please do not hesitate to contact me with any questions or if you require additional information.

Sincerely,

Austin Ross MHA
Vice President of Planning

Attachment 1

Documentation from Aldrich and Associates and Salus Architecture

Aldrich + Associates, Inc.
CONSTRUCTION SPECIALISTS

July 24, 2018

Mr. Austin Ross, Vice President of Planning Administration
Northwest Kidney Centers
700 Broadway
Seattle, WA 98122

RE: Northwest Kidney Centers – Federal Way East Clinic Schedule

Dear Austin:

This letter conveys a list of unknown conditions encountered by our forces that resulted in delays during the construction of the recently completed NKC Federal Way East project. For reference, our initial project schedule anticipated a project start in mid-June 2017 under an original performance period of 5 months. These unknown conditions extended beyond what we typically experience in similar new builds for NKC and include the following:

- Aldrich recommended that NKC authorize a soft demolition cycle that commenced in early May 2017. During this effort, the team uncovered the existence of low hanging ductwork that could not be relocated resulting in a redesign of ceilings throughout the patient station areas that further required the resubmittal of updated design documents during the City of Federal Way's permitting process.
- Upon receipt of permits in early August 2017, our team commenced renovation work and quickly discovered that the existing slabs on grade were actually 12" thick as opposed to a more typical 4" to 6". This unknown condition was not identified in any prior "as built" drawing information and resulted in the underslab plumbing work taking an additional 5 working days longer to complete than originally planned for.
- Upon testing of the existing slabs, we discovered that the vapor transmissions from these assemblies exceeded the floorcovering manufacturer's requirements for warranty and this required an extensive moisture mitigation effort that caused an additional 7 working day delay.
- The combination of a delayed start of the project (early August vs. mid-June) with the 12 working days of delay described above pushed the completion date for this project to occurring over the Christmas / New Years holiday season causing an additional 5 working day delay in coordinating / scheduling final inspections, punchlist reviews and associated backcheck efforts between the construction/design/owner's representative team members.

In summary, the delays from unknown conditions resulted in construction taking 17 days longer than estimated.

Please do not hesitate to contact me if you have further questions related to the above.

Regards,

James Brink
President

810 – 240th Street SE
Bothell, WA 98021-9397

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Fax (425) 486-1018

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Lic No. AL-DR-IA*202RU

SALUS
HEALTHCARE **ARCHITECTURE**

July 25, 2018

Mr. Austin Ross, Vice President of Planning
Northwest Kidney Centers
700 Broadway
Seattle, WA 98122

Re: Northwest Kidney Centers – Federal Way East Facility
Permitting Timeline

Dear Austin,

This letter is to clarify the extended timeline and the lengthy permitting process required by the City of Federal Way for the design/construction of the dialysis center at the east end of Federal Way, Washington.

The permitting phase of a project involves exchanges between the design team and the local Authority Having Jurisdiction, in this case the City of Federal Way (CoFW). In recent years, the average permitting phase lasted 6-8 weeks. This accounts for the submittal, waiting in queue, review, comments (if any) and responses. As noted in the schedule of events below this process was significantly longer than what is considered typical.

05-04-2017 .....Submittal to CoFW for permitting.

05-31-2017 .....Notice by Plans Reviewer - beginning of review process

06-06-2017 .....Receipt of Plans Review Comment Letter

06-07-2017 .....Initial discussions and clarifications with the Plans Reviewer about the nature/type of healthcare facility NKC operates (to educate the reviewer), on-going. Attempts made to meeting with Plans Reviewer were denied, multiple occasions.

06-19-2017 .....Submittal #1 Responses to Plans Review Comment Letter, back and forth communication with Reviewer, increase of fire related detailing.

06-30-2017 .....Submittal #2 Responses to Plans Review Comment Letter, back and forth communication with Reviewer, increase of fire related detailing.

07-12-2017 .....Submittal #3 Responses to Plans Review Comment Letter, back and forth communication with Reviewer, increase of fire related detailing. Resubmittal of permitting documents.

07-27-2017 .....Notice by Plans Reviewer - begin resubmittal review process

07-31-2017 .....Notice by Plans Reviewer - review complete/approval of Building Permit.

1402 Third Ave, Suite 200 / Seattle, WA 98101 / **T** 206.652.0722 / **F** 206.340.2266 / **www.salus.archi**

Note that it took three submittal rounds to get the final approval after 12 (!) weeks. This resulted from Salus' attempts to satisfy an unusually high level of detail required by the building official. Specifically, the official insisted that all building assemblies be replicated in the drawings – a requirement we have not previously seen. Please refer to the attached review letter by Peter Lawrence, the plans examiner. The colored exchange of comments clearly illustrates our attempts to satisfy his requirements, only to find additional details requested. We were collaborative with Mr. Lawrence all along the process. This included several attempts to meet with him so he can directly communicate his intent and concerns – these were all refused, thus delaying our ability to satisfy his requirements until the next written round of comments. Clearly, the delay in obtaining a building permit was beyond our control.

We surmise that the longer review periods may have resulted from increased volumes of projects/construction, increased construction complexity, municipal staffing shortages and Plans Reviewers being more vigilant with their decisions.

Please don't hesitate to contact me if you need further elaboration.

Sincerely,

R. David Frum, FAIA, ACHA
President

Encl: Letter, dated June 1, 2017, "NKC Fed Way East - Permit Review Comments-Responses 3.pdf" from Peter Lawrence, Plans Examiner for the City of Federal Way with subsequent communications highlighted in color.

C: Douglas McNutt

Z:\16010 NKC Federal Way East\Docs\02.00-CorrDesign\02.02-Arch\NKC FWE - Permitting Timeline 2018-07-24.docx

Preliminary Responses – 06/19/17
Response provided by Salus Arch.
Response provided by KPFF (Civil or Structural).
Response provided by Bellevue Mechanical.
Response provided by Stirrett Johnsen (Plumbing).
Follow-up responses for inclusion with resubmittal of drawings – 07/10/17
All items have been clouded in the drawings.
[the bold red text is not meant to be read as overly forceful]

June 1, 2017

SALUS ARCHITECTURE
GREG SALANDI
1402 3RD AVE Suite 200
SEATTLE, WA 98101

Re: File #17-102042-000-00-CO; FEDERAL WAY EAST/NORTHWEST KIDNEY CENTERS 33820 WEYERHAEUSER WAY S

Dear GREG SALANDI:

I am unable to complete the plan review of the above-referenced project until I receive additional information regarding, but not limited to, the following:

1. The fire- resistive details on page A2.40 are not shown in their entirety. The listed assemblies must be shown with all the components that were tested with that assembly. GA.WP 1072 list the type of screws, the screw patterns, and the gypsum board orientation. It is important that these details are represented on the approved plans as there can be no guess work on the part of the contractor or the inspectors.
   Attach copy of detail GA WP 1072. Include other details as noted below, etc. OK **We have determined that GA WP 1072 is of no importance as a detail to this project and have removed reference. Instead, we have focused on the fire-resistive details and notes therein related to the UL listings. See revised details on A2.40 and plan on G1.00 and details on A9.04.**
2. The shaft wall detail shown on page A2.40 is tested to UL 469. There are 100's of assemblies tested to UL 469. Please show that fire resistive assembly in its entirety for that detail.
   Attach copy of detail UL u469, to be used at O2 med gas 146 room in front of existing exterior glass storefront. Detail U469 is particular in design and I remember this shaft being on the first floor. Please make sure that you show this rated shaft from the first floor all the wall through the second floor or where ever this goes and show how the duct work termination at this location. **The shaft wall detail is being utilized to provide a 1-hr rating in-front/inside of an existing storefront glazing system adjacent to an entrance. There is no shaft that extends to the 2nd floor or the roof. We have detailed a rated horizontal assembly to cap the 1-hr shaft wall and typical 1-hr walls enclosing the O2 room. This is the only room to contain the shaft wall. See revised details on A2.40 and plan on G1.00 and details on A9.04.**
3. In the med gas room 146 a fire barrier intersects the rated shaft wall. Please show how those UL assemblies walls intersect and continue the rating.
   Plan detail of intersection of window corner, 1 hr typ wall and 1 hr shaft wall. Plan detail of 1 hr typ wall intersecting with non-rated wall assembly. Ok. Will review this for code compliance when the resubmittal comes in. **See detail 1/A9.04 for this intersection. Also, see details 2 and 3/A9.04 for more details of this room. Also see A2.40.**

Doc. ID

4. Rooms 163,166, 149, 147, and the hallway outside room 163 are shown as 1 hour rated assemblies. There will not be new walls added to these walls except for a furred wall in front of the 1 hour wall located in the acid and concentrate room. Are these existing 1 hour rated walls? Please clarify this concern.
   Wall of men's room and public hall are existing 1hr rated assemblies (with exception of the glass doors) per original documents and per field observation. Thus the 3 other walls (**and horizontal assembly**) enclosing the room become a rated closed the loop. The furred-out wall is only provided for plumbing. **See detail 5/A9.04 for a similar condition. Existing rated walls to remain continuous with new rated or non-rated assemblies being attached. See details 8/A9.04 for more details of this room. Also see A2.40 and G1.00.**
5. Please provide a UL listed assembly for the smoke barriers. Smoke barriers shall have a 1 hour fire-resistive rating per section 709.3 of the 2015 IBC.
   To my knowledge, there isn't a UL assembly detail for a smoke barrier per se; there is obviously 1 hour fire assemblies that also utilize smoke rated caulking and penetration sealers or details. UL u419 or v489 with smoke rated safing at penetrations, joints, smoke dampers as required, smoke detailing/hardware for doors. Place note on wall type detail about 2015 IBC 709.3. You are correct. My wording should have just stated that smoke barriers are designed as 1 hour walls so a one hour listed assembly is required. Please make sure that those UL designs that you intend on using are include with your resubmittal. Most of the UL designs are proprietary and those items listed in the assembly must be used. There cannot be substituted materials in a listed and tested assembly **See S1 and R1 of A2.40. S1 is a UL U419 assembly with added requirements of the 2015 IBC Section 709 and sub sections.**
6. Room 156 has a smoke barrier and a fire barrier in line of the same wall. Fire barriers are continues from outside wall to outside wall and are continuous from the floor to the underside of the roof structure and are used for shaft enclosures, interior exit stairways, exit passageways, horizontal exits, atriums, and incidental uses areas as found in table 509 of the 2015 IBC. **Incidental use areas are required to be separated by fire barriers constructed in accordance with section 707 of the 2015 IBC. Incidental use area should be constructed as fire barriers. Please revise the plans to show that enclosure to be fire barriers. The entire room must be enclosed in a 1 hour fire barrier to include the ceiling.**
   The smoke barrier is a 1 hr rated assembly, same as the 1 hr fire barrier…thus the continuance of the smoke barrier as it travels (forming parts of the incidental use area enclosure does provide the 1 hr fire barrier resistance (and has the qualities of a smoke barrier).
   What I am a bit confused about is the rated ceiling requirement. And would like to discuss this point with relation to the mechanical below. Incidental use areas have particular designs and requirements. Table 509 of the 2015 IBC requires those rooms to be separated from the rest of the building with a fire barrier and a horizontal assembly as well. Some of the incidental use areas in this project were required to be of one hour construction based on table 509 and did not have the exemption of a sprinkler system to get out of that required one hour fire-rated assembly. The ceiling would have to be rated as well and any penetrations would have to be protected. Your Mechanical contractor will be able to help you out with this design. **As per our email exchanges, we are providing a rated horizontal assembly at all Incidental Use rooms. The rated walls (which include the 1hr smoke barrier in some locations) of these rooms are capped by the horizontal assembly. The smoke barrier is continuous from floor to deck above and exterior wall-exterior wall. See G1.00, A2.40, A9.04.**
7. Please specifically call out the type of fire sealant that will be used as part of the rated assemblies. There are many sealants that list different annular space requirements and are rated for different applications. It is important that those fire rated sealants are listed by name so I can there can be no mistake on the parts of the inspectors and contractors and I can verify compliance that the sealant is correct for the application which it will be used.

All fire sealants and fire penetration systems to be used will be HILTI Firestop and Fire Protection Systems. Aldrich + Associates (project GC) are certified in this products installation and use. We will call out these products on the wall types sheet. OK **See attached resubmittal items including existing conditons photos and documentation of the Hilti fire safeing products to be used.**

8. On the drawings, provide details showing all construction variations encountered at the top of fire rated walls, such as deflection tracks, perpendicular joists or beams, parallel joists or beams, duct/pipe/conduit penetrations, etc. Provide detailing showing each and every construction feature needed to maintain the fire rating of the wall at each construction variation. Identify each approved fire-rated assembly by listing agency and assembly number. Include written and pictographic representations of each fire-rated assembly. The head of walls will have a UL listing as how to protect those deflection tracks and those details must be represented in the submitted documents.

   We will be working to include all foreseeable details to be required while acknowledging that some conditions may be encountered during the construction process that will require modifications to the details contained within the set and worked out by the design team and contractors in the field and with the input of the inspectors. I wrote this comment asking for a head of wall details. Those head of wall details are important to have included in the plans so the contractor and inspectors know how this assembly is installed. See UL HW-D-0016 as an example of what needs to be detailed in the plans. Inspectors can't approve revisions or alternate materials in a UL listed assembly or approve items that a contractor may want to install contrary to the listing. Any revisions or deviations from a UL listed assembly has to be approved by a fire protection engineer and not by the inspector or record. Once these details are presented in the plans and approved then the guess work has been removed. **See revised sheets G1.00, A2.40 and new sheet A9.04.**

9. Please show how the bottom tracks of the walls are attached to the floor and the spacing of those attachment methods. (I.e. power activated drives at 16"o/c)

   We will include the information for the bottom track attachments, with Structural input. OK **See General Note 2 on A2.40.**

10. On page A2.11 the rated fire barrier assembly for room 131 is depicted as stopping on both sides of the plumbing fixture located in that room. That fire barrier is required to go from outside wall to outside wall and cannot stop at that plumbing fixture. Please revise the plans and show that fire barrier continuous to include the horizontal separation.

    That item is a building column with a roof rain leader. The enclosure around those elements has been demoed during soft demo. The new wall type enclosing those will be 1 hr rated thus continuing the 1hr perimeter around this incidental use area. Tags and graphics will be modified to illustrate the continued 1 hr enclosure. OK **See revised G1.00, A2.11.**

11. On page A2.11 please identify what the plumbing fixture is located in room 131. I cannot find that particular symbol on the plumbing title sheet.

    See above. Will that plumbing fixture be identified on the resubmittal? **As noted previously above, there is no plumbing fixture in this location.**

12. On page A2.11 the home soils room 135 is shown as being enclosed in a one hour rated assembly (see page G1.00), yet two of the walls are furred walls that have no UL listed rating. Please clarify if this room is to be enclosed in a 1 hour rated assembly and provide a rated assembly for the furred out wall in those locations.

    Wall of stair to 2nd floor is existing 1hr rated assembly per original documents and per field observation. Via pictures of existing conditions of walls in question and via notes about "upgrade

to wall assembly and rating as required, confirm existing condition of wall assembly, match detail of new rated assemblies adjacent" and graphically show these as rated assemblies. Thus the 3 other walls enclosing the room rated close the loop. The furred-out wall is only provided for plumbing. OK **See detail 5/A9.04 for a similar condition. Existing rated walls to remain continuous with new rated or non-rated assemblies being attached. See details 8/A9.04 for more details of this room. Also see A2.40 and G1.00. See attached photos and plan excerpts from original drawings.**

13. On page A2.40 the notes for wall type S1 list smoke barriers per NFPA 101.8.5. Although NFPA 101 is a life state code regarding existing buildings and NFPA 101.8.5 has requirements for smoke barriers per that standard the City of Federal Way building department has not adopted that NFPA standard and we do not inspect to that NFPA code section but rather to the 2015 IBC section 709. There are several differences found in the IBC from that NFPA standard. Please reference the 2015 IBC section 709 for smoke barriers. Smoke barriers are designed as a 1 hour fire-resistive rated assembly per section 709.3 of the 2015 IBC.

    Will change the notes for this wall type to reflect the IBC. OK **See revised A2.40.**

14. The med waste room is required to be enclosed in a 1 hour UL listed assembly to include the ceiling per table 509 of the 2015 IBC. The plans have a smoke barrier installed on one of the walls. Please revise the plans and show the required fire barrier to enclose this room to include the horizontal separation.

    See response to comments 5 & 6 (see my response to items 5 & 6) **See revised sheets G1.00, A2.40 and new sheet A9.04.**

15. Please add the following code language compliant with section 703.7 of the 2015 IBC.

    703.7 Marking and identification.

    Where there is an accessible concealed floor, floor-ceiling or attic space, fire walls, fire barriers, fire partitions, smoke barriers and smoke partitions or any other wall required to have protected openings or penetrations shall be effectively and permanently identified with signs or stenciling in the concealed space. Such identification shall:

    1. Be located within 15 feet (4572 mm) of the end of each wall and at intervals not exceeding 30 feet (9144 mm) measured horizontally along the wall or partition.

    2. Include lettering not less than 3 inches (76 mm) in height with a minimum 3/8-inch (9.5 mm) stroke in a contrasting color incorporating the suggested wording, "FIRE AND/OR SMOKE BARRIER—PROTECT ALL OPENINGS," or other wording.

    Will include these notes to the wall types sheet for rated wall assemblies OK **See revised sheets G1.00, A2.40 and new sheet A9.04.**

16. The areas of refuge are not clearly identified showing the required area per section 422.1 of the 2015 IBC. Because this facility is designed as an *ambulatory care facility*, the smoke compartments must be designed per section 422.2 of the 2015 IBC. The area of refuges must also be compliant with section 422.3.1. Not less than 30 square feet for each non- ambulatory care recipient shall be provided within the aggregate area of corridors, care rooms, treatment rooms, lounge or dining areas and other low-hazard areas within each smoke compartment. Please revise the plans and demonstrate compliance with smoke compartments per section 422.1-422.5

    2015 IBC section 422.3 Smoke compartments

    Where the aggregate area of one or more ambulatory care facilities is greater than 10,000 square feet (929 m2) on one story, the story shall be provided with a smoke barrier to subdivide the story into no fewer than two smoke compartments. The area of any one such smoke compartment shall be

not greater than 22,500 square feet (2092 m2). The distance of travel from any point in a smoke compartment to a smoke barrier door shall be not greater than 200 feet (60 960 mm). The smoke barrier shall be installed in accordance with Section 709 with the exception that smoke barriers shall be continuous from outside wall to an outside wall, a floor to a floor, or from a smoke barrier to a smoke barrier or a combination thereof.

422.3.1 Means of egress.

Where ambulatory care facilities require smoke compartmentation in accordance with Section 422.3, the fire safety evacuation plans provided in accordance with Section 1001.4 shall identify the building components necessary to support a defend-in-place emergency response in accordance with Sections 404 and 408 of the International Fire Code.

422.3.2 Refuge area.

Not less than 30 net square feet (2.8 m2) for each nonambulatory care recipient shall be provided within the aggregate area of corridors, care recipient rooms, treatment rooms, lounge or dining areas and other low-hazard areas within each smoke compartment. Each occupant of an ambulatory care facility shall be provided with access to a refuge area without passing through or utilizing adjacent tenant spaces.

422.3.3 Independent egress.

A means of egress shall be provided from each smoke compartment created by smoke barriers without having to return through the smoke compartment from which means of egress originated.

Will graphically show area allotted for refuge upon the FLS Plan G1.00 for the 16 patients that would be potentially non-ambulatory during an event. OK **See revised sheet G1.00.**

17. Please provide the required fire safety evacuation plans as required by section 1001.1 and section's 404 and 408 of the 2015 IFC.

    Will need to add information to the FLS Plan G1.00. To include information required by these sections, NKC will have to provide "in case of event" procedural information. There is no section 408 that I can find. This was a mistake on my part. The reference code sections should have been 401.2 and 404 of the 2015 IFC **As per email exchange, we will be deferring this submittal to allow the Owner to compile all require information from these sections of the code. However, we have added additional information to our set, see G1.00 and new sheet G1.01. Additionally, Electrical and Fire Alarm have submitted their drawings for review. These documents have additional information concerning the Fire Alarm system.**

18. The med gas room is designed as required by section 5306.1 of the 2015 IFC. Is it the designer's intent to design this med gas room per section 5306.1? The quantities of med gas does not require this to be rated as shown but if the designer wants this room to be designed for medical gas in health care facilities then please revise the plans and provide the following: After obtaining information per the plumbing contractor the quantities in this med gas room require it to be designed per section 5306 of the 2015 IFC

    a. A one hour rated door assembly per 5306.2.1

       Will make adjustment to door and frame rating on door schedule A2.50. OK **See revised sheet A2.50, door 146 has been changed to 60 min. also see HW-6 hardware group for this rated door.**

    b. The exterior wall shall be provided with not less than **two nonclosable louvered vents**. Each vent shall have a free opening of 24 square inches for each 1000 cubic feet. One vent shall be within 6 inches of the floor and the other on shall be within 6 inches of the ceiling.

Due to space restrictions, we are providing an exterior vent ducted down to within 6 inches of the floor and a ceiling mounted exhaust fan to achieve the 1 CFM per square foot ventilation rate specified in IMC section 502.9.1. This design is not consistent with section 5306.2.1 of the 2015 IFC in regards to the positioning of the required vents. This design would be considered alternate means and methods and would have to have the approval of the Building official and the Fire Marshal. I have include the code section regarding the med gas storage room

5306.2.1 One-hour exterior rooms.

A 1-hour exterior room shall be a room or enclosure separated from the remainder of the building by fire barriers constructed in accordance with Section 707 of the International Building Code or horizontal assemblies constructed in accordance with Section 711 of the International Building Code, or both, with a fire-resistance rating of not less than 1 hour. Openings between the room or enclosure and interior spaces shall be self-closing smoke- and draft-control assemblies having a fire protection rating of not less than 1 hour. Rooms shall have not less than one exterior wall that is provided with not less than two nonclosable louvered vents. Each vent shall have a minimum free opening area of 24 square inches (155 cm2) for each 1,000 cubic feet (28 m3) at normal temperature and pressure (NTP) of gas stored in the room and shall be not less than 72 square inches (465 cm2) in aggregate free opening area. One vent shall be within 6 inches (152 mm) of the floor and one shall be within 6 inches (152 mm) of the ceiling. Rooms shall be provided with not less than one automatic sprinkler to provide container cooling in case of fire.

See sheet M2.01. I've removed the exhaust fan and ducting and complied with this by adding one low grille at 6" AFF and one high grille at 6" below ceiling.

c. The mechanical plans show a vent in the rated shaft wall. Please provide the required protection for that vent penetrating a rated assembly. Why is that vent located in that shaft wall? (see page M2.01)

See response to b above. The location for the vent is in this location to avoid recirculation of exhaust air from the exhaust louver located on the north wall of the space. The required fire dampers will be provided on revised plans. See response above and provide complete details for this shaft and the duct work.

I am now complying with the one-hour exterior room section.

d. That med gas room is shown to be rated at 1 hour. Please provide a UL listed horizontal assembly for that room.

See UL u469, response to comment 2. UL U469 is a shaft wall and not a horizontal UL listed assembly. Please provide a horizontal assembly rated for 1 hour. **See revised sheets G1.00, A2.40 and new sheet A9.04.**

e. The 6x6 grill and an exhaust duct that are penetrating the ceiling of that med gas room are required to be protected **at the penetration** with a listed fire damper per section 607.5.2 of the 2015 IMC. Please revise the plans and demonstrate compliance with the 2015 IMC for duct penetrations.

Fire dampers will be provided at these locations in revised plans, depending on "rated ceiling" solution for incidental use rooms within suite (part of the rated ceiling discussion mentioned above).

See sheet M2.01

19. On the mechanical pages there are several rooms rated at 1 hour. Where these rooms are required to be a full one hour rated fire barrier assembly this would include the ceiling as well. Any ducts penetrating the ceiling for these assemblies need to be protected with a fire damper per section 607.5.2 of the 2015 IMC.

[BF] 607.5.2 Fire barriers

Ducts and air transfer openings that penetrate fire barriers shall be protected with listed fire dampers installed in accordance with their listing. Ducts and air transfer openings shall not penetrate enclosures for interior exit stairways and ramps and exit passageways except as permitted by Sections 1023.5 and 1023.6, respectively, of the International Building Code. Please also provide the listed UL horizontal assemblies for these areas. Please have the mechanical designer look at each room required to have the horizontal assemblies and provide the correct listed protection for ducts that penetrate those assemblies. There are exceptions listed in section 607.5.2 of the 2015 IMC that may be applicable. Please also revise the plans and show the horizontal assemblies in these rated rooms to be reflected on the ceiling finish pages.

509.4.1 Separation.

Where Table 509 specifies a fire-resistance-rated separation, the incidental uses shall be separated from the remainder of the building by a fire barrier constructed in accordance with Section 707 or a horizontal assembly constructed in accordance with Section 711, or both. Construction supporting 1-hour fire barriers or horizontal assemblies used for incidental use separations in buildings of Type IIB, IIIB and VB construction is not required to be fire-resistance rated unless required by other sections of this code.

Per IMC 607.5.2 Exception 3: Fire dampers are not required at penetrations of fire barriers where they are penetrated by ducted HVAC systems, have a required fire-resistance rating of 1 hour or less, are in building equipped throughout with an automatic sprinkler system. This building is fully sprinklered and the penetrations are ducted, therefore no fire damper is necessary. OK. Please keep in mind that a ducted HVAC system does not contains flexible ducts in that system. When a ducted system is to be used it shall be constructed of sheet steel not less than 26 gage thickness and must be continuous from the air handler or equipment to the air outlet and inlet terminals. I thought I saw some flex duct in these systems.

See sheet M2.01, I have removed the flex duct to comply with this.

20. A listed smoke damper designed to resist the passage of smoke shall be provide at each point a duct or air transfer penetrates a smoke barrier wall or a corridor enclosure required to have smoke and draft control doors in accordance with the International Building Code

By using combination fire/smoke dampers in these locations we are in compliance.

21. I have added code language required for the smoke compartments and the doors in those corridors to this comment letter to assure that the plans clearly detail theses requirements.

709.4.2 Smoke-barrier walls enclosing areas of refuge or elevator lobbies.

Smoke-barrier walls used to enclose areas of refuge in accordance with Section 1009.6.4, or to enclose elevator lobbies in accordance with Section 405.4.3, 3007.6.2, or 3008.6.2, shall form an

effective membrane enclosure that terminates at a fire barrier wall having a level of fire protection rating not less than 1 hour, another smoke barrier wall or an outside wall. A smoke and draft control door assembly as specified in Section 716.5.3.1 shall not be required at each elevator hoistway door opening or at each exit doorway between an area of refuge and the exit enclosure.

709.5 Openings.

Openings in a smoke barrier shall be protected in accordance with Section 716.

Exceptions:

1. *In Group I-1 Condition 2, Group I-2 and ambulatory care facilities, where a pair of opposite-swinging doors are installed across a corridor in accordance with Section 709.5.1, the doors shall not be required to be protected in accordance with Section 716. The doors shall be close fitting within operational tolerances, and shall not have a center mullion or undercuts in excess of 3/4 inch (19.1 mm), louvers or grilles. The doors shall have head and jamb stops, and astragals or rabbets at meeting edges. Where permitted by the door manufacturer's listing, positive-latching devices are not required.*

2. *In Group I-1 Condition 2, Group I-2 and ambulatory care facilities, horizontal sliding doors installed in accordance with Section 1010.1.4.3 and protected in accordance with Section 716.*

709.5.1 Group I-2 and ambulatory care facilities.

In Group I-2 and ambulatory care facilities, where doors are installed across a corridor, the doors shall be automatic-closing by smoke detection in accordance with Section 716.5.9.3 and shall have a vision panel with fire-protection-rated glazing materials in fire-protection-rated frames, the area of which shall not exceed that tested.

References to the door schedule and door types will clarify this. OK **See sheet A2.50, doors 139, 154A, 154 and 155 have the required characteristics and accessories.**

22. On page C2.3 the ramp handrails shown are not compliant with the 2009 ANSI section 405.8 and section 505. The detail on that page list the City of Federal Way public works as the standard in which the handrail shall be installed and designed, however this is part of an accessible route and the handrails must follow the 2009 ANSI Standards for Accessibility. The ramp handrail must have the required edge protection on each side of the ramp complying with section 405.9 and comply with section 505 of the 209 ANSI 117.1

    This has been addressed on resubmitted documents, civil and architectural. On the resubmitted documents, C2.1 does not reference that detail any longer and instead points toward architectural details. Two conditions are proposed to address the edge protection:

    1 - a curb is present on the uphill side of the ramp to also address erosion (C2.1).

    2 - reference is made to the resubmitted architectural drawings for conditions where a curb is not present and the rail has a lower horizontal for edge protection (A1.10).

    See **previously** resubmitted **(or newly resubmitted)** Arch (A1.10, A1.11, A8.00) and Civil (C2.0, C2.1) sheets. OK

23. On page A2.51 detail 6 shows the threshold of the door at ¾" in height. The maximum threshold height can only be ½". Changes in level greater than ¼" in height and not more then ½" maximum in height shall be beveled with a slope not steeper than 1:2 per the 2009 ANSI 117.1 section 303.3. Please revise the pans to show that maximum height.

This dimension is incorrect and should not have been provided. The threshold is a manufacturer item and part of the overall accessible automatic door. The doors will have an acceptable accessible threshold height of max ½". OK **See revised sheet A2.51.**

24. The resubmitted plans dated 5/24/17 shows tubular steel rafters for the DeaMor canopy but the attachment method of theses tube rafters and how the glass is installed are not shown. Please provide the complete installation details for the DeaMor canopy system. The DeaMor installation instructions require that the rafter tubes depth be engineered for project loads and the attachment of the rafter tubes be engineered. Has the EOR reviewed these rafter tubes for loading and attachment? Please provide that information.

    The glazing system has been considered design-build to this point. Currently, pricing on various systems is being considered.
    The structural engineer has designed the steel canopy frame and steel angles (see N/S2.2) to receive and support the glazing system per the design loads of the area.
    We propose that the final design of the glazing system be deferred until a later date and then submitted to the structural engineer for review and comment/stamp and then submitted to the city for final approval. OK **As per email exchange, we will be deferring this submittal. See also revised sheet A8.00.**

The purpose of this plan review is to verify code compliance, to the extent possible and reasonable, given the information provided on the plans and the city's plan review resources and capabilities. In no way does any city approval constitute a guarantee of code compliance; authorize any work in violation of any applicable codes; or relieve the owner of responsibility for complying with pertinent codes and ordinances.

Provide 3 sets of the corrected drawings, and complete a resubmittal form. Revised or resubmitted plans shall be provided in the same format, size, and amount as the originally submitted plans. Revised/resubmitted drawings shall indicate by means of clouding or written response, what changes have been made from the original drawings. Please include my comment letter with your written responses with your resubmittal. Plans requiring engineering must be stamped by the engineer and be accompanied by two copies of the engineer's calculations. I will review the resubmittal as expediently as possible.

Further corrections may be necessary as a result of submitting additional information. If you have any questions, please call me at 253-835-2621.

Sincerely,

Peter Lawrence
Plans Examiner

Enc: Resubmittal Information Form

Doc. ID

STATE OF WASHINGTON
DEPARTMENT OF HEALTH
PO Box 47852 • Olympia, Washington 98504-7852
Tel: 360-236-2955 • TTY Relay: 800-833-6384

October 26, 2018

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

RE: CN #1593 Federal Way East

Dear Mr. Ross:

Thank you for your letter dated September 4, 2018 requesting the department approve a change to the January 1, 2018 completion date identified in the Federal Way East application under WAC 246-310-812(5)(b).[1] For the reasons stated below the department is granting your request.

NKC had expected the Federal Way East facility to be operational by January 1, 2018 or 339 days from the department's expected decision date of January 27, 2017. NKC Federal Way East became operational March 12, 2018 or 367 days from the date of the uncontested CN. The difference in the length of time to construct the facility was 28 days (367-339=28).

NKC submitted its Federal Way East application April 29, 2016. Review of the application began on October 21, 2016. The department's decision should have been made January 27, 2017. The department's decision was delayed and was not issued until February 21, 2017. NKC agreed to the department's conditions by letter received March 9, 2017. The department issued CN#1593 on March 10, 2017. There were no interested or affected persons for this application. Therefore, the date of the uncontested CN was March 10, 2017. Until the department issued CN#1593 NKC could not proceed with the project. This resulted in a 42 day delay.

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[1] WAC 246-310-812(5)(b) states "*Certificate of need approved stations for a facility have not become operational within the timeline as represented in the approved application. For example, an applicant states the stations will be operational within eight months following the date of the certificate of need approval. The eight months would start from the date of an uncontested certificate of need approval. If the certificate of need approval is contested, the eight months would start from the date of the final department or judicial order. However, the department, at its sole discretion, may approve a one-time modification of the timeline for purposes of this subsection upon submission of documentation that the applicant was prevented from meeting the initial timeline due to circumstances beyond its control.*

Both resident and nonresident patients using the kidney dialysis facility are included in this calculation. Data used to make this calculation must be from the most recent quarterly modality report from the Northwest Renal Network as of the letter of intent submission date."

The department considered information from Aldrich and Associates, the construction contractor, detailing unexpected building issues that resulted in construction taking approximately 17 days longer than expected. Additionally, the department considered information provided by Salus Healthcare Architecture describing the unexpected length of time it took to complete the permitting process by the City of Federal Way. According to that information, instead of the typical 6-8 weeks that Salus had experienced in the recent past, it took 12 weeks to obtain final approval. This resulted in a delay of approximately 30 day delay.

Based on the totality of the information considered, the department concludes NKC was prevented from meeting the timeline submitted in the application due to circumstances beyond its control. If you have any questions, please contact me at (360) 236-2955 or Janis.sigman@doh.wa.gov .

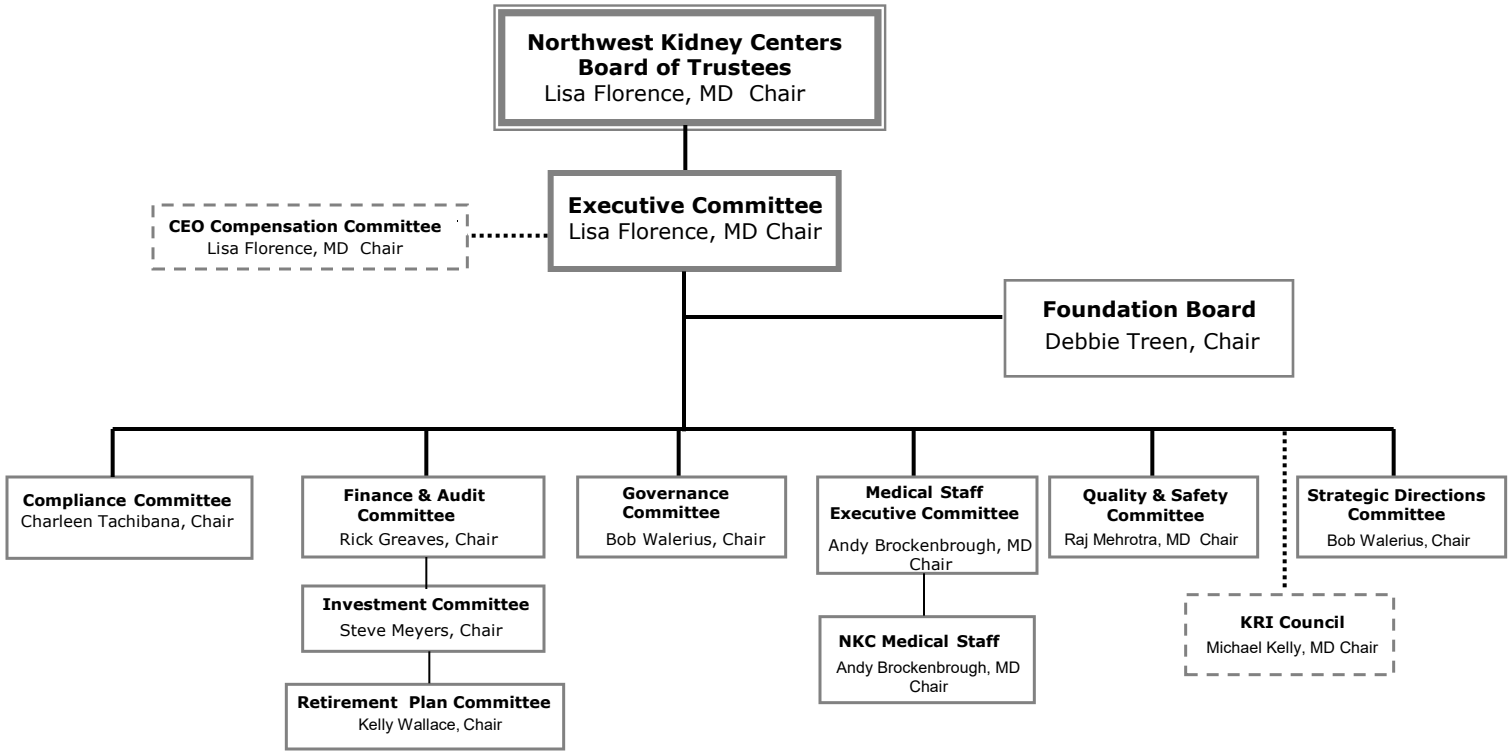
Sincerely,

Janis R. Sigman, Manager
Certificate of Need Program

Exhibit 2
Board Organizational Chart

NORTHWEST Kidney Centers

Organization Chart
Board Structure
August, 2018



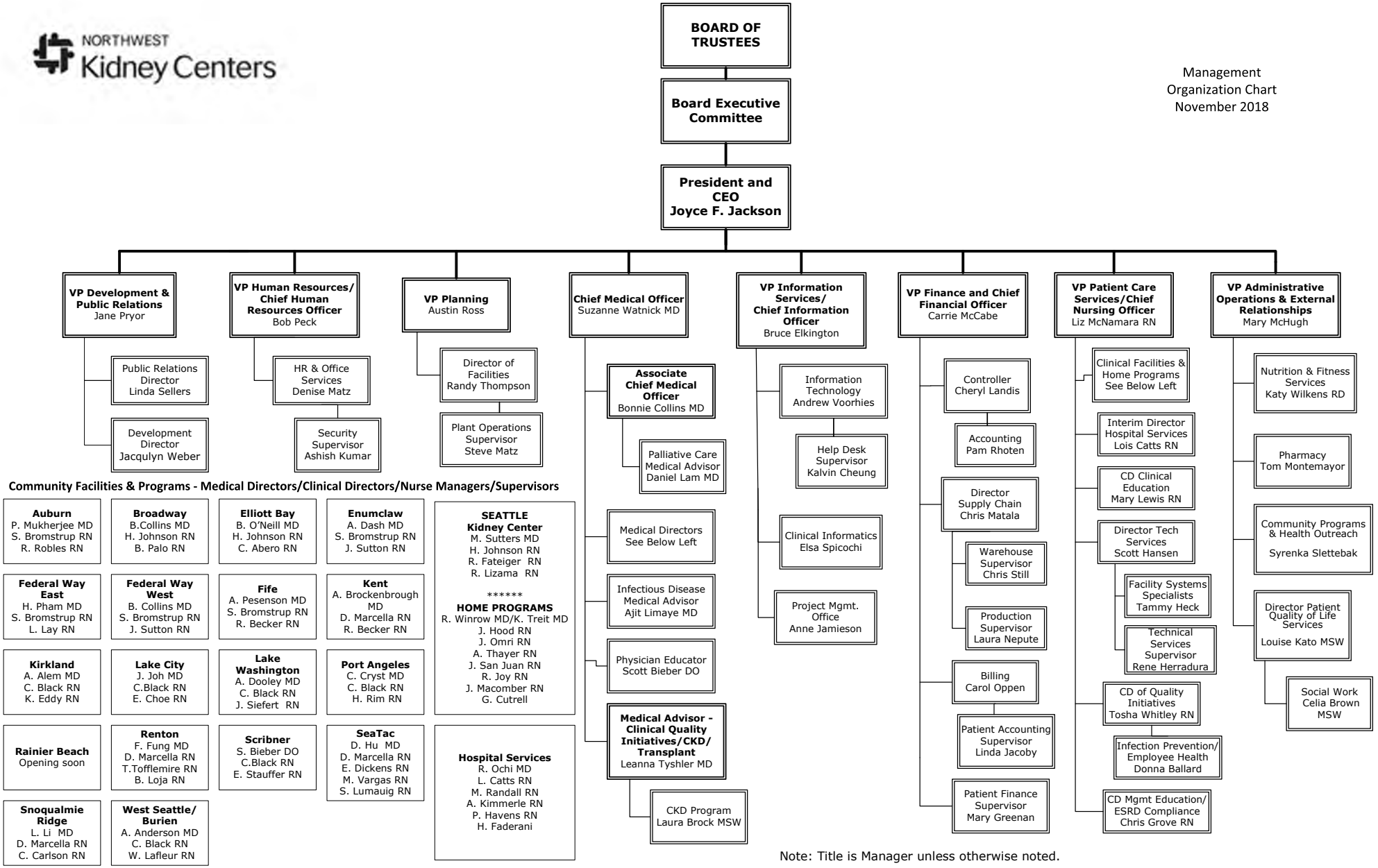
Key:

= not referenced in NKC Bylaws

Exhibit 3
Operations Organizational Chart

NORTHWEST Kidney Centers

Management
Organization Chart
November 2018



Community Facilities & Programs - Medical Directors/Clinical Directors/Nurse Managers/Supervisors

Auburn
P. Mukherjee MD
S. Bromstrup RN
R. Robles RN

Broadway
B.Collins MD
H. Johnson RN
B. Palo RN

Elliott Bay
B. O'Neill MD
H. Johnson RN
C. Abero RN

Enumclaw
A. Dash MD
S. Bromstrup RN
J. Sutton RN

Federal Way East
H. Pham MD
S. Bromstrup RN
L. Lay RN

Federal Way West
B. Collins MD
S. Bromstrup RN
J. Sutton RN

Fife
A. Pesenson MD
S. Bromstrup RN
R. Becker RN

Kent
A. Brockenbrough MD
D. Marcella RN
R. Becker RN

Kirkland
A. Alem MD
C. Black RN
K. Eddy RN

Lake City
J. Joh MD
C.Black RN
E. Choe RN

Lake Washington
A. Dooley MD
C. Black RN
J. Siefert RN

Port Angeles
C. Cryst MD
C. Black RN
H. Rim RN

Rainier Beach
Opening soon

Renton
F. Fung MD
D. Marcella RN
T.Tofflemire RN
B. Loja RN

Scribner
S. Bieber DO
C.Black RN
E. Stauffer RN

SeaTac
D. Hu MD
D. Marcella RN
E. Dickens RN
M. Vargas RN
S. Lumauig RN

Snoqualmie Ridge
L. Li MD
D. Marcella RN
C. Carlson RN

West Seattle/ Burien
A. Anderson MD
C. Black RN
W. Lafleur RN

SEATTLE Kidney Center
M. Sutters MD
H. Johnson RN
R. Fateiger RN
R. Lizama RN

******

HOME PROGRAMS
R. Winrow MD/K. Treit MD
J. Hood RN
J. Omri RN
A. Thayer RN
J. San Juan RN
R. Joy RN
J. Macomber RN
G. Cutrell

Hospital Services
R. Ochi MD
L. Catts RN
M. Randall RN
A. Kimmerle RN
P. Havens RN
H. Faderani

Note: Title is Manager unless otherwise noted.

Exhibit 4
List of Facilities

Northwest Kidney Centers		**FEIN: 91-6057438**					
	NKC Corporate Address	**Corporate Contact**	**Carrie McCabe**	**206-720-8508**	**VP of Finance, CFO**		
	700 Broadway Seattle, WA, 98122-4302						
	NKC Pay-To Address (for all service locations)	**Billing Contact**	**Carol Oppen**	**206-720-3816**	**Billing Manager**		
	P.O. Box 3037 Seattle, WA, 98114-3037						
Practice Locations							
Facility DBA	**Physical Address**	**Phone Number**	**Medicare Provider No.**	**Medicaid Provider No.**	**NPI Number**	**Stations**	**Medical Director**
NKC Auburn Kidney Center	**1501 W. Valley Highway N Auburn, WA 98001**	**253-804-8323**	**502520**	**1046062**	**1881789006**	**12**	**Paramita Mukherjee, MD**
NKC Broadway Kidney Center	**700 Broadway Seattle, WA 98122-4302**	**206-292-2705**	**502556**	**2002409**	**1700025038**	**15**	**Bonnie Collins, MD**
NKC Elliott Bay Kidney Center	**600 Broadway, Suite 240 Seattle, WA 98122**	**206-292-2515**	**502511**	**1046176**	**1912091497**	**18**	**Bruce O'Neil, M.D.**
NKC Enumclaw Kidney Center	**857 Roosevelt Ave E Enumclaw, WA 98022-9239**	**360-825-2050**	**502570**	**2029785**	**1811241656**	**8**	**Anthony Z. Dash, MD**
NKC Federal Way West Campus	**501 So. 336th Street, Suite 110 Federal Way, WA 98003**	**253-943-6312**	**New unit, not issued yet.**	**New unit, not issued yet.**	**1861981177**	**7**	**Bonnie Collins, MD**
NKC Federal Way East Kidney Center	**33820 Weyerhaeuser Way S. Federal Way, WA 98001**	**253-943-6262**	**502593**	**2107282**	**1083132799**	**14**	**Hien Pham, MD**
NKC Fife Kidney Center New Unit coming in November	**6021 12th Street East, Suite 100 Fife, WA 98424**	**253-943-6335**	**New unit, not issued yet.**	**New unit, not issued yet.**	**1063901379**	**10**	**Bonnie Collins, MD**
NKC Kent Kidney Center	**25316 74th Ave So Kent, WA 98032-6022**	**253-850-6810**	**502553**	**2000431**	**1164675112**	**27**	**Andrew Brockenbrough, MD**
NKC Kirkland Kidney Center	**11327 NE 120th Street Kirkland, WA 98034-6907**	**425-821-8785**	**502516**	**1046175**	**1912090531**	**20**	**Astier Alem, MD**
NKC Lake City Kidney Center	**14524 Bothell Way NE Lake Forest Park, WA 98155**	**206-365-0775**	**502536**	**1046444**	**1972696581**	**18**	**Jung Joh, MD**
NKC Lake Washington Kidney Center	**1474 - 112th Ave NE Bellevue, WA 98004**	**425-454-0067**	**502505**	**1043279**	**1215022876**	**18**	**Annemarie Dooley, MD**
NKC Renton Kidney Center	**602 Oakesdale Ave. SW Renton, WA 98057**	**425-251-0647**	**502508**	**1046242**	**1922193564**	**32**	**Frank Fung, MD**
NKC Port Angeles Kidney Center	**809 Georgiana Street Port Angeles, WA 98362**	**360-565-1435**	**502510**	**1046099**	**1891880332**	**10**	**Cyrus Cryst, MD**
NKC Scribner Kidney Center	**2150 N. 107th, Suite 160 Seattle, WA 98133**	**206-363-5090**	**502507**	**1045981**	**1861587750**	**22**	**Scott Bieber, MD**
NKC SeaTac Kidney Center	**17900 International Blvd S, #301 SeaTac, WA 98188**	**206-901-8700**	**502509**	**1043264**	**1205921616**	**33**	**Danny Hu, MD**
NKC Seattle Kidney Center	**548 - 15th Avenue Seattle, WA 98122**	**206-720-3940**	**502500**	**1043799**	**1346242542**	**38**	**Michael Sutters, MD**
NKC Snoqualmie Ridge Kidney Center	**35131 SE Douglas St, Suite 113 Snoqualmie, WA 98065**	**425-396-7090**	**502540**	**1044252**	**1447345921**	**9**	**Lin (Alex) Lu, MD**
NKC West Seattle Kidney Center	**4045 Delridge Way SW, Suite 100 Seattle, WA 98106**	**206-923-3562**	**502523**	**1043110**	**1164515797**	**20**	**Arthur E. Anderson, MD**
MEDICAL NUTRITION THERAPY							
			PTAN				
Mary Terese Wallace	**700 Broadway Seattle, WA 98122-4310**	**206-720-3732**	**G8965107**		**1982156766**	**N/A**	**N/A**
Reassigned Benefits to:							
Northwest Kidney Centers			**G8887120**		**1700025038**	**N/A**	**N/A**
Updated 11/30/2018							

Exhibit 5
Letter of Intent

NORTHWEST
Kidney Centers

November 1, 2018

Janis Sigman, Manager
Certificate of Need Program
Department of Health
P.O. Box 47852
Olympia, WA 98504-7852

Dear Ms. Sigman:

Northwest Kidney Centers (NKC) submits this letter of intent for the establishment of a new 34 station dialysis facility in the King County 11 Dialysis Planning Area. For this facility, 22 stations will be new and the remainder (12) will be relocated stations (from NKC Auburn). In accordance with WAC 246-310-080, the following information is provided:

1. A Description of the Extent of Services Proposed:

NKC is proposing to establish a new 34 station dialysis facility. The proposed new facility will include 22 new stations (as needed per the methodology in WAC 246-310-812) and 12 stations that will be relocated from NKC 's existing NKC Auburn facility, which is also located in the King County 11 Dialysis Planning Area. The proposed facility will offer in-center hemodialysis, home dialysis training (peritoneal and home hemodialysis), isolation capability and a dedicated bed station.

2. Estimated Cost of the Proposed Project:

The total cost of the proposed new 34 station facility, including the 12 relocated stations, is estimated to be $18,147,000.

3. Description of the Service Area:

Per WAC 246-310-280, the service area is the King County 11 Dialysis Planning Area.

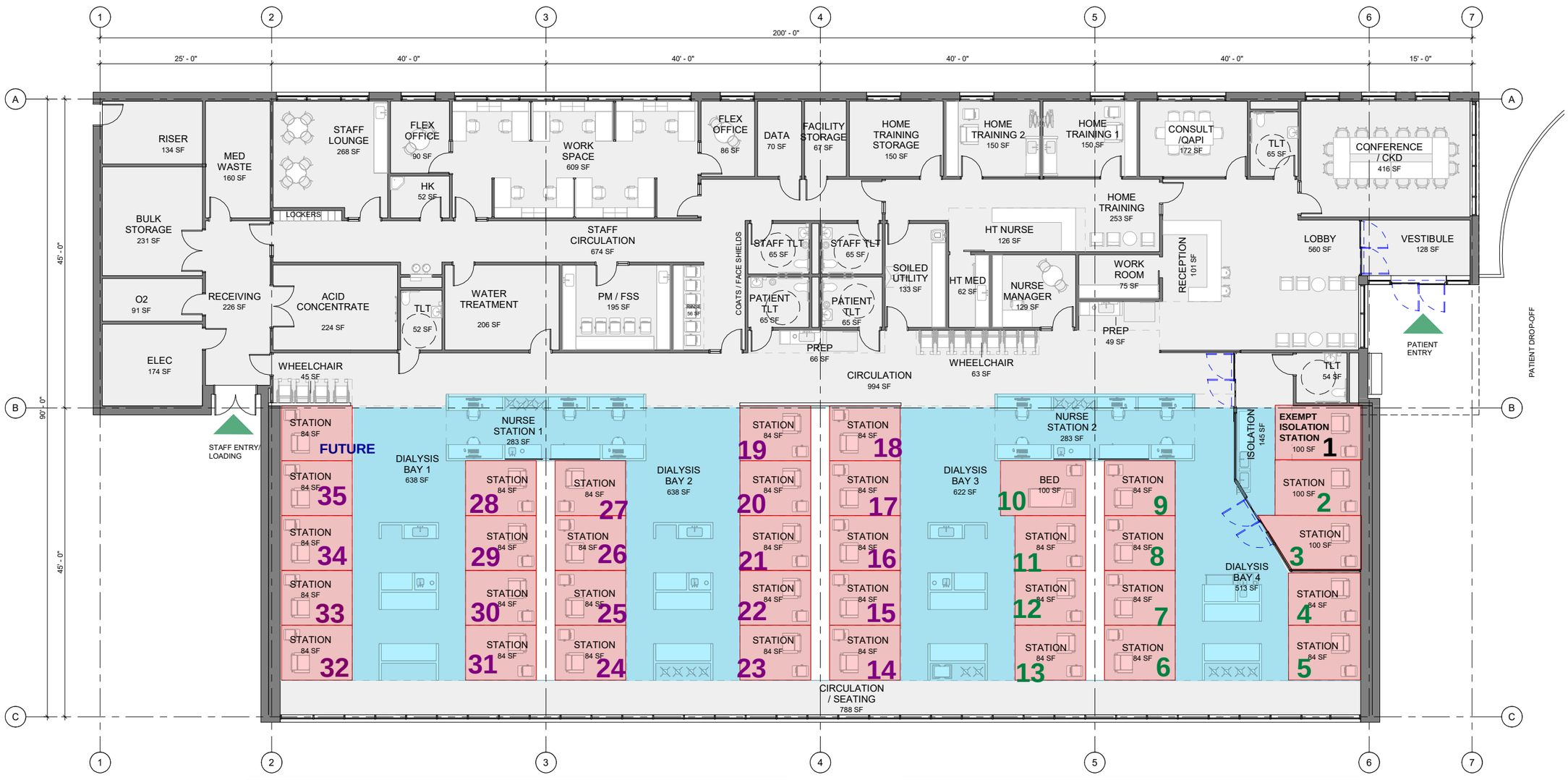
Thank you for your support in this matter. Please feel free to contact me with any questions.

Sincerely,

Joyce F. Jackson

Joyce F. Jackson,
President & CEO

Exhibit 6
Single Line Drawings



TREATMENT AREA: **2960 SF**
OTHER TREATMENT AREA: **3150 SF**
NON IN-CENTER AREA: **9640 SF**
TOTAL SQUARE FOOTAGE: **15750 SF**

12 RELOCATED STATIONS
22 NEW STATIONS
1 FUTURE STATIONS
1 EXEMPT ISOLATION STATION
36 TOTAL

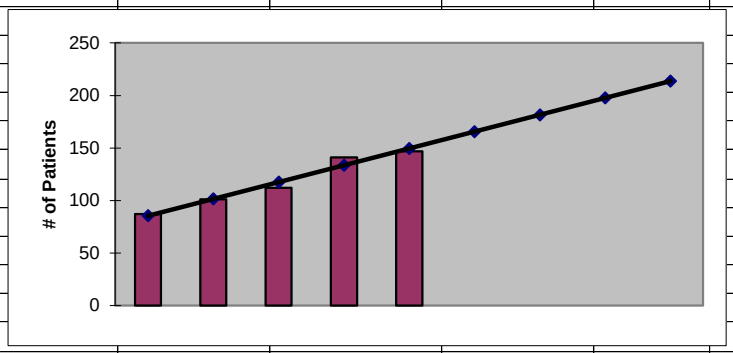
Exhibit 7
Certificate of Need Program Methodology

2018
King County 11
ESRD Need Projection Methodology

	Planning Area	**6 Year Utilization Data - Resident Incenter Patients**					
	King 11	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
	98001	24	25	26	32	34	31
	98002	39	33	35	42	57	67
	98010	4	2	3	4	5	5
	98047	11	7	12	9	8	7
	98092	16	20	25	25	37	37
	TOTALS	**94**	**87**	**101**	**112**	**141**	**147**
246-310-812(4)(a)	**Rate of Change**		**-7.45%**	**16.09%**	**10.89%**	**25.89%**	**4.26%**
	6% Growth or Greater?		**FALSE**	**TRUE**	**TRUE**	**TRUE**	**FALSE**
	Regression Method:	**Linear**					
246-310-812(4)(c)			Year 1	Year 2	Year 3	Year 4	**Year 5**
			2018	2019	2020	2021	**2022**
Projected Resident Incenter Patients	from 246-310-812(4)(b)		165.60	181.60	197.60	213.60	**229.60**
Station Need for Patients	**Divide Resident Incenter by 4.8**		34.50	37.83	41.17	44.50	**47.83**
	Rounded to next whole number		**35**	**38**	**42**	**45**	**48**
246-310-812(4)(d)	subtract (4)(c) from approved stations						
Existing CN Approved Stations		Total	26	26	26	26	**26**
Results of (4)(c) above			35	38	42	45	**48**
Net Station Need			-9	-12	-16	-19	**-22**
Negative number indicates need for stations							
Planning Area Facilities							
Name of Center	**# of Stations**						
NKC Auburn	**12**						
NKC Federal Way	**14**						
Total	**26**						
Source: Northwest Renal Network data 2012-2017							
Most recent year-end data**:** 2017 posted 02/07/2018							

2018
King County 11
ESRD Need Projection Methodology

x	y	Linear
2013	87	**86**
2014	101	**102**
2015	112	**118**
2016	141	**134**
2017	147	**150**
2018		**165.60**
2019		**181.60**
2020		**197.60**
2021		**213.60**
2022		**229.60**



SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.981909276
R Square	0.964145827
Adjusted R Square	0.952194436
Standard Error	5.633234713
Observations	5

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	2560	2560	80.67226891	0.002912968
Residual	3	95.2	31.73333333		
Total	4	2655.2			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*ower 95.0%*	*pper 95.0%*
Intercept	-32122.4	3589.49212	-8.949009756	0.00294415	-43545.76594	-20699.0341	-43545.8	-20699
X Variable 1	16	1.781385229	8.981774263	0.002912968	10.33083716	21.66916284	10.33084	21.66916

Exhibit 8
Pro Forma Financials, Utilization and Financial Assumptions

Auburn Kidney Center

Nov-18

	Historic Full Year 6/30/2018	Historic 4 mths Annlzd 6/30/2019	Interim Projected 6/30/2020	Implementation 9 Mnths End 3/31/2021	Implementation 3 Mnth End 6/30/2021	Implementation Full Year 6/30/2021	Project Year 1 Ending 6/30/2022	Project Year 2 Ending 6/30/2023	Project Year 3 Ending 6/30/2024
STATISTICS									
Stations - Last Day of Period	12	12	12	12	34	34	34	34	34
In-Center Patients- Last Day of Period	74	76	76	76	91	91	115	140	164
In-Center Treatments	17,462	11,238	11,263	8,447	3,094	11,541	15,265	18,896	22,526
In-Center Patients Per Station	6.17	6.33	6.33	6.33	2.68	2.68	3.38	4.12	4.82
Home Patients- Last Day of Period	2	2	2	2	9	9	11	14	16
Home Treatments-Hemo Equivalents	2507	198	296	222	204	426	1,482	1,853	2,223
Total Patients - Last Day of Period	76	78	78	78	100	100	126	154	180
Total Hemo Equivalent Treatments	19,969	11,436	11,560	8,670	3,297	11,967	16,747	20,748	24,749
REVENUES									
Medicare	24,649,286	17,539,098	17,726,667	13,295,000	5,056,645	18,351,646	25,680,941	31,817,095	37,953,249
Medicaid	6,248,975	4,195,263	4,240,129	3,180,096	1,209,524	4,389,620	6,142,750	7,610,487	9,078,224
Commercial Plans	4,521,648	2,229,737	2,253,582	1,690,187	642,849	2,333,035	3,264,805	4,044,891	4,824,977
Total Gross Revenues	35,419,908	23,964,098	24,220,378	18,165,283	6,909,018	25,074,302	35,088,496	43,472,473	51,856,450
Contractual Deductions	(27,346,127)	(19,409,962)	(19,617,537)	(14,713,153)	(5,596,028)	(20,309,181)	(28,420,278)	(35,210,964)	(42,001,650)
Bad Debt	$ (4,992)	(2,859)	(2,890)	(2,167)	(824)	(2,992)	(4,187)	(5,187)	(6,187)
Charity	$ (27,757)	(15,896)	(16,068)	(12,051)	(4,583)	(16,634)	(23,278)	(28,840)	(34,402)
Total Deductions	(27,378,877)	(19,428,717)	(19,636,495)	(14,727,371)	(5,601,436)	(20,328,807)	(28,447,743)	(35,244,991)	(42,042,239)
Net Revenues	8,041,032	4,535,380	4,583,883	3,437,912	1,307,582	4,745,494	6,640,754	8,227,482	9,814,211
DIRECT EXPENSES									
Salaries & Wages	2,115,759	1,162,360	1,174,923	881,192	335,154	1,216,346	1,702,131	2,108,835	2,515,539
Benefits	546,875	315,522	318,932	239,199	90,977	330,176	462,043	572,442	682,842
Medical Director Fees	62,000	62,750	62,750	47,063	20,500	67,563	82,000	82,000	82,000
Medical Supplies	441,846	320,751	324,218	243,164	92,485	335,649	469,701	581,930	694,159
Pharmacy	14,214	5,440	5,499	4,124	1,569	5,693	7,966	9,870	11,773
EPO and Administered Drugs	610,451	370,476	374,480	280,860	106,823	387,683	542,516	672,143	801,771
Water Treatment Supplies	5,186	4,338	4,385	3,289	1,251	4,540	6,353	7,871	9,388
2) Other Supplies	31,331	29,100	29,414	22,061	8,391	30,451	42,613	52,795	62,977
Lab Tests	68,675	48,434	48,957	36,718	13,965	50,683	70,925	87,872	104,818
Water Service	12,523	30,858	31,192	23,394	8,898	32,291	45,188	55,985	66,782
Repair & Maintenance	38,276	87,687	88,635	66,476	25,284	91,760	128,407	159,088	189,770
Laundry	18,829	10,743	10,859	8,144	3,098	11,242	15,732	19,491	23,250
1) Other Purchased Services	54,830	52,958	53,530	40,148	15,270	55,418	77,550	96,080	114,610
Rent	187,719	196,790	196,790	147,593	-	147,593	-	-	-
3) Equipment Rent	9,007	6,799	6,872	5,154	1,960	7,114	9,956	12,335	14,714
Utilities	88,292	70,423	71,184	53,388	20,306	73,694	103,126	127,767	152,408
Depreciation	162,134	168,552	168,552	126,414	128,726	255,140	514,905	514,905	514,905
Interest				-	45,977	45,977	533,822	519,445	505,892
Other Expenses	3,161	1,557	1,574	1,180	449	1,629	2,280	2,825	3,370
Total Direct Expenses	4,471,108	2,945,538	2,972,746	2,229,559	921,082	3,150,641	4,817,213	5,683,679	6,550,968
Excess of Direct Revenue over Direct Expense	3,569,924	1,589,842	1,611,137	1,208,353	386,500	1,594,853	1,823,540	2,543,804	3,263,244
4) Overhead	1,852,724	1,061,032	1,072,500	804,375	305,937	1,110,312	1,553,750	1,924,999	2,296,249
Excess (Deficit) of Revenues	1,717,200	528,810	538,637	403,979	80,562	484,541	269,791	618,804	966,994

Notes:

1) Other Purchases Services – included housekeeping services, pest control and freight charges.
2) Other Supplies consists of housekeeping supplies, minor equipment and office supplies.
3) Equipment Rental – copier/scanner/fax machine rental
4) Overhead is apportioned at 92.78 per treatment which is the FY 6/30/2019 Budgeted Amount.

Exhibit 9
Patient Origin Report

Auburn Kidney Center - patients assigned as of 11/01/2018

ZIP	# of Patients	Dialysis Planning Area
98001	7	King 11
98002	41	King 11
98022	1	King 12
98023	1	King 5
98030	3	King 10
98031	3	King 10
98032	1	King 10
98042	3	King 10
98058	2	King 9
98092	11	King 11
98198	1	King 4
98373	1	Pierce 1
98801	1	Chelan
Total	**76**	

Exhibit 10
NKC Policies & Procedures

NORTHWEST Kidney Centers

Social Services/Social Work

New Patient Admission Policy

Application:

This policy applies to all Northwest Kidney Center (NKC) patients and physicians (excluding visitor patients.)

Policy:

1. NKC will provide treatment to adults without regard to race, color, religion, sex, national origin, or age. (NKC does not provide dialysis to the pediatric population i.e. less than 18 years of age)

2. NKC will provide in-center hemodialysis, peritoneal dialysis or home hemodialysis therapy for patients referred for admission.

    a. Patients referred to either Home Hemodialysis or Peritoneal Dialysis are subject to final review and approval by the appropriate home program.

    b. Patients referred for Special Services must be reviewed by the Admissions Clinical Care Coordinator and in consultation with the CMO or Associate CMO. A History and Physical is required for Special Services patients.

3. The Chief Medical Officer or Associate Chief Medical Officer in collaboration with the Admissions Clinical Care Coordinator has the responsibility to assure that any patient's (ESRD and non-ESRD) medical condition does not preclude outpatient dialysis treatment.

    a. Patients with a non-tunneled catheter will not be admitted.

    b. Patients with ventilators are not accepted at in-center units. Patients will be referred to the Home Hemodialysis or Peritoneal Dialysis program for consideration.

c. Patients with a tracheostomy must be able to perform self-care or have a person responsible for the care during dialysis. In addition to the CMO approval, the patient must be reviewed and approved by the unit's Medical Director and Clinical Manager.

d. Patients with diagnosed Active TB or other abnormal Chest X-Ray findings can be scheduled only after clearance by the Infection Prevention Officer, CMO or Associate CMO.

4. All patients must be referred and followed by a nephrologist on NKC's Medical Staff.

5. NKC requires the following information:

Information	**Parameters**
Dialysis Patient Referral Form Form available on KNET: Clinical>Referrals/Initial Orders	Within 30 days of hemodialysis or PD services; must be signed by a nephrologist; all "required" fields must be completed.
Initial Dialysis Orders Form available on KNET: Clinical>Referrals/Initial Orders	
History & Physical, Discharge Summary or Detailed Renal Progress Note with current Medication and Problem List	Within 30 days of hemodialysis or PD services.
Chest X-Ray < 30 days	Chest X-ray within 30 days.
HBs Ag; Anti HBs; Anti HBc;	*HBs Ag and Anti HBs* within 30 days of dialysis or PD services. *Anti HBc* within 1 year * If the Anti HBc has been drawn, the patient may be scheduled.

Transfer Patients	* For patients transferring from other dialysis facilities: 1. HBsAg and Anti HBs within 30 days; Anti HBc within 1 year 2. Signed *Patient Transfer Agreement* 3. Current dialysis orders 4. Progress Notes (last 2 weeks) 5. Recent dialysis logs (last 6 runs) 6. Comprehensive Assessment 7. Plan of care 8. Copy of the HCFA 2728 form *If applicable:* Power of Attorney Behavioral Contracts Involuntary Discharge letter, supporting documentation, and approval by NKC Operations Committee prior to admission.

6. If an NKC patient has transferred out for less than 30 days, the physician is only required to provide updated orders upon readmission.

7. If the patient's medical records are not in English, the Admitting department will send them for translation via an NKC-contracted interpreter service.

8. The Clinical Manager or their designee is responsible for patient schedules and determining the availability of treatment spots.

    a. The Admitting Department staff must be able to reach a responsible designated unit staff member at each in-center and home program department Monday through Friday 8:00 am to 4:30 pm, excluding NKC observed holidays

    b. If a dialysis unit has available Medicare certified stations and adequate staff, the unit must accommodate a new patient start.

    c. The unit must respond to the Admitting team within 2 hours of the email request for a new patient placement

9. The Vice President of Clinical Operations (or designee) will be the Admitting Department's primary contact for clinical and operational decisions.

10. The Chief Medical Officer or Associate Chief Medical Officer will be available to consult on patient referrals, as needed.

11. Once the Admitting Department has scheduled a patient at a dialysis unit and notified the referring nephrologist and patient, the dialysis unit is responsible for managing the transition and any follow-up.

    Exceptions: The Admitting Department will be notified if any of the following occurs with scheduled patients:

    a. Patient's medical condition changes and requires a different level of care.
    b. The patient has not started within 1 week (or 3 scheduled treatments) from the original scheduled start date.

NORTHWEST Kidney Centers

Financial Services/Patient Accounts

Patient Compliance

Policy:

It is the policy that all patients be in compliance with NKC's financial agreement. To be in compliance, the patient must:

1. Pay or agree to pay for all services arranged or furnished by NKC.

2. Maintain all reasonable medical insurance for which the patient is eligible.

3. Furnish NKC with accurate and complete financial information whenever requested.

4. Assign all benefits from medical insurance policies providing for payment to NKC, and to forward promptly to NKC all payments by the insurance company or others made directly to the patient for services arranged or furnished by NKC.

5. Sign both the financial and personal payment agreements.

Patient Accounts/Patient Funding Sources

Charity

Policy:

It is the policy of the Northwest Kidney Centers to provide charitable allowances to patients who are eligible and who are in compliance with NKC's Financial Agreement. See Patient Compliance Policy.

Eligibility is defined as qualifying for funding from DSHS (Medicaid) or KDP (Kidney Disease Program) or gross income is under current 300% FPL and meet the current Medicaid resource guidelines.

Procedure:

1. Dialysis or Transplant patient expresses a need for charity assistance.
    a. Household income and resources are reviewed with patient by their Financial Case Manager. Proof of income and resources must be provided by the patient within the time specified.
    b. Patient is evaluated for Medicaid and/or the Kidney Disease Program. If the Financial Case Manager determines it is necessary, the patient must apply for Medicaid and the Medicaid application must be processed and not denied because requested documents were not received.
2. Undocumented patients with Medicaid Alien Emergency Medical (AEM) and a spenddown – during the spenddown period the patient is responsible for charges if their income is over 300% FPL. After the spenddown is met they are then eligible for charity.
3. Charity can be used for patients who have Out of State Medicaid if Medicaid is secondary to Medicare.
4. Life insurance with a cash value – cash value is counted as a resource.
5. We do not count 401K or other retirement accounts as a resource.
6. Upon acceptance, charity can go back to the beginning of the balance due and is good for 1 year.

Exhibit 11
CFO Financing Letter

NORTHWEST Kidney Centers

November 30, 2018

Janis Sigman, Program Manager
Certificate of Need Program
Department of Health
PO Box 47852
Olympia, WA 98504-7852

Dear Ms. Sigman:

Please be advised that as Northwest Kidney Center's Vice President of Finance and CFO, I approve the use of reserves and/or tax exempt bond financing issued through WHCFA for the funding of the following project. At this time, it has been assumed that NKC will obtain approximately $14.5 million in bond financing for this project and will fund the remaining costs of the project with reserves. If the bond financing for some reason is not possible, I approve the use of reserves for the entire project.

The proposed project is the relocation and expansion of the existing 12 station Auburn Kidney Center to 34 stations. The amount below reflects Northwest Kidney Center costs inclusive of capitalized financing costs (as we will own the land and building there are no landlord costs).

Capital Expenditure: $18,831,477

Sincerely,

Carrie McCabe
Vice President of Finance & CFO, Treasurer

Exhibit 12
Medical Director Agreement

AMENDMENT TO
MEDICAL DIRECTOR AGREEMENT

This AMENDMENT TO THE MEDICAL DIRECTOR AGREEMENT ("Amendment") is entered into this _____ day of _____, 20___, by and between Northwest Kidney Centers, a Washington nonprofit corporation ("NKC"), and Paramita Mukherjee M.D. ("Doctor").

RECITALS

NKC and Doctor entered into that certain Medical Director Agreement dated the 1st day of January 2017 ("Agreement"), and

NKC and Doctor have agreed to amend the Agreement after arms-length negotiation and after determining that such amendment is in the best interest of the community served by NKC.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and other consideration contained in this Amendment and the Agreement, the delivery and sufficiency of which is acknowledged, the parties agree as follows:

1. **Replacement of Exhibit B.** The agreement shall be amended by deleting, in its entirety, Exhibit B, Medical Director Compensation, and substituting the following:

Exhibit B

Medical Director Compensation and Log

1. The compensation from NKC to Doctor is Eighty Two Thousand ($82,000) per year, payable in equal monthly installments.

2. On or before the 10th day of each month, Doctor will submit a signed medical director log documenting the hours and activities he/she spent during the previous month on medical director duties. Doctor is not entitled to payment from NKC unless and until he/she submits the completed medical director log for the previous month.

2. **Conflict or Inconsistency.** Except as specifically modified in this Amendment, all terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict or inconsistency between any of the provisions of the Agreement and any of the provisions of this Amendment, the provisions of this Amendment shall control.

IN WITNESS WHEREOF, this Amendment is effective as of the date and year first written above, when executed by Doctor and both the Chief Medical Officer and the President/Chief Executive Officer of NKC.

DOCTOR

_____

NORTHWEST KIDNEY CENTERS,
A Washington nonprofit corporation

By: _____
Its Chief Medical Officer

By: _____
Its President/Chief Executive Officer

MEDICAL DIRECTOR AGREEMENT

This MEDICAL DIRECTOR AGREEMENT (this "Agreement"), between Northwest Kidney Centers, a Washington nonprofit corporation ("NKC") and Paramita Mukherjee ("Doctor"), is for the provision of medical director services.

RECITALS

NKC operates dialysis centers and related kidney treatment programs throughout the Puget Sound area, including in particular the facility and/or program described in the attached Exhibit A (the "Program"), which require the services of a medical director.

AGREEMENT

Now, therefore, the parties agree as follows:

1. MEDICAL DIRECTOR SERVICES

1.1 Appointment. NKC hereby appoints Doctor as medical director of the Program, and Doctor accepts such appointment, all on the terms and conditions of this Agreement. Doctor shall assume and discharge all responsibilities hereunder on an ethical and professional basis consistent with the policies and objectives of the NKC, the requirements of Doctor's professional societies, and all applicable laws and regulations.

1.2 Responsibilities. Doctor's primary task shall be to assure that at all times the Program is providing quality patient care in a safe, comfortable setting while ensuring efficiency and a high level of patient satisfaction. Doctor shall devote his/her best efforts to serving as Medical Director of the Program, including, but not limited to, performing: (a) those services customarily performed by medical directors of dialysis facilities; (b) the duties set forth in the attached Exhibit A; and (c) such other duties as NKC may reasonably request from time to time. Doctor shall report to NKC's Chief Medical Officer.

1.3 Private Practice. Doctor may provide professional services outside the scope of this Agreement to the extent consistent with the satisfactory discharge of Doctor's responsibilities set forth in this Agreement.

1.4 Absences. If Doctor will be absent for an extended period of time, Doctor shall give prior notice to the Chief Medical Officer and arrange for competent and qualified services of another physician (the "Covering Medical Director") acceptable to NKC to discharge all Doctor's duties to NKC's satisfaction. Doctor acknowledges and agrees that all obligations under this Agreement (except Section 9) shall be binding on the Covering Medical Director to the same extent as if the Covering Medical Director were a party hereto and Doctor agrees to ensure compliance of the Covering Medical Director with such terms; and that NKC may require such physician to execute a document acknowledging such obligations before such physician

may serve as the Covering Medical Director. Doctor is responsible for paying any and all compensation to the Covering Medical Director for performance of duties under this Agreement.

1.5 Expenditures and Contracting. Doctor shall be involved in determining expenditures and reviewing agreements of NKC and/or the Program as provided in Exhibit A. Notwithstanding any other provision of this Agreement, Doctor shall have no authority to make any expenditure or enter into any agreement on behalf of or in the name of NKC or the Program, without NKC's express advance written approval.

2. QUALIFICATIONS

2.1 Qualifications. Doctor shall maintain the following qualifications, none of which may at any time be restricted, suspended, revoked or unrenewed: (a) licensure to practice medicine in the State of Washington and good standing with the Washington State Quality Assurance Commission; (b) a Federal DEA number; (c) membership on NKC's active medical staff with appropriate clinical privileges; (d) participation in and qualification for reimbursement from the Medicare program and the Washington Medicaid program; and (e) insurance coverage as required in Section 6 below. In addition, except to the extent otherwise agreed in writing by NKC's Chief Executive Officer, Doctor shall maintain a substantial (as determined by NKC in its reasonable discretion) clinical practice as a nephrologist at all times during the term of this Agreement. Upon NKC's request, Doctor shall provide evidence satisfactory to NKC of Doctor's compliance with this section. Doctor shall immediately notify NKC if Doctor lacks any of the above qualifications; if Doctor's medical staff membership or privileges at any other health care facility are revoked, terminated, restricted, suspended or unrenewed; or if Doctor ceases to maintain a substantial clinical practice as a nephrologist.

2.2 Medical Staff Activities. Doctor shall attend staff conferences and shall comply with the procedures, rules and regulations of NKC's Medical Staff. Doctor shall perform such teaching and similar duties as are in accordance with the education program of NKC's staff and employees and consistent with ESRD program requirements.

3. SPACE, UTILITIES, SUPPLIES, EQUIPMENT AND PERSONNEL

NKC shall, within annual budgetary allowances, provide space, utilities, supplies and equipment necessary for Doctor to perform Doctor's duties as Medical Director. Doctor will not use any such space, utilities, supplies, equipment or personnel at any time for the private practice of medicine.

4. COMPENSATION

Doctor's entire compensation under this Agreement is set forth in the attached Exhibit B. Doctor acknowledges that Doctor is an independent contractor and not an employee; accordingly, Doctor's compensation is not subject to withholding for income taxes, Social Security, or any other withholding deductions. Doctor is not entitled to any employee benefits normally established for NKC personnel, except liability coverage to the limits established by

NKC for liabilities incurred while acting within the scope of duties as medical director under this Agreement. The parties agree that all compensation to be paid over the term of this Agreement does not exceed fair market value, is not determined in a manner that takes into account the volume or value of referrals or other business that might be generated between Doctor and NKC, except as permitted by law, and does not require the limitation or withholding of items or services from patients in violation of any federal, state or local law. Doctor's compensation may be prospectively adjusted by NKC at the beginning of a contract year based on the Doctor's performance, experience, changes in market conditions or other factors NKC deems appropriate.

5. TERM AND TERMINATION

5.1 Term. The term of this Agreement, unless earlier terminated, is one (1) year, commencing on the date set forth at the end of this Agreement. This Agreement shall automatically renew for additional one-year term(s) unless earlier terminated as provided herein or by notice of nonrenewal at least thirty (30) days before an anniversary of the commencement date.

5.2 Automatic Termination. This Agreement shall terminate automatically and without notice upon (a) the Doctor's death; (b) conviction, including a plea of *nolo contendere*, of any felony or of any crime involving moral turpitude by either party.

5.3 Termination for Material Breach. Either party may terminate this Agreement in the event of a material breach of this Agreement by the other party. The non-breaching party shall send the breaching party notice describing the breach with reasonable specificity, including any steps that must be taken to cure such breach. If the breaching party fails to cure such breach to the reasonable satisfaction of the other party within thirty (30) days after receipt of such notice, this Agreement shall immediately terminate at the end of such 30-day period.

5.4 Termination for Cause. Either party may terminate this Agreement for cause and without notice except that termination under subsections (d) and (e) below shall require thirty (30) days notice. Cause for termination shall include but not be limited to: (a) dishonesty, professional misconduct, or misappropriation of funds by the other party; (b) the failure of Doctor to maintain any of the qualifications described in Section 2.1 above or to maintain a clinical practice as a nephrologist as required by Section 2.1 above; (c) the conduct of the other party is such that termination is necessary in the party's reasonable judgment to protect patient health or safety; (d) the Doctor's privileges are either terminated or suspended for a period more than thirty (30) days by the medical staff or management of a health care facility where the Doctor has privileges; or (e) good cause as defined in law or in equity.

5.5 Resignation of Doctor. In the event Doctor wishes to resign from Doctor's position as Medical Director of the Program during the term of this Agreement, Doctor may submit a written request to NKC. The decision whether or not to consent to Doctor's resignation shall be made by NKC in its sole and absolute discretion. In the event NKC consents to Doctor's resignation, this Agreement shall terminate as of the effective date specified in such consent, and

NKC's obligation to compensate Doctor under Section 4 and Exhibit B hereto shall terminate as of that date.

5.6 Effect of Termination. Upon termination of this Agreement Doctor shall not in any way interfere with the assumption by a successor physician of any of Doctor's duties under this Agreement; Doctor shall deliver to NKC all records necessary for the conduct of the business of NKC and the Program, and all other NKC property in Doctor's possession; and each provision requiring continuing performance shall survive termination of this Agreement, including but not limited to Sections 6, 7, 8, and 9. Termination of this Agreement shall not entitle Doctor to any rights of appeal or hearing under NKC's medical staff bylaws or otherwise. If the Agreement is terminated other than at the expiration of a term, the parties shall not enter into a new arrangement for the services that are the subject of this Agreement before the expiration of the then current term.

6. INSURANCE

6.1 Doctor's Responsibility. Doctor shall maintain and provide proof of medical malpractice and public liability insurance coverage with minimum limits of one million dollars ($1,000,000) per occurrence and five million dollars ($5,000,000) in the aggregate as approved by NKC. The amount shall be reviewed from time to time by NKC and may be revised by NKC on a uniform basis with medical directors of other programs and/or facilities operated by NKC. If Doctor's policy is on a "claims made" basis during this Agreement, the requirements of this section shall survive termination of this Agreement and shall continue for four years thereafter. In lieu of continued coverage, Doctor may provide a "tail" policy in a form approved by NKC covering the period for which Doctor served as medical director under this Agreement.

6.2 NKC's Responsibility. NKC provides professional and general liability coverage for its employees, which includes independent contractors such as medical directors and advisors while working within the scope of their assigned duties. NKC shall maintain professional and general liability insurance coverage for Doctor while acting within the scope of his duties as Medical Director under this Agreement, with minimum limits of one million dollars ($1,000,000) per occurrence and five million dollars ($5,000,000) in the aggregate. If NKC's policy is on a "claims made" basis during this Agreement, NKC shall provide continued professional and general liability coverage for Doctor for five years after termination of this Agreement.

7. REPORTS AND RECORDS

7.1 Ownership of Reports and Records. It is agreed that all reports and records relative to the Program and NKC are the property of the NKC and are to be considered and treated as the NKC's records.

7.2 Maintenance of and Access to Books and Records. Upon the written request of the Secretary of Health and Human Services or the Comptroller General or any of their duly

authorized representatives, Doctor shall make available those contracts, books, documents, and records necessary to verify the nature and extent of the costs of providing services under this Agreement. Such inspection shall be available up to four (4) years after the rendering of such services. If Doctor carries out any of the duties of this Agreement through a subcontract with a value of $10,000 or more over a 12-month period with a related individual or organization, Doctor shall include this requirement in any such subcontract. This section is included pursuant to and is governed by the requirements of Public Law 96-499, Section 952 (Section 1861(v)(1) of the Social Security Act) and the regulations promulgated thereunder. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by Doctor or NKC by virtue of this Agreement.

8. CONFIDENTIALITY

Doctor shall not, directly or indirectly, divulge, disclose or communicate to any person or entity, any nonpublic, confidential information with regard to this Agreement, or the operational, financial, contractual, or other affairs of NKC or the Program, except as may be required by law. As used in this Section 8, confidential information shall include nonpublic information about the financial performance, strategic plans, cost and expense data, trade secrets, payor, supplier or patient contracts, partnership arrangements, manuals, policies and procedures, patient lists, and similar data of NKC or the Program. Confidential information shall not include any information in the public domain or any information that becomes part of the public domain through no fault of the Doctor. The terms of this section shall survive any termination or expiration of this Agreement.

9. COVENANTS

Doctor agrees that, as a consequence of Doctor's performance of this Agreement, Doctor will gain confidential knowledge, which is proprietary to NKC, including the relationships that Doctor will develop with NKC patients. Accordingly, Doctor shall comply with the following covenants, which the parties consider to be fair, reasonable and integral to NKC's protection:

9.1 Noncompetition. During the term of this Agreement for a period of two (2) years following its termination, Doctor will not, directly or indirectly, by himself or herself or in conjunction with any other person, serve as medical director of, nor be an officer, director, shareholder, partner, member, owner, part owner (through equity or debt), employee, advisor or consultant of any kidney dialysis center or other program, center or entity offering dialysis services of any kind operating or intending to operate within thirty (30) miles of any dialysis center or treatment program operated by NKC.

9.2 Nonsolicitation. During the period described in Section 9.1 above, Doctor will not, for his or her own benefit or the benefit of others, directly or indirectly, (a) solicit any business from any person or entity that has or has had a business relationship with NKC, or disrupt or attempt to disrupt, any relationship, contractual or otherwise, between NKC and any such person or entity, including any patient, payor, physician, provider, managed care

organization, or supplier; or (b) induce, or attempt to induce, any employee of NKC to terminate his or her association with NKC.

9.3 Remedies. The parties agree that any breach or any threatened breach of any covenant in this Section 9 will cause irreparable injury to NKC and that the remedy at law will be inadequate. Therefore, in the event of any actual or threatened breach of any provision of this Section 9, NKC shall be entitled to any or all of the following remedies: (a) preliminary and permanent injunctions restraining such actual or threatened breach; (b) reasonable attorneys' fees to enforce this Agreement; (c) damages; and (d) any and all other remedies provided for at law or in equity. The remedies under this section are cumulative, are in addition to any others given under this Agreement, by law or in equity, and may be enforced successively or concurrently at NKC's option.

9.4 Priority of Patient Care. Nothing in these covenants shall be deemed to prohibit Doctor from exercising his or her medical judgment concerning the medical treatment of his or her patients in any manner whatsoever in any location whatsoever, and shall not be deemed to require the referral of any such patient to any facility of NKC.

9.5 Divisibility. The parties agree that the covenants in this Section 9, including the scope of the restricted activities and the duration and geographic extent of such restrictions, are fair and reasonably necessary for the protection of the legitimate interests of NKC, in light of all of the facts and circumstances of the relationship between the parties. If any court or other tribunal of competent jurisdiction finds that this Section 9 is excessively broad and declines to enforce any provision of this Section 9, the covenants herein shall be deemed to be modified to restrict the activities of Doctor to the maximum extent enforceable by law and in equity.

10. DISPUTE RESOLUTION

10.1 Mediation. Except as otherwise provided in this Agreement, in the event the parties are unable to resolve a dispute relating to the terms of this Agreement through good faith efforts, the parties shall submit such dispute to mediation before a mutually agreeable mediator or if such person cannot be agreed upon within five (5) business days, to that mediator designated by the Seattle office of Judicial Dispute Resolution, L.L.C. In the event that Judicial Dispute Resolution, L.L.C. no longer operates in Seattle, the mediator shall be chosen by the Presiding Judge (or designee) of the Superior Court of the State of Washington for King County. When the mediator cannot be mutually agreed upon, the party seeking mediation shall apply to Judicial Dispute Resolution, L.L.C. or the court within thirty (30) days of the date it learns, or reasonably should have learned, of the dispute and shall request mediation within forty (40) days. The mediator's fees shall be shared equally by the parties.

10.2 Arbitration. If such dispute is not resolved through mediation, the parties agree to submit the dispute to binding arbitration before a mutually agreeable arbitrator. If the parties are unable to agree upon an arbitrator within ten (10) business days of the initial demand to arbitrate the dispute, then the arbitrator may be designated by the Seattle Office of Judicial

Dispute Resolution or any similar service mutually acceptable to the parties. If the Seattle Office Judicial Dispute Resolution is no longer operating, and no mutual acceptable service is identified, either party may petition for the appointment of an arbitrator by the presiding judge of the Superior Court of King County in and for the State of Washington.

The arbitrator shall not be bound by the Civil Rules or the Rules of Evidence but shall have the authority to control the conduct and timing of the proceedings, and may permit or deny discovery as he or she deems appropriate. The decision of the arbitrator shall be binding on the parties and enforceable by the courts of the State of Washington. Each party shall bear its own attorneys' fees and share equally in the costs of arbitration, unless the arbitrator, in his or her discretion, awards arbitration costs and attorneys' fees to the substantially prevailing party.

10.3 Violations of Selected Covenants. Notwithstanding any other provision of this Agreement, disputes relating to any breach or alleged breach of the covenants set forth in Section 9 shall not be subject to the mediation or arbitration provisions set forth in Sections 10.1 and 10.2 above. The parties may seek relief from any court for disputes involving such matters.

11. GENERAL PROVISIONS

11.1 Relationship of Parties. In the performance of the professional work and responsibilities for medical services assumed by Doctor under this Agreement, it is mutually understood and agreed that Doctor is an independent nephrologist. Doctor shall exercise medical judgment as a nephrologist, free of any direction or control of the NKC, in a manner consistent with currently approved methods and practices of the profession and in compliance with the standards and policies of the NKC's Medical Staff. In administrative matters, it is mutually understood and agreed that Doctor shall cause the Program to comply with all business and administrative policies prescribed by the NKC.

11.2 Nonassignability. This Agreement is personal to Doctor and Doctor shall not assign or delegate rights and duties under this Agreement, except as expressly provided in Section 1.4.

11.3 Notices. Any notice given hereunder shall be in writing and shall be served personally or by depositing same in the United States mail, registered or certified, return receipt requested, postage prepaid and addressed to the intended party set forth below, or to such other address as a party may have furnished to the other as a place for the service of notice. Any notice so mailed shall be deemed to have been given upon personal delivery or three (3) days after the time the same is deposited in the United States mail.

NKC: President & CEO
Northwest Kidney Centers
700 Broadway
Seattle, WA 98122

Doctor: _____

_____

_____

_____

11.4 No Requirement to Refer or Limit Services. Nothing in this Agreement shall be interpreted as requiring either party to make referrals of any items or services to the other, or to limit or withhold items or services from patients, in violation of any federal, state or local law.

11.5 Compliance with Applicable Laws. At all times during the term of this Agreement, each of the parties shall perform their respective obligations hereunder in accordance with all applicable federal, state and local laws and regulations.

11.6 Tax Exemption. This Agreement shall be amended by the parties as NKC deems necessary to protect its tax-exempt status.

11.7 Modifications for Prospective Legal Events. If any federal, state or local law or regulation, now existing or enacted or promulgated after the effective date of this Agreement is interpreted by judicial decision, a regulatory agency or legal counsel to either party in such a manner as to indicate that a provision of this Agreement may be in violation of such law or regulation, the parties shall amend this Agreement as necessary. To the maximum extent possible, any such amendment shall preserve the underlying economic and financial arrangements between the parties.

11.8 Miscellaneous. This Agreement (along with the exhibits attached hereto, which are incorporated herein by this reference) constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior offers and negotiations, oral and written. This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by the parties hereto. No waiver of any provision hereof shall be deemed to have been made unless and until such waiver shall have been reduced to writing and signed by the party to be bound. No waiver of any default under this Agreement shall constitute or operate as a waiver of any subsequent default hereunder. All terms of this Agreement shall be binding upon and inure to the benefit of the parties' respective successors and permitted assigns. If one or more of the provisions of this Agreement for any reason is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of hereof, but this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

Effective as of the 1st day of January, 2017 when signed by both the Chief Medical Officer and the Chief Executive Officer of NKC.

DOCTOR:

Signature

PARAMITA MUKHERJEE

Print Name

NORTHWEST KIDNEY CENTERS,
a Washington corporation

By: _____
Its Chief Medical Officer

By: _____
Its President/Chief Executive Officer

Exhibit A to Medical Director Agreement

Facility Medical Director Responsibilities
Northwest Kidney Centers- Auburn
See enclosed Exhibit from NKC Policies

Exhibit B

Medical Director Compensation and Log

1. The compensation from NKC to Doctor is $ 62,000 per year, payable in equal monthly installments.

2. On or before the 10th day of each month, Doctor will submit a signed medical director log documenting the hours he/she spent during the previous month on medical director duties. Doctor is not entitled to payment from NKC unless and until he/she submits the completed medical director log for the previous month.

Administration/General

Facility Medical Director Responsibilities

Application:

This policy applies to all NKC Medical Directors

Policy:

Exhibit A to Medical Director Agreement

1. DEFINITION OF THE TERM, "FACILITY MEDICAL DIRECTOR"

The "Facility" as used in the Agreement means the dialysis facility _____Auburn Kidney Center_____ operated by the Northwest Kidney Centers. The "Medical Director" is the nephrologist responsible for the delivery of patient care and outcomes at the facility. The Medical Director is accountable to the Operations Committee (the "facility governing body," as defined in the Conditions for Coverage) for the quality of medical care provided to patients.

2. QUALIFICATIONS

The facility Medical Director must be a member of the NKC medical staff. Per the federal Conditions for Coverage (42 C.F.R. § 494.140(a)V682, the Medical Director must have completed a Board-approved training program in nephrology and maintain current Board Certification in Nephrology, or have been granted exception approval by the Secretary of DHHS (V683). The Medical Director must have 12 months experience providing care to patients receiving dialysis.

3. RESPONSIBILITIES

The Medical Director responsibilities include, but are not limited to, the following:

Quality Assessment and Performance Improvement Programs

1. The Medical Director shall ensure that the facility develops, implements, maintains and evaluates an effective, data driven Quality Assessment and Performance Improvement program ("QA/PI program") with participation by the professional members of the inter-disciplinary team. The Medical Director is the chair of the facility's inter-disciplinary team and shall collaborate closely with the Clinical Director in directing the QA/PI program.

2. The QA/PI program must reflect the complexity of the facility's organization and services and must focus on indicators related to improved health outcomes and the prevention and reduction of medical errors. The facility must maintain and demonstrate evidence of its QA/PI program for review by CMS.

3. The QA/PI program, as defined in 42 C.F.R. § 494.110, must include, but not be limited to, an ongoing program that achieves measurable improvement in health outcomes and a reduction of medical errors, using indicators or performance measures associated with improved health outcomes and reduction of errors.

4. The Medical Director shall ensure that the facility measures, analyzes and tracks quality indicators and other aspects of performance that reflect processes of care and facility operations. Components of the facility's Quality Assessment program shall include, but are not limited to, the following:

    a. Adequacy of dialysis

    b. Nutritional status

    c. Mineral metabolism and renal bone disease

    d. Anemia management

    e. Vascular access

    f. Medical injuries and medical errors identification: The Medical Director shall review and monitor all Quality Improvement Reports (QIRs), analyze trends and identify areas that need remediation.

    g. Patient satisfaction and grievances

h. Infection control: The facility shall analyze and document incidence of infections, develop action plans to minimize infection transmission and promote immunization, and take actions to reduce future incidents.

5. The Medical Director shall ensure that the facility continuously monitors performance, take actions that result in performance improvements, and track performance to ensure that improvements are sustained over time.

6. The Medical Director, in conjunction with the facility's inter-disciplinary team, shall set the priorities for the facility's Performance Improvement program considering prevalence and severity of identified problems from the facility's Quality Assessment and giving priority to improvement activities that affect clinical outcomes or patient safety.

7. The Medical Director is responsible for ensuring that the facility correct any immediate problems that threaten the health and safety of patients.

8. The Performance Improvement program goals and progress shall be reviewed monthly by the inter-disciplinary team, and shall be reported to the Operations Committee, per policy.

9. The Medical Director shall consult with attending physicians as needed to achieve Performance Improvement program goals.

Staff Education/Training/Performance

1. The Medical Director shall ensure ongoing educational opportunities are available and/or provided to the facility staff about care, practices, and clinical topics. The Medical Director shall serve as a medical consultant to facility staff and management.

2. The Medical Director shall ensure that education programs and in-services, as delegated by the Medical Director to the NKC Clinical Director of Education and Education Department, meet the needs of the facility staff to ensure they demonstrate ongoing performance and skill competencies.

Policies and Procedures

1. The Medical Director shall implement the development, periodic review and approval of a "patient care policies and procedures manual" for the facility, which manual shall be prepared by those individuals designated by the Operations Committee.

2. The Medical Director shall ensure that all policies and procedures related to patient care, infection control, and safety are adhered to by the facility's patient care staff and the attending physicians and their extenders.

3. The Medical Director shall ensure that all policies and procedures relating to patient admissions, transfers or discharges (as specified in 42 C.F.R. § 494.180(f)) are adhered to by the facility's patient care staff and the attending nephrologist.

Direction of Professional Services in Emergencies

1. In a crisis or emergency, the Medical Director shall assure or cause to be provided clinical management for patients whose attending nephrologist cannot be reached for orders, but in all other instances shall not interfere with the therapeutic autonomy of the attending physician, per Medical Staff Bylaws.

Water Quality/Equipment/Environment/Safety

1. The Medical Director shall have knowledge and understanding of the components of the facility's water treatment system and how they relate to ANSI/AAMI RD52:2004.

2. The Medical Director shall ensure that the water and equipment used for facility's dialysis meets the requirements found at ANSI/AAMI RD52:2004.

3. The Medical Director shall monitor the quality of the facility's water and dialysate. He/she shall review all water systems testing (in particular, for chlorine, chloramines, endotoxin and bacteria. Any levels that deviate from the standard must have a corrective action plan developed by the Medical Director and Facility System Specialist.

4. The Medical Director shall ensure that all equipment used in the facility for direct patient care is maintained in accordance with manufacturers standards.

5. The Medical Director shall ensure a sanitary environment in the facility and monitor the transmission of infectious agents within the facility.

6. The Medical Director shall ensure that facility staff demonstrate compliance with infection control practices and report any issues to the appropriate individuals, per policy.

Medical Leadership

1. The Medical Director shall proactively consult with nephrologists and other physicians who provide care for patients in the facility and serves as the representative of NKC to such physicians.

2. The Medical Director shall support the facility Clinical Director, who is responsible for ensuring that each patient in the facility is provided with an individualized and comprehensive assessment of needs from which the patient's plan of care is developed in the timelines specified per policy. It is the responsibility of the Operations Committee (not the Medical Director) to ensure medical staff compliance with the facility's comprehensive patient assessment and plan of care policy.

3. The Medical Director shall participate as a member of the NKC Medical Director team and attend monthly Medical Director meetings.

4. The Medical Director is expected to attend medical staff meetings and participate in NKC medical staff activities.

5. The Medical Director is required to submit a monthly log of hours spent on medical director duties, due by the 10th day of the following month. Compensation for the month is paid upon receipt of the log.

6. As time allows, the Medical Director is encouraged to provide leadership for clinical issues/improvements that affect the entire organization (e.g., develop new protocols, revise standing orders, change the electronic medical record, improve intake practices, and oversee new programs for patients).

7. NKC encourages the Medical Director to attend continuing education related to the medical director role. One meeting a year is funded by NKC, with the advance permission of the CEO.

Community Links

1. The Medical Director serves as the facility's medical representative to other medical staff, patients and their family or caregivers (or both), and the general public.
2. The Medical Director is asked to participate, as time allows, in public events associated with the facility.

4. REPORTING AND OTHER RESPONSIBILITIES

1. The Medical Director is directly accountable to and reports to the NKC Chief Medical Officer, who supervises his/her performance and provides annual reviews.
2. The Medical Director is responsible to the Operations Committee in the fulfillment of the responsibilities outlined for the Medical Director in the Conditions for Coverage.
3. The Medical Director regularly collaborates with the:
   - Facility's Clinical Director
   - Facility's Nurse Manager
   - Facility clinical staff including inter-disciplinary team members
   - CMO
   - Vice President of Clinical Operations
   - Vice President of Administrative Operations
   - President/CEO
   - Other Medical Directors

Exhibit 13
Spectrum Development Agreement

MASTER DEVELOPMENT MANAGEMENT AGREEMENT
Northwest Kidney Centers

This Master Development Management Agreement ("**Master Agreement**") is dated for reference purposes 1/4/2017, ~~2016~~, and is made by and between **SPECTRUM DEVELOPMENT SOLUTIONS, LLC**, a Washington limited liability company ("**Development Manager**"), and **NORTHWEST KIDNEY CENTERS**, a WA based not-for-profit, ("**Client**" and, together with Development Manager, the "**Parties**").

RECITALS:

A. Client intends to develop certain real properties, clinics, and supportive facilities in the state of Washington ("**Projects**"). The Projects will range in size, scope, and timing pending on the objectives of the Client. For each new Project(s) the Development Manager shall create a separate scope attachment to the Master Development Management Agreement for Client review and approval.

B. The Projects shall support the mission of Northwest Kidney Centers' to promote the optimal health, quality of life and independence of people with kidney disease through patient care, education and research.

C. Client desires to retain Development Manager to provide Development related services ("**Services**") including, but not limited to, (i) work with Client throughout the Projects, (ii) manage and coordinate the overall development of Projects, assisting Client in the retention of the architect, general contractor and other key consultants for the Development, (iii) manage and coordinate design and permitting of the Projects, (iv) manage the preconstruction and construction efforts, (v) manage move-in and Furniture, Fixtures, and Equipment (FF&E) efforts for each Project, (vi) prepare and manage project budgets and financial cashflow projects, analysis and budgeting for the Projects.

D. The specific scope of the Services to be performed by Development Manager will be authorized on a project-by-project basis, as described herein (each a "**Project Scope of Services**"), using the attached "**Project Services Authorization**" agreement attached to this Master Agreement, as **Exhibit B**.

E. Development Manager will provide the Services to Client in accordance with the terms and conditions of this Master Agreement.

AGREEMENT:

In consideration of the mutual covenants contained in this Master Agreement, the Parties agree as follows:

1. Definitions. Attached to this Master Agreement as Schedule 1 is a list of the defined terms used in this Master Agreement.

2. **Retention of Development Manager**. Client hereby retains Development Manager to perform the Services related to the Development, on the terms and conditions, and in consideration of the compensation, as set forth herein.

3. **The Services.**

(a) Performance: Development Manager will perform the Services (i) in a diligent and expeditious manner consistent with the interests of Client; (ii) in compliance with federal, state and local laws applicable to the Development and the Services; and (iii) in accordance with the prevailing standards for providing such services in the Development area. Development Manager will rely on certain information to be provided by Client and actions to be performed by Client. To the extent Development Manager has actual knowledge of any actual or apparent deficiencies, defects, or lack of timeliness in such information or actions by Client, Development Manager will promptly give Notice to Client.

(b) Scope of Services: The scope of Services to be to be performed by Development Manager will be authorized by Client on a project-by-project basis. For each Project, Development Manager will provide a proposed Project Scope of Services confirming Development Manager's understanding of the scope of Services to be performed and the compensation payable by Client for completion of such Services. Following Client's review and approval of the proposed Project Scope of Services, Client will issue a Project Services Authorization for each individual Project in substantially the form attached hereto as Exhibit B.

(c) Client's Representative: Client's primary representative regarding the Development will be **Austin Ross**. Client may replace its primary representative by Notice given to Development Manager. Client's primary representative shall be authorized to act on Client's behalf with respect to the Development and shall render decisions in a timely manner pertaining to issues submitted by Development Manager in order to avoid delay in the performance of the Services. Development Manager shall be entitled to rely on the decisions of Client's primary representative identified above (or any successor appointed by Client), and the decisions of such person shall be binding upon Client until Development Manager has received Notice from Client that any such person's authority has been revoked.

(d) Development Manager's Representative: Development Manager's primary representative regarding the Development will be **Jake McKinstry**. Development Manager may replace its primary representative or any of the individuals now or hereafter involved in the performance of Services by Notice to Client, provided the replacement has qualifications and experience comparable to or better than the individual being replaced, and is reasonably acceptable to Client. Except as otherwise contemplated by any Project Services Authorization Agreement with respect to Owner's Project Resources, Development Manager will not subcontract any Services without Client's prior written consent. If Client consents to any such subcontract, Development Manager will nonetheless remain responsible for the performance of the Services.

(e) Independent Contractor: Development Manager will perform the Services as an independent contractor of Client, and this Master Agreement will not be construed to create a partnership, joint venture, agency or employment relationship between Development Manager

and Client nor will Development Manager represent itself to be an employee of Client. Development Manager will have no authority to enter into any agreement on Client's behalf or in Client's name, except as otherwise expressly authorized herein or by Client in writing.

4. Compensation. The compensation payable by Client to Development Manager for performance of each Project Scope of Services shall be as agreed upon by the Parties and as set forth in the Project Services Authorization issued by Client for each Project.

(a) Reimbursable Expenses: Client will reimburse Development Manager for its out-of-pocket expenses, which shall be billed to Client with an ten (10%) mark-up for taxes and processing, directly incurred in connection with the performance of the Services, and shall include but not be limited to: parking, mileage, business meals, printing, document reproduction, shipping, delivery and courier services, postage, photography, pre-authorized out-of-town travel, and other direct costs as approved by Client. "Reimbursable Expenses" shall be set out in the approved Project Services Authorization and shall not include (i) payments to any persons not at arm's length to Development Manager in respect of any product or service unless such arrangement was approved by Client, or (ii) payments to any provider of services or products which are to be provided by the Development Manager under this Master Agreement.

(b) Invoices and Payment: By the tenth (10th) day of each calendar month during which Development Manager performs Services, Development Manager will submit invoices to Client for its fee and Reimbursable Expenses for the work performed by Development Manager during the preceding period. Each invoice will be in form and content reasonably acceptable to Client and include an itemization of any Reimbursable Expenses. Development Manager will furnish such receipts, documents and information as Client may reasonably request to verify any expenses invoiced under this Master Agreement. The compensation and other amounts payable to Development Manager under this Master Agreement include all applicable sales, use, excise and other taxes. All amounts payable to Development Manager pursuant to this Master Agreement are due within thirty (30) days of Client's receipt of the invoice. Interest shall accrue on any amounts not paid when due at the rate of twelve (12%) per annum.

5. Term and Termination.

(a) Commencement and Expiration: This Master Agreement shall begin as of the date of its mutual execution ("**Effective Date**") and will expire upon Development Manager's completion of the Services, unless terminated earlier in accordance with this Section 5 or unless otherwise agreed in writing by the Parties.

(b) Termination for Cause: A Party shall be in default under this Master Agreement if such Party (a) fails to make a payment due under this Master Agreement and such failure is not cured within ten (10) days following receipt of Notice of the default from the non-defaulting Party; or (b) fails to perform any of its nonmonetary obligations under this Master Agreement and such failure is not cured within thirty (30) days following its receipt of Notice of the failure from the non-defaulting Party; however, if a nonmonetary failure cannot reasonably be cured within such 30-day period, the defaulting Party shall have such additional time as is reasonably necessary to cure the default so long as that Party has commenced the cure within the

initial thirty (30) day period and diligently prosecutes the cure to completion within ninety (90) days thereafter. If a default is not cured prior to the expiration of the applicable cure period, the non-defaulting Party, at its option, may elect to terminate this Master Agreement (a termination "**With Cause**") by sending a written termination Notice to the defaulting Party stating the effective date of the termination, which may be immediately. An election by the non-defaulting Party to terminate this Master Agreement shall be in addition to and not in lieu of any other remedies available to the non-defaulting Party at law or in equity, but subject to the terms of this Master Agreement (including but not limited to Sections 9 and 12 below).

(c) Termination Without Cause: Either Party may terminate this Master Agreement at any time, without cause, by giving the other Party not less than ninety (90) days prior written Notice of its election to terminate this Master Agreement. Unless a later date is specified in a termination notice given by a Party pursuant this Section 5(c), the termination shall be effective ninety (90) days following the date the termination Notice is received by the non-terminating Party.

(d) Compensation upon Termination. Upon termination of this Master Agreement by either Party pursuant to this Section 5, Development Manager will be entitled to equitable compensation (fees and expenses) for Services satisfactorily performed prior to the date of termination, less a reasonable set off for direct costs and damages incurred by Client as a result of Development Manager's default, if any.

(e) Effect of Termination: Upon any termination of this Master Agreement, unless otherwise agreed to by the Parties, Development Manager shall discontinue the provision of any Services on the date the termination is effective. Upon termination, Client shall assume and become liable for all obligations, commitments, and unsettled claims that Development Manager had previously undertaken or incurred in good faith on behalf of Client in connection with the Project and in accordance with the terms of this Master Agreement. Within fifteen (15) days following any termination, Development Manager will calculate the aggregate fees associated with the Services performed prior to the date of termination and provide Client with Notice thereof (the "**Calculated Fees**") per Section 5(d). In the absence of Client issuing a Notice of dispute within ten (10) days thereafter, such determination shall be binding on the Parties. If a Notice of dispute is issued, the Calculated Fees shall be determined pursuant to Section 12. If the Calculated Fees exceed the cumulative fees actually paid by Client hereunder (the "**Paid Fees**"), Client will pay to Development Manager the difference between the Calculated Fees and the Paid Fees. If the Calculated Fees are less than the Paid Fees, Development Manager will pay to Client the difference between the Paid Fees and the Calculated Fees. Any such payment will be due and payable within forty-five (45) days following the termination of this Master Agreement.

6. Client Obligations.

(a) Access to Information: Client will provide all material information in its possession or control regarding requirements for each Project related to the Development and the Services to be performed by Development Manager, including a program setting forth Client's Project objectives, schedule, constraints and criteria. Client shall from time to time provide written authorization to Development Manager to obtain such documents, letters, drawings,

plans, notes and other information pertaining to the Project from architects, engineers, contractors, subcontractors, designers, vendors, government agencies and other individuals or entities involved with the Project as Development Manager may reasonably request in connection with performance of the Services. Client will arrange to provide to Development Manager any existing "as-built" drawings in its possession or control relating to the Project and any available data regarding existing equipment. Subject to the terms of any applicable leases in effect with respect to the Project, Client will provide Development Manager reasonable access to the Project site, consistent with Client's security policies and procedures.

(b) Other Obligations: Client will provide such architectural, FF&E inventory, interior design and engineering services and drawings describing physical characteristics for the Project as may be reasonably necessary for Development Manager to perform the Services. Client will provide the services of other consultants when such services are reasonably required by the scope of the Project and are requested by Development Manager. To the extent legal services relating to the Project are required (such as the review of contractor or consultant agreements and third-party dispute resolutions), Client will arrange and pay for such services.

7. Indemnification.

(a) Indemnification of Client: Development Manager will indemnify, defend, and hold Client and its agents, officers, and employees harmless from and against any and all claims, demands, liabilities, causes of action, costs and expenses (including reasonable attorney's fees and costs), asserted against or sustained by Client or its agents, officers, or employees ("**Claims**") to the extent any such Claim arises from or out of the negligence or intentional misconduct of Development Manager or its agents, officers or employees, or Development Manager's breach or default under this Master Agreement. This paragraph shall not be construed to require Development Manager to indemnify, or hold harmless Client from Claims caused by or resulting from the negligence of Client or its agents, officers or employees.

(b) Indemnification of Development Manager: Client will indemnify, defend, and hold Development Manager and its agents, officers, and employees harmless from and against any and all Losses asserted against or sustained by Development Manager or its agents, officers or employees to the extent any such Claim arises from or out of the negligence or intentional misconduct of Client or its agents, officers or employees, or Client's breach or default under this Master Agreement.

(c) Concurrent Negligence: If any Loss is caused by the concurrent negligence of both Development Manager and Client, or their respective agents, officers or employees, then the indemnifying Party shall indemnify the other only to the extent of the indemnifying Party's own negligence or that of its agents, officers or employees.

(d) General Provisions: The foregoing indemnities are intended to specifically cover actions brought by the indemnifying Party's own employees. Such indemnities are specifically and expressly intended to constitute a waiver by the indemnifying Party of its immunity, if any, under Washington's workers' compensation law, to the extent necessary to provide the indemnified Party with a full and complete indemnity from claims made against the indemnified

Party by employees of the indemnifying Party. Such waiver is intended to benefit only the Parties and not any third party, including any employees of either Party. By entering into this Master Agreement, the Parties agree that this waiver was specifically negotiated by them.

(e) Procedures: In connection with any Claim, the Party seeking indemnification will (i) give the indemnifying Party prompt Notice of the Claim; (ii) reasonably cooperate with the indemnifying Party (at the indemnifying Party's expense) in connection with the defense and settlement of the Claim; and (iii) permit the indemnifying Party to control the defense and settlement of the Claim, provided that the indemnifying Party may not settle the claim without the indemnified Party's prior written consent, which shall not be unreasonably withheld. Further, the indemnified Party (at its cost) may participate in the defense and settlement of the claim.

8. Insurance. Each Party shall obtain and maintain in effect for the term of this Master Agreement the insurance coverages required of it as set forth on the attached Exhibit A.

9. Limitations of Liability and Disclaimer of Warranties.

(a) Limitations of Liability: Neither Party will be liable to the other for special, consequential, indirect or incidental damages, including without limitation lost profits, business opportunities or goodwill, as a result of its performance or nonperformance of this Master Agreement. In addition, Development Manager's entire liability arising from this Master Agreement, whether in contract or tort, will not exceed the total amount of fees paid by Client to Development Manager hereunder. The limitations on Development Manager's liability pursuant to the preceding sentence shall not be applicable to claims arising from or out of the gross negligence or intentional misconduct of Development Manager.

(b) Disclaimer of Warranties: Except as expressly set forth in this Master Agreement, Development Manager makes no warranties and hereby expressly disclaims all warranties, except those expressly provided herein, whether express, implied or by statute, including, but not limited to, warranties of merchantability, non-infringement or fitness for a particular purpose.

10. General Provisions.

(a) Construction Means and Methods; Cost Estimates: Development Manager will not have control over and will not be responsible for matters that are solely the responsibility of the Project Contractors under the Project Contractor Agreements, such as construction means, methods, techniques, sequences or procedures, or for safety precautions. Evaluation of Project budgets, preliminary estimates of construction costs, and detailed estimates of contractor cost, if prepared by Development Manager, represent Development Manager's good faith judgment based on its experience and expertise. Furthermore, Development Manager has no control over the cost of labor, materials, or equipment, over contractors' methods of determining bid prices, or over competitive bidding, market, or negotiation conditions, and bids or negotiated prices may vary from the Project budget or from any estimate of construction cost or evaluation prepared by Development Manager.

(b) Scope of Development Manager Review: Development Manager will review the work of the Project Consultants and Project Contractors without assuming any responsibility for design or construction, but Development Manager is not acting as an inspecting architect or engineer or the design architect or engineer and Development Manager will not be held to the standard of care of an inspecting or design architect or engineer. If Development Manager discovers defects or inadequate construction or design, Development Manager will promptly notify Client of such defects or inadequacies and will make appropriate recommendations to Client. Except as otherwise expressly provided for in this Master Agreement, Development Manager assumes no obligation or liability with respect to any Project work, services or activities performed by Client, any Project Contractor, any Project Consultant or any other person or entity.

11. Project Contractors and Consultants. As required by the Services or requested by Client, Development Manager will negotiate Project Contractor Agreements and Project Consultant Agreements on behalf of Client. The form of each Project Contractor Agreement and each Project Consultant Agreement must be reasonably acceptable to Client and Development Manager. Each Project Contractor Agreement and the Project Consultant Agreement shall be directly between Client and the respective Project Contractor or Project Consultant. As part of the Services, Development Manager will oversee the performance of any Project Contractor or Project Consultant but shall not have any liability under any Project Contractor Agreement or any Project Consultant Agreement.

12. Dispute Resolution.

(a) Available Remedies: Except as expressly provided below, any controversy, claim or dispute between the Parties relating to this Master Agreement, or any related agreements or instruments between the Parties shall be resolved in accordance with this Section 12. Either Party may bring an action, including a summary or expedited proceeding, to compel arbitration of any controversy, claim or dispute in any court having jurisdiction over such action. Nothing in this Section 12 shall prevent a Party from seeking injunctive relief in a court of competent jurisdiction.

(b) Negotiation/Mediation: The Party raising the dispute shall provide Notice to the other Party of the dispute ("**Notice of Dispute**"). The Parties shall first meet and confer in good faith to fairly and equitably resolve the dispute within ten (10) business days following the date of the Notice of Dispute. If the Parties cannot resolve the dispute within twenty (20) business days following the date of the Notice of Dispute, the dispute shall be mediated by a mediator from the office of the American Arbitration Association serving Seattle, Washington ("**AAA**") or if AAA fails or declines to serve, such other similar arbitration or mediation service or organization as agreed by the Parties, or appointed by the presiding judge of the King County Circuit Court on application of either Party if the Parties have not agreed on the replacement arbitration or mediation service within thirty (30) business days following the date of the Notice of Dispute (collectively the "**Arbitration Service**"). The mediation shall take place in Seattle, Washington unless otherwise agreed in writing by the Parties.

(c) Arbitration: If the Parties fail to resolve a dispute through mediation, either Party may give Notice to the other Party submitting the dispute to arbitration ("Arbitration

Notice"). The arbitration shall be conducted by a single arbitrator who shall not be the mediator who served under Section 12(b) above. The arbitrator shall be selected by the Parties from the Arbitration Service's panel of arbitrators, or if the Parties have not agreed on the arbitrator within ten (10) business days following the date of the Arbitration Notice, the arbitrator shall be selected at the request of either Party by the chief officer of the Arbitration Service office in Seattle, Washington. The Arbitration shall occur no later than thirty (30) days after the arbitrator has been selected and must be concluded within thirty (30) days thereafter with any hearing to last no more than two (2) full hearing days with one (1) day allotted to each Party. Only written discovery shall be permitted and written submissions shall be limited to ten (10) pages. The arbitrator shall be bound to follow the applicable federal and state laws in deciding all issues and in rendering any award. The Arbitration proceedings shall be binding, conclusive and not appealable and any Party to any award rendered in any such arbitration proceeding shall be entitled to have judgment entered thereon. The arbitrator shall determine the "prevailing Party" and such Party shall be entitled to its reasonable attorneys' fees and costs which shall be part of the award. The arbitration shall take place in Seattle, Washington unless otherwise agreed in writing by the Parties. In no event, however, shall mediation or arbitration be available pursuant to this Section 12 after the date when institution of legal or equitable proceedings based on such claim, dispute, or other matter in question would be barred by any applicable statute of limitations.

(d) Continuation of Services During Dispute Resolution: Unless otherwise agreed in writing, Development Manager shall continue to provide the Services so long as Client continues to make payments in accordance with this Master Agreement during mediation or arbitration pursuant to this Section 12.

(e) Consolidation of Claims: All claims which are related to, or are dependent upon each other shall be heard by the same arbitrator or arbitrators, even though the parties are not the same, unless a specific contract prohibits such consolidation. All claims then known to the filing Party against another Party must be asserted at the same time.

13. Services Agreement. The obligation of Development Manager under this Master Agreement is to provide the Services to Client as set forth herein. In no event shall Development Manager construct all or any part of the Projects, and in no event shall Development Manager constitute a construction manager, a prime contractor or a subcontractor under applicable Washington law. In addition, the services of Development Manager hereunder shall not include services of design professionals required to be registered under applicable Washington law.

14. Miscellaneous.

(a) Governing Law: This Master Agreement will be governed by the laws of the State of Washington, without reference to its rules regarding choice of laws. Venue will lie in King County, Washington.

(b) Entire Agreement: This Master Agreement represents the entire agreement between Client and Development Manager with respect to the Development, and supersedes all prior negotiations, representation or agreements, either written or oral. This Master Agreement may be amended only by an Amendment. If any provision of this Master

Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect the remainder of such provision or any other provision hereof.

(c) No Third Party Beneficiaries: Nothing contained in this Master Agreement creates a contractual relationship with, or a cause of action in favor of, any third party. The Project Contractors, the Project Consultants and their respective subcontractors and suppliers are not intended to be and shall not be third-party beneficiaries of this Master Agreement.

(d) Notices: All Notices required or given pursuant to this Master Agreement will be deemed properly given when delivered by (a) personal delivery, (b) courier, (c) first class United States mail, postage prepaid, or (d) electronic mail (with a confirmatory duplicate copy sent by first class United States mail). The addresses to be used for Notices to the Parties, or such other address as a Party shall from time to time direct:

If to Client:

Northwest Kidney Centers
700 Broadway
Seattle, WA 98122
Attention: Austin Ross
Email Address: Austin.Ross@nwkidney.org

If to Development Manager:

Spectrum Development Solutions LLC
1809 Seventh Avenue, Suite 501
Seattle, WA 98101
Attention: Jake McKinstry
Email Address: jake@spectrumdevsolutions.com

Any Notice shall be deemed to have been given either at (i) the time of actual delivery if delivered personally or by courier; (ii) if mailed, three (3) days after being deposited in the United States mail, postage prepaid; and (iii) if sent by electronic mail, on the earlier of the date an acknowledgement of receipt is received by the sending Party, or three (3) days after a copy of the electronic message is deposited in the United States mail, postage prepaid.

(e) Waiver: Either Party may waive any of the conditions to its obligations hereunder, but any such waiver will be effective only if contained in a written Amendment signed by both Parties. Except as specifically provided in the waiver, no waiver will reduce the rights and remedies of such Party by reason of any default of any other Party. No waiver of any default hereunder will be deemed a waiver of any other or subsequent default.

(f) Counterparts; Electronic Signatures: This Master Agreement may be executed in counterparts, each of which shall be deemed an original, but which when taken

together will constitute one and the same instrument. Each Party (i) has agreed to permit the use, from time to time and where appropriate, of electronically transmitted signatures for this Master Agreement or other related documents, (ii) intends to be bound by its electronically transmitted signature, (iii) waives any defenses to the enforcement of this Master Agreement or other related documents based on the fact that a signature was electronically transmitted.

(g) Assignment: Except as otherwise provided in this Section 14(g), neither Client nor Development Manager may assign this Master Agreement, in whole or in part, without the other Party's prior written consent. Client may assign its rights and obligations under this Master Agreement to a purchaser or successor that becomes the owner of the Project. Subject to the foregoing, all the terms and provisions of this Master Agreement will be binding upon, will inure to the benefit of and will be enforceable by the Parties and their respective successors and permitted assigns.

(h) Consents. Where the consent or approval of either Party is required pursuant to the terms of this Master Agreement, such consents or approvals shall not be unreasonably withheld, delayed or conditioned.

(i) Survival: Sections 5, 7, 9 and 12 of this Master Agreement will survive the expiration or earlier termination of this Master Agreement.

DATED as of the dates set forth below.

DEVELOPMENT MANAGER:

SPECTRUM DEVELOPMENT SOLUTIONS, LLC,
a Washington limited liability corporation

By _____
Name JAICE MELDOSTROM
Title PRINCIPAL / MEMBER

Date: 1/4/2017

CLIENT:

NORTHWEST KIDNEY CENTERS
a Washington non-profit corporation

By _____
Name Carrie McCabe
Title CFO

Date: 1/4/2017

SCHEDULE 1 - DEFINITIONS

"**AAA**" has the meaning given to it in Section 12(b).

"**Amendment**" means any written amendment to this Master Agreement executed by both Parties pursuant to Section 14.

"**Arbitration**" means the resolution of disputes hereunder by one arbitrator, administered by the Arbitration Service in accordance with its rules of practice and procedure.

"**Arbitration Notice**" has the meaning given to it in Section 12(c).

"**Arbitration Service**" has the meaning given to it in Section 12(b).

"**Calculated Fees**" has the meaning given to it in Section 5(d).

"**Claims**" has the meaning given to it in Section 7(a).

"**Effective Date**" means the date of mutual execution of this Master Agreement.

"**Notice**" means a written communication from one Party to the other Party given in accordance with the terms of Section 14(d).

"**Notice of Dispute**" has the meaning given to it in Section 12(b).

"**Paid Fees**" has the meaning given to it in Section 5(d).

"**Parties**" means Development Manager and Client.

"**Project**" means any Development-related project for which Development Manager will provide Services as set forth herein.

"**Project Consultant Agreements**" means contracts entered into by the Client with the Project Consultants.

"**Project Consultants**" means architects, planners, designers, engineers, financial advisers and others who shall furnish professional and other services with respect to any Project.

"**Project Contractor Agreements**" means contracts entered into by Client with the Project Contractors.

"**Project Contractors**" means the contractors, vendors, suppliers, manufacturers and others furnishing labor, professional services, materials, or equipment to or for Client with respect to any Project.

"**Project Services Authorization**" means authorization, substantially in the form attached hereto as Exhibit B, issued by Client each setting forth the Services to be performed by Development Manager for each agreed Project.

"**Project Scope of Services**" means the agreed scope of Services to be performed by Development Manager as specified in an agreed Project Services Authorization issued by Client.

"**Projects**" means real properties, clinics, and supportive facilities in the state of Washington certain.

"**Services**" means the development management services to be performed by Development Manager as set forth in each Project Scope of Services.

EXHIBIT A
INSURANCE

1. Commercial General Liability Insurance: Development Manager will, at its expense, maintain general commercial liability insurance with an insurance company or companies licensed to do business in the State of Washington, with combined single limits of not less than $2,000,000 for property damage and loss, and for personal injuries (including death). Development Manager will name Client as an additional insured on such policy or policies. Client will, at its expense, maintain general commercial liability insurance with an insurance company or companies licensed to do business in the State of Washington, with combined single limits of not less than $2,000,000 for property damage and loss. Client will name Development Manager as an additional insured on such policy or policies.

2. Evidence of Insurance: Prior to the commencement date of this Master Agreement, and at any time thereafter within ten (10) days of the request of either Party, each Party will provide the other Party with evidence of the insurance coverages required by this Exhibit A.

3. Limitation of Insured Claims: Neither Development Manager nor Client will be liable to the other Party or to any insurance company (by way of subrogation or otherwise) insuring the other Party for any loss or damage to any building, structure, or tangible personal property of the other occurring on or about the Project, even though such loss or damage might have been occasioned by the negligence of such Party, its agents or employees, if such loss or damage would be covered by a policy of special form (all risk) first Party direct physical damage insurance or if the damage is covered by any other insurance benefiting the Party suffering the loss.

EXHIBIT B
FORM OF PROJECT SERVICE AUTHORIZATION

PROJECT SERVICES AUTHORIZATION #1

NORTHWEST KIDNEY CENTERS

This Project Services Authorization #1 ("PSA") is dated for reference purposes _____, 201_, and is made by and between **SPECTRUM DEVELOPMENT SOLUTIONS, LLC**, a Washington limited liability company ("Development Manager"), and **NORTHWEST KIDNEY CENTERS.** ("Client" and, together with Development Manager, the "Parties").

RECITALS:

A. Client intends to develop certain real properties, clinics, and supportive facilities in the state of Washington ("**Projects**").

B. Client and Development Manager have entered into that certain Master Development Management Agreement dated _____, 201_ ("Master Agreement") with respect to the Development, the terms and conditions of which are incorporated herein by reference.

C. Pursuant to the Master Agreement, Client has retained Development Manager to perform certain Services on a project-by-project basis. Client now desires to have Development Manager perform the Project Scope of Services set forth in the attached EXHIBIT A.

D. Development Manager's compensation will similarly be authorized on a project-by-project basis for each Project Scope of Services.

E. Development Manager will perform the Project Scope of Services in accordance with the terms and conditions of this PSA.

AGREEMENT:

In consideration of the mutual covenants contained in this PSA, the Parties agree as follows:

1. Definitions. Unless otherwise defined herein, the defined terms used in this PSA have the meaning given in the Master Agreement

2. Project Services. Development Manager will perform the Project Scope of Services set forth in the attached Exhibit A in accordance with the terms and conditions of the Master Agreement.

3. Compensation. The compensation payable by Client to Development Manager for its performance of the Project Scope of Services shall be as set forth in the attached Exhibit B.

4. Schedule. The preliminary schedule for Development Manager's performance of the Project Scope of Services set forth in this PSA ("Project Schedule") is as set forth in the attached Exhibit C. The Project Schedule shall be regularly updated by the Parties during the course of Development Manager's performance of the Services.

5. Notices. The Parties confirm the following addresses for any Notices to be given under this PSA or the Master Agreement:

If to Client:

Northwest Kidney Centers
700 Broadway
Seattle, WA 98122
Attention: Austin Ross
Email Address: Austin.Ross@nwkidney.org

If to Development Manager:

Spectrum Development Solutions LLC
1809 Seventh Avenue, Suite 501
Seattle, WA 98101
Attention: Jake McKinstry
Email Address: jake@spectrumdevsolutions.com

6. **Full Force and Effect.** Subject to any modifications set forth in this PSA, the terms and conditions of the Master Agreement remain in full force and effect and apply to the rights and obligations of the Parties hereunder.

DATED as of the dates set forth below.

DEVELOPMENT MANAGER:

SPECTRUM DEVELOPMENT SOLUTIONS, LLC,
a Washington limited liability corporation

By _____
Name _____
Title _____

Date: _____

Exhibit B

CLIENT:

NORTHWEST KIDNEY CENTERS.
A Washington non-profit corporation

By _____
Name _____
Title _____

Date: _____

EXHIBIT A - PROJECT SCOPE OF SERVICES

EXHIBIT B - PROJECT COMPENSATION

EXHIBIT C - PROJECT SCHEDULE

NORTHWEST KIDNEY CENTERS

PROJECT SERVICES AUTHORIZATION #6

AUBURN TREATMENT FACILITY

This Project Services Authorization #6 ("PSA") is dated for reference purposes November 5, 2018, and is made by and between **SPECTRUM DEVELOPMENT SOLUTIONS, LLC**, a Washington limited liability company ("Development Manager"), and **NORTHWEST KIDNEY CENTERS.** ("Client" and, together with Development Manager, the "Parties").

RECITALS:

A. Client intends to develop certain real properties, clinics, and supportive facilities in the state of Washington ("**Projects**").

B. Client and Development Manager have entered into that certain Master Development Management Agreement dated January 4, 2017 ("Master Agreement") with respect to the Development, the terms and conditions of which are incorporated herein by reference.

C. Pursuant to the Master Agreement, Client has retained Development Manager to perform certain Services on a project-by-project basis. Client now desires to have Development Manager perform the Project Scope of Services set forth in the attached EXHIBIT A.

D. Development Manager's compensation will similarly be authorized on a project-by-project basis for each Project Scope of Services.

E. Development Manager will perform the Project Scope of Services in accordance with the terms and conditions of this PSA.

AGREEMENT:

In consideration of the mutual covenants contained in this PSA, the Parties agree as follows:

1. Definitions. Unless otherwise defined herein, the defined terms used in this PSA have the meaning given in the Master Agreement

2. Project Services. Development Manager will perform the Project Scope of Services set forth in the attached Exhibit A in accordance with the terms and conditions of the Master Agreement.

3. Compensation. The compensation payable by Client to Development Manager for its performance of the Project Scope of Services shall be as set forth in the attached Exhibit B.

4. Schedule. The preliminary schedule for Development Manager's performance of the Project Scope of Services set forth in this PSA ("Project Schedule") is as set forth in the attached Exhibit C. The Project Schedule shall be regularly updated by the Parties during the course of Development Manager's performance of the Services.

5. Notices. The Parties confirm the following addresses for any Notices to be given under this PSA or the Master Agreement:

If to Client:

Northwest Kidney Centers
700 Broadway
Seattle, WA 98122
Attention: Austin Ross
Email Address: Austin.Ross@nwkidney.org

If to Development Manager:

Spectrum Development Solutions LLC
1809 Seventh Avenue, Suite 501
Seattle, WA 98101
Attention: Jake McKinstry
Email Address: jake@spectrumdevsolutions.com

6. **Full Force and Effect.** Subject to any modifications set forth in this PSA, the terms and conditions of the Master Agreement remain in full force and effect and apply to the rights and obligations of the Parties hereunder.

DATED as of the dates set forth below.

DEVELOPMENT MANAGER:

SPECTRUM DEVELOPMENT SOLUTIONS, LLC,
a Washington limited liability corporation

By _____
Name JAKE MCKINSTRY
Title MEMBER / PRINCIPAL

Date: 11/6/18

CLIENT:

NORTHWEST KIDNEY CENTERS.
A Washington non-profit corporation

By _____
Name Carolyn Lee
Title CFO

Date: 12/3/18

EXHIBIT A - PROJECT SCOPE OF SERVICES

The Development Manager understands the scope of work for this PSA to be as follows:

A. Lead and manage the due diligence, design, entitlement, construction, and initial occupancy efforts for a new 16,000+/- square foot 36 station kidney dialysis treatment facility. The 70,366 square foot site is located at 635 C Street SW, Auburn, WA (Parcel #1321049047).

The primary obligations of the Development Manager will be as follows:

A. General Responsibilities
1. Assist Client in making fully informed and timely decisions.
2. Lead Client in selection of project development team members such as Architect, General Contractor, and other key team members.
3. Facilitate communication between Client and the project development team.
4. Represent the interests of Client at project development meetings.
5. Track projected and actual costs against the original budget estimate.
6. Provide a focal point of contact for Client.
7. Assist in the preparation of a critical path schedule for Client-directed activities.
8. Keep Client informed of all project issues, as necessary, to include providing copies of all project plans, drawings, timelines, email/written communications with General Contractor, Architect, etc. to Client during project or after project is over.
9. Issue periodic project report updates to Client as appropriate defining project progress for that phase.

B. Due Diligence
1. Lead due diligence for site investigation efforts.
2. Specific anticipated due diligence activities will include but not be limited to:
   - Zoning Review
   - Survey of Site
   - Review of Title for Easements, Exceptions, Special Conditions
   - Soils & Groundwater Investigation Findings
   - Environmental Analysis (Phase I Study and if necessary Phase II)
   - Utility Capacity Study
   - Traffic Study
   - Prepare Request for Proposal (RFP) for Architect Selection and Manage Selection Process
   - Develop Concept Study for Site Program(s)
   - Prepare Comprehensive Project Budget (Hard & Soft Costs) and Cashflow Projection
   - Prepare detailed Critical Path Method (CPM) Master Project Schedule identifying all project activities (permitting, design, construction, move-in & occupancy)
3. Prepare and present summary due diligence report for Client with consultant reports attached.

C. Design
1. Lead selection of the remaining project design team members and other required consultants on behalf of Client.
2. On behalf of Client, prepare required contracts for execution.
3. Assist Client in oversight of programming and design, including preparation of Schematic, Design Development, and Construction Documents and related Project Specifications.
4. Work with the project design team in preparation of project estimates and review estimates with construction team as well as with Client.
5. Assist the General Contractor and project design team in value engineering of project in order to meet the project budget, general design objectives, and project schedule.

6. In collaboration with Client, oversee design and construction teams during the design, construction, and initial building occupancy phases.
7. Monitor design team's process of Change Proposals, Change Orders, Field Questions, Field Orders, Field Inspections, and Shop Drawings.

D. Entitlements and Permits
1. Assist in the overall entitlement and permitting work.
2. Facilitate all permit applications and other approvals required for the project. Meet with local jurisdictions, agencies and community groups as required.
3. Oversee environmental assessment and confirm remediation requirements with applicable jurisdiction.
4. Obtain necessary agreements related to access, traffic control and utility services.

E. Construction
1. Formulate total project budget and track projected and actual costs against original budget.
2. Assist Client in selection of the construction team, including General Contractor and subcontractors.
3. Assist Client in specifying, pricing and coordination of the specific facility systems such as water treatment, data/communications cabling system, furniture system, security system, limited audio/visual system, etc.
4. Negotiate on behalf of Client all required construction contracts, including negotiation of fees and general conditions, construction completion dates, and deadlines.
5. Negotiate on behalf of Client all construction warranties from contractors, subcontractors, materialmen, and engineers, and warranties from fixtures and equipment required for the building under outside contract.
6. Direct preconstruction activities of General Contractor, including the design and cost analyses required to prepare preliminary construction budgets.
7. Assist the General Contractor and project design team in value engineering of project in order to meet both the project budget and general design objectives.
8. Direct preparation of specifications, quantity schedules, and budgets for the purchasing of equipment and building components.
9. Oversee construction scheduling and expediting toward timely completion of construction of the project in accordance with the plans and specifications prepared by the project design team.
10. Direct General Contractor in preparation of a critical path schedule for the project. Monitor and oversee progress weekly and monthly until the Final Certificate of Occupancy is issued for the project.
11. Direct General Contractor in acquisition of all required construction permits, including, without limitation, and building permits, as well as required easements and street and alley vacations, temporary parking, and other related activities.
12. In general, oversee the overall construction process.
13. Perform normal business functions of and on behalf of Client in administering the construction of the improvements, including attending weekly meetings.
14. Promptly provide information requested by General Contractor.
15. Resolve any Architect/General Contractor disputes.
16. Administer Change Order program through guidelines established with Client.

F. Budget
1. Formulate total project budget and track projected and actual costs against original budget.
2. Review and approve project invoices throughout the project for payment by Client.
3. Reconcile estimated development budget with final development costs at time of completion.

G. Construction Close-out and Project Start-Up Phases
1. Oversee close-out of construction, including receipt of Temporary and Final Certificates of Occupancy, preparation and completion of punch list work, inventory of quantities for materials

and equipment, coordination with Client furnishings and equipment, and final project accounting and close-out.
2. Represent Client's interests in the preparation and timely completion of punch list.
3. Support Client with move-in activities as needed.
4. Assist Client in procurement and installation of Furniture, Fixture, & Equipment (FF&E).
5. Oversee building start-up and commissioning processes.

Excluded Services. Notwithstanding anything contained in this Agreement to the contrary, the following Services are excluded from the Scope of Work. These Services can be added by amendment at a later date if mutually agreed upon by Client and Development Manager:

1) Change in Services or Additional Services Required:
   a. Providing Services required because of significant changes in the Project not due to a default or breach by Development Manager including, but not limited to, material changes in project size complexity or Client's schedule;
   b. Providing services concerning replacement of Work damaged by fire or other cause during construction resulting in substantial project delays beyond two (2) weeks, and furnishing services required in connection with the replacement of such Work;
   c. Providing Services made necessary not due to a default or breach by Development Manager by the termination or default of the Architect, the General Contractor, or any subcontractor, by major defects or deficiencies in the Work, or by failure of performance of either the General Contractor or a subcontractor such as supporting insurance claim or litigation support services;
   d. Providing Services not due to a default or breach by Development Manager in evaluating an extensive number of claims submitted by the general contractor or others in connection with the Work;
   e. Providing Services in connection with an arbitration proceeding or legal proceeding except where Development Manager is party thereto or where the Development Manager's Services pursuant to this Agreement are a material factor.

EXHIBIT B - PROJECT COMPENSATION

1. **Fee**

As full compensation (excluding Reimbursable Expenses) for Development Manager's performance of the Project Scope of Services, Client shall compensate the Development Manager as follows:

Services by Phase	Hours Per Month	Total Monthly Fee	Total Fee For Phase	Definition
I. Due Diligence/Pre-Development	58	$12,500	$25,000	**"Due Diligence"** are defined to be those services provided for site investigation and early development activities from November 2017 through December 2017. The Development Manager shall receive a monthly fee of $12,500 for two (2) months of Due Diligence services for a total fee of $25,000. *** Previously Paid by NKC***
II. Preconstruction, Design & Entitlements	80	$17,200	$240,800	**"Preconstruction, Design, & Entitlement Services"** are defined to be those services provided after completion of Due Diligence activities and ending upon the start of construction. This phase is anticipated to have a duration of fourteen (14) months from November 2018 through December 2019. The Development Manager shall receive a monthly fee of $17,200 for a total fee of $240,800.
III. Construction Close-Out & Start-Up	85	$18,275	$237,575	**"Construction Services & Close-Out"** are defined to be those services that commence with the start of construction and are concluded upon close-out and occupancy of project. The construction phase is anticipated to have a duration of thirteen (13) months from January 2020 through January 2021. The Development Manager shall receive a monthly fee of $18,275 for a total fee of $237,575.

The "Phases of Services" described above may overlap or extend in duration; however, the Consultants total duration of services shall not extend past January 2021. Consultant services requested by Client after January 2021 will be negotiated in advance and authorized in writing as an additional service if necessary.

EXHIBIT C - PROJECT SCHEDULE

Anticipated Schedule:

Phases	Start	Completion
I. Due Diligence Phase	November 2017	December 2017
II. Design & Entitlements	November 2018	December 2019
III. Construction & Close-Out	January 2020	January 2021

Exhibit 14
King County Assessor Information

Department of Assessments

500 Fourth Avenue, Suite ADM-AS-0708, Seattle, WA 98104

Office Hours: Mon - Fri 8:30 a.m. to 4:30 p.m

TEL: 206-296-7300
FAX: 206-296-5107
TTY: 206-296-7888

Send us mail

- New Search
- Property Tax Bill
- Map This Property
- Glossary of Terms
- Area Report
- Property Detail

PARCEL

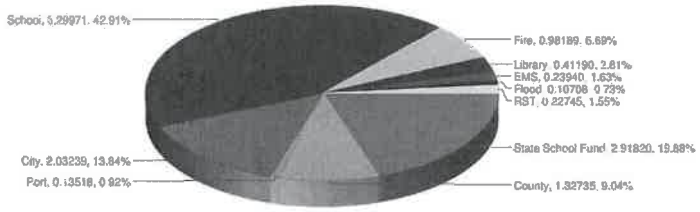
Parcel Number	132104-9047
Name	NORTHWEST KIDNEY CENTERS
Site Address	635 C ST SW 98001
Legal	LOT 1 CITY OF AUBURN SHORT PLAT NO SP-25-79 RECORDING NO 7910180313 (BEING A POR OF S HALF OF SE QTR STR 13-21-04) LESS POR CONV TO CITY OF AUBURN BY DEED UNDER REC NO 8004090606

BUILDING 1

Year Built	1980
Building Net Square Footage	12816
Construction Class	WOOD FRAME
Building Quality	AVERAGE
Lot Size	69139
Present Use	Restaurant/Lounge
Views	No
Waterfront	

TOTAL LEVY RATE DISTRIBUTION

Tax Year: 2018 **Levy Code:** 0133 **Total Levy Rate:** $14.68055 **Total Senior Rate:** $7.16161



54.69% Voter Approved

Click here to see levy distribution comparison by year.

TAX ROLL HISTORY

Valued Year	Tax Year	Appraised Land Value ($)	Appraised Imps Value ($)	Appraised Total ($)	Taxable Land Value ($)	Taxable Imps Value ($)	Taxable Total ($)
2018	2019	829,600	1,320,100	2,149,700	829,600	1,320,100	2,149,700
2017	2018	829,600	830,100	1,659,700	829,600	830,100	1,659,700
2016	2017	553,100	1,106,600	1,659,700	553,100	1,106,600	1,659,700
2015	2016	553,100	1,106,600	1,659,700	553,100	1,106,600	1,659,700
2014	2015	553,100	1,106,600	1,659,700	553,100	1,106,600	1,659,700
2013	2014	553,100	1,106,600	1,659,700	553,100	1,106,600	1,659,700
2012	2013	553,100	963,800	1,516,900	553,100	963,800	1,516,900
2011	2012	483,900	1,075,100	1,559,000	483,900	1,075,100	1,559,000
2010	2011	483,900	1,042,700	1,526,600	483,900	1,042,700	1,526,600
2009	2010	483,900	1,042,700	1,526,600	483,900	1,042,700	1,526,600
2008	2009	483,900	1,093,600	1,577,500	483,900	1,093,600	1,577,500
2007	2008	483,900	1,093,600	1,577,500	483,900	1,093,600	1,577,500
2006	2007	483,900	1,093,600	1,577,500	483,900	1,093,600	1,577,500
2005	2006	483,900	1,093,600	1,577,500	483,900	1,093,600	1,577,500
2004	2005	483,900	946,400	1,430,300	483,900	946,400	1,430,300
2003	2004	483,900	946,400	1,430,300	483,900	946,400	1,430,300
2002	2003	414,800	1,015,500	1,430,300	414,800	1,015,500	1,430,300

Reference Links:

- King County Taxing Districts Codes and Levies (.PDF)
- King County Tax Links
- Property Tax Advisor
- Washington State Department of Revenue (External link)
- Washington State Board of Tax Appeals (External link)
- Board of Appeals/Equalization
- Districts Report
- iMap
- Recorder's Office
- Scanned images of surveys and other map documents

Notice mailing date: 06/14/2018

2001	2002	345,600	1,115,400	1,461,000	345,600	1,115,400	1,461,000
2000	2001	345,600	750,200	1,095,800	345,600	750,200	1,095,800
1999	2000	276,600	819,200	1,095,800	276,600	819,200	1,095,800
1998	1999	276,600	819,200	1,095,800	276,600	819,200	1,095,800
1997	1998	0	0	0	276,600	819,200	1,095,800
1996	1997	0	0	0	276,600	899,900	1,176,500
1994	1995	0	0	0	276,600	899,900	1,176,500
1992	1993	0	0	0	242,000	391,700	633,700
1991	1992	0	0	0	206,400	615,800	822,200
1990	1991	0	0	0	206,400	615,800	822,200
1988	1989	0	0	0	207,400	824,200	1,031,600
1986	1987	0	0	0	172,800	858,800	1,031,600
1984	1985	0	0	0	172,800	858,800	1,031,600
1982	1983	0	0	0	68,400	953,000	1,021,400

Updated. March 17, 2016

Exhibit 15
Zoning Letter

November 21, 2017

Davis Hilgers
Spectrum Development Solutions
1809 Seventh Avenue, Suite 501
Seattle, WA 98101
David@spectrumdevsolutions.com

Re: Confirmation of Zoning – 635 C St NW, Auburn WA
King Co. Parcel Number: 1321049047 (File No. ZCL17-0015)

Dear Mr. Hilgers:

This letter is a response to your confirmation of zoning request received November 20, 2017. The subject property referenced by the above address and King County parcel number is within the City of Auburn's corporate limits.

1. The site is currently zoned C-3, Heavy Commercial zone. The full text of this zoning district is found in Auburn City Code in Chapter 18.23 (Attached). This section provides the following purpose statement:

   > "The intent of the C-3 zone is to allow for medium to high intensity uses consisting of a wide range of retail, commercial, entertainment, office, services, and professional uses. This zone is intended to accommodate uses which are oriented to automobiles either as a mode or target of the commercial service while fostering a pedestrian orientation. The uses allowed can include outside activities, display, fabrication or service features when not the predominant portion of the use. The uses enumerated in this classification have potential for impacts to surrounding properties and street systems than those uses permitted in the more restrictive commercial classifications."

2. Abutting zoning designations are as follows:
   a. North: C-3 heavy commercial zone
   b. South: C-3 heavy commercial zone
   c. East: M-1 Light Industrial zone
   d. West: C-3 heavy commercial zone

3. Permitted uses within the C-3 zone include Hospitals, Medical Offices, and Professional Offices.

4. Having been issued building permits and a certificate of occupancy, the building is considered to be legally established.

Due to the considerable expense and effort required, please be advised that the City of Auburn has not conducted any substantive site investigation to definitively determine whether the subject property has maintained consistency with all current City standards and regulations since the time the Certificate of Occupancy was issued.

If any portion of the current building and development is found to be nonconforming, it is subject to the code sections regarding the rebuild provisions for non-conforming circumstances. (See the attached Auburn City Code (ACC) Chapter 18.54 Nonconforming Structures, Land, and Uses)

5. City records indicate that a variance was applied for to increase the height of a sign (file number VAR99-0006). This application was denied by the Hearing Examiner. An appeal was filed (file number HAP0001-99) and the decision was reversed. The approval was to allow the existing restaurant sign height to be increased from 45 feet to 75 feet. The approval was specific to the existing sign with the bull horns and restaurant name. See ordinance 5328 (attached) for more details.

6. There has been four (4) zoning code violations since 1994, all of them resolved and closed.
    a. VIO94-0049 for unimproved parking
    b. VIO03-0041 for outdoor storage
    c. VIO08-0868 for traffic sight hazard
    d. VIO15-0638 for graffiti

Please note that this letter only addresses the property's zoning designation and does not authorize any project or site plan currently proposed or in the future.
If you have any further questions or concerns, please feel free to contact me at (253) 288-4301 or cmalik@auburnwa.gov.

Sincerely,

Cecile Malik, Planner
Community Development & Public Works Department

CM/jo

CORR17-225

Cc: File No. ZCL17-0015

Enclosures: ACC Chapter 18.23 Commercial and Industrial Zones
ACC Chapter 18.54 Nonconforming Structures, Land, and Uses
Ordinance 5328
Zoning Map

Exhibit 16
Non-Binding Cost Estimator Letter

Aldrich + Associates, Inc.
CONSTRUCTION SPECIALISTS

November 21, 2018

Janis Sigman, Manager
Certificate of Need Program
Department of Health
P.O. Box 47852
Olympia, WA 98504-7852

Dear Ms. Sigman:

On behalf of Northwest Kidney Centers (NKC), I am writing regarding the certificate of need application proposing the relocation of 12 existing stations and the establishment of 22 new stations (plus 2 future) in the King 11 Planning area - Auburn, Washington. I have provided the following building construction estimate for the project. The following costs are estimated:

Description	Estimated Cost
Land Improvements	$1,897,734
Building Construction and Engineering Fees	$8,449,918
TOTAL	**$10,347,652**

Please do not hesitate to contact me if you have any questions or require additional information.

Sincerely,

James Brink
President

810 – 240th Street SE
Bothell, WA 98021-9397
Ph (425) 483-1313
Fax (425) 486-1018
www.aldrich-assoc.com
Lic No. AL-DR-IA*202RU

Exhibit 17
Equipment List

Auburn Kidney Center - Relocation - Equipment Budget

	Qty	Description	
Fixed	1	Water treatment (AquaBoss)	
Equipment	1	Acids mixing 4 tanks	
	lot	Data server/network	
	lot	TV network	
	2	Patient platform scales	
	lot	Card key access	
	lot	Cameras	
	lot	Security system	
	lot	Window coverings	
	lot	Signage	
	lot	Bullitin Boards	
	lot	White Boards	
	1	Staff mailboxes	
	lot	Brochure racks	
	lot	Artwork	
	lot	Clocks	
		Total Fixed Equipment	**$ 810,000**
Moveable	39	Kidney machines (34 for stations plus 5 spares)	
Equipment	37	Patient chairs 33 unit, 2 Home Training, 2 spare	
	1	Bed	
	38	Patient televisions 34 + 4 spare	
	36	Patient television brackets 34 unit 2 Home Training	
	40	Patient pillow speakers	
	5	Infusion pumps	
	2	Ice dispenser	
	2	Maxi-Move pt lift	
	1	Ultrasound machine (Lumify)	
	2	AED	
	1	Respiratory station kiosk	
	2	Crash cart	
	2	Granuflo mixers	
	1	Aluminum step stand	
	20	Oxygen flowmeters	
	lot	Data equipment/computers	
	Lot	Storage shelf units	
	6	Plastic pallets	
	1	Hand truck	
	1	Platform truck	
	4	Privacy screens	
	6	Wheelchairs	
	12	Rolling stools	
	1	Blood presure machine	

Auburn Kidney Center - Relocation - Equipment Budget

	Qty	Description	
	1	Disaster box and tools	
	2	Emergency boxes	
	7	Thermommeters	
	2	Gomco suction	
	34	Stethoscopes	
	1	Stretchers	
	1	Backboard - CPR	
	1	Pulse oximeter	
	6	IV Poles	
	1	Lab Refrigerator	
	2	MyronLmeters	
	1	Stadiometer	
	1	RO room cart	
	3	Med refrigerator	
	6	Overbed Tables	
	10	Rolling waste receptacles	
	15	Blood Pressure Cuffs	
	2	Blood Pressure Machine	
	2	Full length mirror	
	2	Visitor Chairs	
	1	Glucometer	
	1	Flatbed supply cart	
	1	Effluent cart for patient samples	
	1	Cart with 2-3 tiers for cycler	
	1	Vacuum cleaner	
	1	Wet vac	
	lot	Waste recepticles	
	1	6-ft step ladder	
	1	10-ft ladder	
Furniture &	lot	Desks/chairs/files/tables	
Appliances	2	Staff refrigerators - full size	
	1	Staff microwave	
	1	Staff Lounge computer table	
	1	Staff Lounge TV	
	1	Staff Toaster Oven	
	1	Staff Keurig	
		Total Moveable Equipment, Furniture & Appliances	**$ 710,000**

Note: Totals do not include sales tax

Exhibit 18
Amortization Schedule

NORTHWEST KIDNEY CENTERS

			Phase I	
Principal			$ 14,517,600	
Annual interest rate			3.800%	
Amortization Term (months)			300	
Payment			($75,035.17)	
Month	Payment	Interest	Principal	Balance
Jul-19				
Aug-19				
Sep-19				
Oct-19				
Nov-19				
Dec-19				
Jan-20		-	-	14,517,600
Feb-20	75,035	47,505	27,530	14,490,070
Mar-20	75,035	44,356	30,679	14,459,390
Apr-20	75,035	47,314	27,721	14,431,669
May-20	75,035	45,700	29,335	14,402,334
Jun-20	75,035	47,128	27,908	14,374,427
Jul-20	75,035	45,519	29,516	14,344,911
Aug-20	75,035	46,940	28,095	14,316,815
Sep-20	75,035	46,848	28,187	14,288,628
Oct-20	75,035	45,247	29,788	14,258,840
Nov-20	75,035	46,658	28,377	14,230,463
Dec-20	75,035	45,063	29,972	14,200,491
Jan-21	75,035	46,467	28,568	14,171,923
Feb-21	75,035	46,374	28,661	14,143,262
Mar-21	75,035	41,801	33,234	14,110,028
Apr-21	75,035	46,171	28,864	14,081,164
May-21	75,035	44,590	30,445	14,050,719
Jun-21	75,035	45,977	29,058	14,021,661
Jul-21	75,035	44,402	30,633	13,991,027
Aug-21	75,035	45,782	29,253	13,961,774
Sep-21	75,035	45,686	29,349	13,932,425
Oct-21	75,035	44,119	30,916	13,901,509
Nov-21	75,035	45,489	29,546	13,871,963
Dec-21	75,035	43,928	31,107	13,840,855
Jan-22	75,035	45,290	29,745	13,811,111
Feb-22	75,035	45,193	29,842	13,781,268
Mar-22	75,035	40,731	34,304	13,746,965
Apr-22	75,035	44,983	30,052	13,716,913
May-22	75,035	43,437	31,598	13,685,314
Jun-22	75,035	44,781	30,254	13,655,060
Jul-22	75,035	43,241	31,794	13,623,266
Aug-22	75,035	44,578	30,457	13,592,810
Sep-22	75,035	44,479	30,556	13,562,253
Oct-22	75,035	42,947	32,088	13,530,165
Nov-22	75,035	44,274	30,761	13,499,404
Dec-22	75,035	42,748	32,287	13,467,116
Jan-23	75,035	44,067	30,968	13,436,149

642,920 Capitalized Interest

136,739 6/30/2021

533,822 6/30/2022

Feb-23	75,035	43,966	31,069	13,405,080		
Mar-23	75,035	39,619	35,416	13,369,664		
Apr-23	75,035	43,749	31,287	13,338,377		
May-23	75,035	42,238	32,797	13,305,580		
Jun-23	75,035	43,539	31,496	13,274,084	519,445	6/30/2023
Jul-23	75,035	42,035	33,001	13,241,083		
Aug-23	75,035	43,328	31,707	13,209,376		
Sep-23	75,035	43,224	31,811	13,177,565		
Oct-23	75,035	41,729	33,306	13,144,259		
Nov-23	75,035	43,011	32,024	13,112,234		
Dec-23	75,035	41,522	33,513	13,078,721		
Jan-24	75,035	42,796	32,239	13,046,483		
Feb-24	75,035	42,691	32,344	13,014,138		
Mar-24	75,035	39,838	35,197	12,978,941		
Apr-24	75,035	42,470	32,565	12,946,376		
May-24	75,035	40,997	34,038	12,912,337		
Jun-24	75,035	42,252	32,783	12,879,554	505,892	6/30/2024
Jul-24	75,035	40,785	34,250	12,845,304		
Aug-24	75,035	42,033	33,002	12,812,302		
Sep-24	75,035	41,925	33,110	12,779,191		
Oct-24	75,035	40,467	34,568	12,744,624		
Nov-24	75,035	41,703	33,332	12,711,292		
Dec-24	75,035	40,252	34,783	12,676,509		
Jan-25	75,035	41,480	33,555	12,642,954		
Feb-25	75,035	41,371	33,665	12,609,290		
Mar-25	75,035	37,267	37,768	12,571,522		
Apr-25	75,035	41,137	33,898	12,537,624		
May-25	75,035	39,702	35,333	12,502,291		
Jun-25	75,035	40,910	34,125	12,468,166		
Jul-25	75,035	39,483	35,553	12,432,613		
Aug-25	75,035	40,682	34,353	12,398,260		
Sep-25	75,035	40,570	34,465	12,363,795		
Oct-25	75,035	39,152	35,883	12,327,912		
Nov-25	75,035	40,340	34,696	12,293,216		
Dec-25	75,035	38,929	36,107	12,257,110		
Jan-26	75,035	40,108	34,927	12,222,183		
Feb-26	75,035	39,994	35,041	12,187,141		
Mar-26	75,035	36,020	39,015	12,148,126		
Apr-26	75,035	39,751	35,284	12,112,842		
May-26	75,035	38,357	36,678	12,076,164		
Jun-26	75,035	39,516	35,519	12,040,645		
Jul-26	75,035	38,129	36,906	12,003,738		
Aug-26	75,035	39,279	35,756	11,967,982		
Sep-26	75,035	39,162	35,873	11,932,109		
Oct-26	75,035	37,785	37,250	11,894,859		
Nov-26	75,035	38,923	36,113	11,858,746		
Dec-26	75,035	37,553	37,482	11,821,264		
Jan-27	75,035	38,682	36,353	11,784,910		
Feb-27	75,035	38,563	36,472	11,748,438		
Mar-27	75,035	34,723	40,312	11,708,126		
Apr-27	75,035	38,312	36,724	11,671,402		
May-27	75,035	36,959	38,076	11,633,327		
Jun-27	75,035	38,067	36,968	11,596,358		
Jul-27	75,035	36,722	38,313	11,558,045		

Aug-27	75,035	37,820	37,215	11,520,830
Sep-27	75,035	37,699	37,336	11,483,494
Oct-27	75,035	36,364	38,671	11,444,823
Nov-27	75,035	37,450	37,585	11,407,238
Dec-27	75,035	36,123	38,912	11,368,326
Jan-28	75,035	37,200	37,835	11,330,490
Feb-28	75,035	37,076	37,959	11,292,531
Mar-28	75,035	34,568	40,467	11,252,063
Apr-28	75,035	36,819	38,216	11,213,848
May-28	75,035	35,511	39,525	11,174,323
Jun-28	75,035	36,565	38,470	11,135,853
Jul-28	75,035	35,264	39,772	11,096,081
Aug-28	75,035	36,309	38,726	11,057,355
Sep-28	75,035	36,182	38,853	11,018,502
Oct-28	75,035	34,892	40,143	10,978,358
Nov-28	75,035	35,924	39,112	10,939,247
Dec-28	75,035	34,641	40,394	10,898,853
Jan-29	75,035	35,663	39,372	10,859,481
Feb-29	75,035	35,535	39,501	10,819,980
Mar-29	75,035	31,979	43,056	10,776,924
Apr-29	75,035	35,264	39,771	10,737,154
May-29	75,035	34,001	41,034	10,696,119
Jun-29	75,035	35,000	40,035	10,656,084
Jul-29	75,035	33,744	41,291	10,614,793
Aug-29	75,035	34,734	40,301	10,574,492
Sep-29	75,035	34,602	40,433	10,534,059
Oct-29	75,035	33,358	41,677	10,492,382
Nov-29	75,035	34,333	40,702	10,451,680
Dec-29	75,035	33,097	41,938	10,409,742
Jan-30	75,035	34,063	40,972	10,368,770
Feb-30	75,035	33,929	41,106	10,327,663
Mar-30	75,035	30,524	44,511	10,283,152
Apr-30	75,035	33,649	41,386	10,241,766
May-30	75,035	32,432	42,603	10,199,163
Jun-30	75,035	33,374	41,661	10,157,502
Jul-30	75,035	32,165	42,870	10,114,632
Aug-30	75,035	33,097	41,938	10,072,694
Sep-30	75,035	32,960	42,075	10,030,619
Oct-30	75,035	31,764	43,272	9,987,347
Nov-30	75,035	32,681	42,354	9,944,993
Dec-30	75,035	31,492	43,543	9,901,450
Jan-31	75,035	32,400	42,635	9,858,815
Feb-31	75,035	32,260	42,775	9,816,040
Mar-31	75,035	29,012	46,023	9,770,017
Apr-31	75,035	31,970	43,066	9,726,951
May-31	75,035	30,802	44,233	9,682,718
Jun-31	75,035	31,684	43,351	9,639,367
Jul-31	75,035	30,525	44,511	9,594,856
Aug-31	75,035	31,397	43,639	9,551,218
Sep-31	75,035	31,254	43,781	9,507,436
Oct-31	75,035	30,107	44,928	9,462,508
Nov-31	75,035	30,963	44,072	9,418,436
Dec-31	75,035	29,825	45,210	9,373,226
Jan-32	75,035	30,671	44,364	9,328,862
Feb-32	75,035	30,526	44,509	9,284,353

Mar-32	75,035	28,420	46,615	9,237,738
Apr-32	75,035	30,228	44,807	9,192,931
May-32	75,035	29,111	45,924	9,147,007
Jun-32	75,035	29,931	45,104	9,101,903
Jul-32	75,035	28,823	46,212	9,055,690
Aug-32	75,035	29,632	45,403	9,010,287
Sep-32	75,035	29,484	45,552	8,964,736
Oct-32	75,035	28,388	46,647	8,918,089
Nov-32	75,035	29,182	45,853	8,872,236
Dec-32	75,035	28,095	46,940	8,825,296
Jan-33	75,035	28,878	46,157	8,779,139
Feb-33	75,035	28,727	46,308	8,732,831
Mar-33	75,035	25,810	49,225	8,683,607
Apr-33	75,035	28,415	46,620	8,636,986
May-33	75,035	27,350	47,685	8,589,301
Jun-33	75,035	28,106	46,929	8,542,372
Jul-33	75,035	27,051	47,984	8,494,388
Aug-33	75,035	27,796	47,240	8,447,148
Sep-33	75,035	27,641	47,394	8,399,754
Oct-33	75,035	26,599	48,436	8,351,318
Nov-33	75,035	27,327	47,708	8,303,610
Dec-33	75,035	26,295	48,740	8,254,870
Jan-34	75,035	27,012	48,023	8,206,847
Feb-34	75,035	26,855	48,181	8,158,666
Mar-34	75,035	24,113	50,922	8,107,744
Apr-34	75,035	26,530	48,505	8,059,239
May-34	75,035	25,521	49,514	8,009,725
Jun-34	75,035	26,210	48,826	7,960,900
Jul-34	75,035	25,210	49,826	7,911,074
Aug-34	75,035	25,887	49,148	7,861,926
Sep-34	75,035	25,726	49,309	7,812,616
Oct-34	75,035	24,740	50,295	7,762,321
Nov-34	75,035	25,400	49,635	7,712,686
Dec-34	75,035	24,424	50,612	7,662,074
Jan-35	75,035	25,072	49,963	7,612,111
Feb-35	75,035	24,909	50,127	7,561,985
Mar-35	75,035	22,350	52,685	7,509,299
Apr-35	75,035	24,572	50,463	7,458,836
May-35	75,035	23,620	51,416	7,407,421
Jun-35	75,035	24,239	50,796	7,356,624
Jul-35	75,035	23,296	51,739	7,304,885
Aug-35	75,035	23,903	51,132	7,253,753
Sep-35	75,035	23,736	51,299	7,202,454
Oct-35	75,035	22,808	52,227	7,150,226
Nov-35	75,035	23,397	51,638	7,098,588
Dec-35	75,035	22,479	52,556	7,046,032
Jan-36	75,035	23,056	51,979	6,994,053
Feb-36	75,035	22,886	52,149	6,941,904
Mar-36	75,035	21,250	53,785	6,888,119
Apr-36	75,035	22,539	52,496	6,835,623
May-36	75,035	21,646	53,389	6,782,234
Jun-36	75,035	22,193	52,842	6,729,392
Jul-36	75,035	21,310	53,725	6,675,666
Aug-36	75,035	21,844	53,191	6,622,476
Sep-36	75,035	21,670	53,365	6,569,111

Oct-36	75,035	20,802	54,233	6,514,878
Nov-36	75,035	21,318	53,717	6,461,161
Dec-36	75,035	20,460	54,575	6,406,586
Jan-37	75,035	20,964	54,071	6,352,514
Feb-37	75,035	20,787	54,248	6,298,266
Mar-37	75,035	18,615	56,420	6,241,846
Apr-37	75,035	20,425	54,610	6,187,235
May-37	75,035	19,593	55,442	6,131,793
Jun-37	75,035	20,065	54,971	6,076,822
Jul-37	75,035	19,243	55,792	6,021,031
Aug-37	75,035	19,702	55,333	5,965,698
Sep-37	75,035	19,521	55,514	5,910,183
Oct-37	75,035	18,716	56,320	5,853,864
Nov-37	75,035	19,155	55,880	5,797,984
Dec-37	75,035	18,360	56,675	5,741,309
Jan-38	75,035	18,787	56,248	5,685,061
Feb-38	75,035	18,603	56,432	5,628,628
Mar-38	75,035	16,636	58,399	5,570,229
Apr-38	75,035	18,227	56,808	5,513,421
May-38	75,035	17,459	57,576	5,455,845
Jun-38	75,035	17,853	57,182	5,398,662
Jul-38	75,035	17,096	57,939	5,340,723
Aug-38	75,035	17,476	57,559	5,283,164
Sep-38	75,035	17,288	57,747	5,225,416
Oct-38	75,035	16,547	58,488	5,166,928
Nov-38	75,035	16,907	58,128	5,108,800
Dec-38	75,035	16,178	58,857	5,049,943
Jan-39	75,035	16,525	58,511	4,991,432
Feb-39	75,035	16,333	58,702	4,932,730
Mar-39	75,035	14,579	60,456	4,872,274
Apr-39	75,035	15,943	59,092	4,813,182
May-39	75,035	15,242	59,793	4,753,389
Jun-39	75,035	15,554	59,481	4,693,908
Jul-39	75,035	14,864	60,171	4,633,737
Aug-39	75,035	15,163	59,873	4,573,864
Sep-39	75,035	14,967	60,068	4,513,796
Oct-39	75,035	14,294	60,741	4,453,054
Nov-39	75,035	14,571	60,464	4,392,590
Dec-39	75,035	13,910	61,125	4,331,465
Jan-40	75,035	14,174	60,862	4,270,603
Feb-40	75,035	13,974	61,061	4,209,543
Mar-40	75,035	12,886	62,149	4,147,393
Apr-40	75,035	13,571	61,464	4,085,929
May-40	75,035	12,939	62,096	4,023,833
Jun-40	75,035	13,167	61,868	3,961,965
Jul-40	75,035	12,546	62,489	3,899,476
Aug-40	75,035	12,760	62,275	3,837,200
Sep-40	75,035	12,556	62,479	3,774,721
Oct-40	75,035	11,953	63,082	3,711,640
Nov-40	75,035	12,145	62,890	3,648,750
Dec-40	75,035	11,554	63,481	3,585,269
Jan-41	75,035	11,732	63,303	3,521,965
Feb-41	75,035	11,525	63,511	3,458,455
Mar-41	75,035	10,222	64,814	3,393,641
Apr-41	75,035	11,105	63,930	3,329,711

May-41	75,035	10,544	64,491	3,265,220
Jun-41	75,035	10,685	64,351	3,200,869
Jul-41	75,035	10,136	64,899	3,135,970
Aug-41	75,035	10,262	64,774	3,071,197
Sep-41	75,035	10,050	64,986	3,006,211
Oct-41	75,035	9,520	65,515	2,940,696
Nov-41	75,035	9,623	65,413	2,875,283
Dec-41	75,035	9,105	65,930	2,809,353
Jan-42	75,035	9,193	65,842	2,743,511
Feb-42	75,035	8,977	66,058	2,677,453
Mar-42	75,035	7,913	67,122	2,610,331
Apr-42	75,035	8,542	66,494	2,543,837
May-42	75,035	8,055	66,980	2,476,858
Jun-42	75,035	8,105	66,930	2,409,927
Jul-42	75,035	7,631	67,404	2,342,524
Aug-42	75,035	7,665	67,370	2,275,154
Sep-42	75,035	7,445	67,590	2,207,563
Oct-42	75,035	6,991	68,045	2,139,519
Nov-42	75,035	7,001	68,034	2,071,485
Dec-42	75,035	6,560	68,475	2,003,009
Jan-43	75,035	6,554	68,481	1,934,528
Feb-43	75,035	6,330	68,705	1,865,823
Mar-43	75,035	5,515	69,521	1,796,303
Apr-43	75,035	5,878	69,157	1,727,145
May-43	75,035	5,469	69,566	1,657,580
Jun-43	75,035	5,424	69,611	1,587,968
Jul-43	75,035	5,029	70,007	1,517,962
Aug-43	75,035	4,967	70,068	1,447,894
Sep-43	75,035	4,738	70,297	1,377,596
Oct-43	75,035	4,362	70,673	1,306,924
Nov-43	75,035	4,277	70,759	1,236,165
Dec-43	75,035	3,915	71,121	1,165,044
Jan-44	75,035	3,812	71,223	1,093,821
Feb-44	75,035	3,579	71,456	1,022,366
Mar-44	75,035	3,130	71,906	950,460
Apr-44	75,035	3,110	71,925	878,535
May-44	75,035	2,782	72,253	806,282
Jun-44	75,035	2,638	72,397	733,885
Jul-44	75,035	2,324	72,711	661,174
Aug-44	75,035	2,164	72,872	588,302
Sep-44	75,035	1,925	73,110	515,192
Oct-44	75,035	1,631	73,404	441,788
Nov-44	75,035	1,446	73,590	368,199
Dec-44	75,035	1,166	73,869	294,329
Jan-45	75,035	963	74,072	220,257
Feb-45	75,035	721	74,314	145,943
Mar-45	75,035	431	74,604	71,339
Apr-45	71,572	233	71,339	0
Total	22,732,193	8,214,593	14,517,600	

Exhibit 19
Key Staff

Location Code	EMPLOYEE NAME	JOB TITLE	License/Certification ID	Expiration Date	License/Certification Code
AKC	Zenaida Arenas	Registered Nurse	RN60361139	09/03/2019	RN
AKC	Shelley Bromstrup	Clinical Director	RN60886825	08/24/2019	RN
AKC	Joseph Castro	Registered Nurse	RN00139122	01/10/2019	RN
AKC	Kim Clark	Dialysis Technician II	HT60875148	12/04/2020	HT
AKC	Kim Clark	Dialysis Technician II		06/22/2019	CCHT
AKC	Kathleen Corpuz	Dialysis Technician II	HT60669455	12/24/2018	HT
AKC	Kathleen Corpuz	Dialysis Technician II		05/31/2020	CCHT
AKC	Jennilyn Custodio	Clinical Unit Coordinator			
AKC	Randy Diga	PerDiem Dialysis Tech II	HT60697139	11/26/2019	HT
AKC	Randy Diga	PerDiem Dialysis Tech II		11/30/2020	CCHT
AKC	Catherine Estrera	Registered Nurse	RN00166541	01/19/2019	RN
AKC	Mabini Evangelista	Registered Nurse	RN60050868	07/16/2019	RN
AKC	Amabel Gallardo	Nurse Care Manager	RN00153293	08/14/2019	RN
AKC	Caroline A. Hecht	Dialysis Technician II	HT60362980	12/14/2019	HT
AKC	Caroline A. Hecht	Dialysis Technician II		04/30/2019	CCHT
AKC	April Logrono	Dialysis Technician II	HT60718100	04/06/2019	HT
AKC	April Logrono	Dialysis Technician II		11/30/2020	CCHT
AKC	Lawrence Mattson	Nurse Care Manager	RN00085482	02/23/2019	RN
AKC	Andrea Nera	Dialysis Technician II	HT60734923	11/01/2019	HT
AKC	Andrea Nera	Dialysis Technician II		12/31/2020	CCHT
AKC	John Parayno	Dialysis Technician II	HT60576393	02/19/2020	HT
AKC	John Parayno	Dialysis Technician II		04/30/2021	CCHT
AKC	Maricel Pine	PerDiem Staff Nurse	RN60604152	02/01/2019	RN
AKC	Ray Robles	Nurse Manager	RN00117360	10/20/2019	RN
AKC	Freme Simple	Dialysis Technician II	HT60875155	10/17/2020	HT
AKC	Freme Simple	Dialysis Technician II		06/22/2019	CCHT
AKC	Maria Tugawin	Dialysis Technician II	HT60838354	05/25/2019	HT
AKC	Maria Tugawin	Dialysis Technician II		03/16/2019	CCHT
AKC	Charina Villareal	Dialysis Technician II	299783	05/31/2019	BONENT
AKC	Charina Villareal	Dialysis Technician II	HT60363384	09/28/2020	HT
AKC	Samunique Wilson	Dialysis Technician II	HT60817988	08/15/2020	HT
AKC	Samunique Wilson	Dialysis Technician II		11/30/2021	CCHT

Exhibit 20
Mutual Aid Plan

Mutual Aid Plan for Provision of Dialysis Services

Introduction and Background

Dialysis providers are susceptible to disasters and other emergencies that could exceed the resources of any individual dialysis provider in an "all-hazards" disaster planning environment. While dialysis providers prepare for resource shortages through strategies such as maintaining disaster equipment and supply stockpiles and creating agreements with vendors to mitigate the impact of resource shortages, additional approaches may be necessary to respond fully to acute and/or long-term shortages.

The purpose of this Mutual Aid Plan (MAP) is to support resource requests and distribution between dialysis providers during emergencies or disasters of any nature. The resources covered by the MAP consist of dialysis supplies, equipment, personnel and related items and individuals. The MAP outlines how participation will occur, routes of communication to implement the MAP, reimbursement procedures and the voluntary nature of the Plan among other protocols. It is assumed that all dialysis providers will exhaust internal resources and all normal channels for resupply before activating the MAP agreement.

WHEREAS, the Signatory Organizations (See Article II – Definitions) have expressed a mutual interest in the establishment of a Mutual Aid Plan to facilitate and encourage emergency assistance among participants; and

WHEREAS, in the event of an emergency, a Signatory Organization who has executed this MAP may need emergency assistance in the form of supplemental equipment, materials, personnel and/or other support; and

WHEREAS, each Signatory Organization may own and maintain equipment, stock materials and employ trained personnel for a variety of services and is willing, under certain conditions, to lend its supplies, equipment and/or staff to other Signatory Organizations in the event of an emergency; and

NOW THEREFORE, in consideration of the mutual covenants set forth in this Mutual Aid Plan, the undersigned Signatory Organization agrees as follows:

Article I – APPLICABILITY

Execution of this MAP by a Signatory Organization occurs when a Signatory Organization signs an identical version of this MAP.

Article II – DEFINITIONS

A. 'Assistance Costs' means any direct material costs, equipment rental fees, fuel, and the fully loaded labor costs that are incurred by the Lender in providing any requested assets or services (see Article XII for additional clarity).

B. 'Borrower' means a Signatory Organization who has adopted, signed and subscribes to this MAP and has made a request for emergency assistance and has received commitment(s) to fulfill the request(s) pursuant to the terms of this MAP. Borrower is a facility directly affected by the disaster.

C. Disaster includes, but is not limited to, a human-caused or natural event or circumstance within the area of operation of any participating Signatory Organization causing or threatening loss of life, damage to the environment, injury to person or property, human suffering or financial loss. Examples include: fire, explosion, flood, severe weather, drought, earthquake, volcanic activity, spills or releases of hazardous materials, contamination, utility or transportation emergencies, disease, infestation, civil disturbance, riots, act of terrorism or sabotage where the event is or likely will be beyond the capacity of the affected Signatory Organization(s) in terms of personnel, supplies and/or equipment thereby requiring emergency assistance. The 'Disaster' may affect an individual facility or several health care facilities at or about the same time. Since the community is also affected, local vendors may be caught in the same disaster incident.

D. 'Emergency assistance' means employees, services, equipment, materials and/or supplies offered during a disaster by the Lender and accepted by the Borrower to assist in maintaining or restoring normal services affected by the disaster.

E. 'Emergency Contacts' are the persons, in a line of succession, listed in Exhibit 1 for each Signatory Organization. The list includes names and 24-hour phone numbers of the emergency contact points of each Signatory Organization. The people listed as Emergency Contacts have (or can quickly get) the authority of the Signatory Organization to commit available equipment, services, and personnel for the organization.

F. 'Emergency Management Agencies' refers to city, county, state and federal agencies that have responsibility for disaster mitigation, preparedness, response, and recovery phases. These agencies own and staff Emergency Operations Centers (EOCs) / Emergency Coordination Centers (ECCs) that may provide non-medical resources, if available, to Borrower organizations.

G. 'First Responder Agencies' refers to local fire, EMS and police; typically accessed through 911 or a non-emergency direct line.

H. 'Healthcare Emergency Coordination Center (HECC)', operated by the Northwest Healthcare Response Network, functions as a Multi-Agency Coordination Center supporting all healthcare providers across Western Washington. For the purposes of this MAP, Northwest Kidney Centers will notify the HECC to communication mutual aid activation.

I. 'Lender' means a Signatory Organization who has signed this MAP and has agreed to deliver emergency assistance to another Signatory Organization pursuant to the terms and conditions of this MAP.

J. 'Mutual Aid Plan (MAP)' means this MAP.

K. Northwest Healthcare Response Network is a regional preparedness coalition comprised of hospitals and other healthcare facilities whose mission is to prepare for and respond to and recover from emergencies as a collaborative healthcare network.

L. 'Signatory Organization' means the executive governing authority of any public or private dialysis provider that chooses to subscribe to and sign onto the MAP.

Article III – PARTICIPATION

A disaster almost always involves the local first responder agencies, local emergency management agency, and other local, county, and state regulatory and emergency response agencies. The disaster may be an "external" or "internal" event for facilities and in order to activate the MAP assumes that each Borrower's internal emergency management and operations plans have been implemented.

It is agreed, acknowledged, and understood that participation in this MAP is purely voluntary and at the sole discretion of the requested Lender for staff, supplies and equipment. Signatory Organizations are encouraged to provide full support to the MAP, but no Signatory Organization shall be liable to another Signatory Organization for, or be considered to be in breach of or default under this MAP on account of any delay in or failure to perform any obligation under this MAP. Additionally, there are areas where advance information and participation is expected under this plan:

A. Modifications: Ensure that Exhibit 1 has the Organization's most current Emergency Contacts. Should any changes occur during the plan year that preclude your facility from participating, it is required that all parties be notified.

B. Implementation of the MAP: During a disaster, only the authorized Emergency Contacts (or designee) or Command Center at each Signatory Organization, local or state health department or Emergency Management Agency and the HECC have the authority to request or offer assistance through the MAP. Signatory Organizations should coordinate the sharing of resources directly with each other.

C. If the disaster is widespread and the Mutual Aid Plan is no longer effective between Signatory Organizations due to the severity of the disaster, the dialysis facility may contact the local health department, local EOCs or Washington State Department of Health for assistance.

Article IV – ROLE OF EMERGENCY CONTACT FOR SIGNATORY ORGANIZATIONS

Signatory Organizations agree that their Emergency Contacts or their designee can serve as representatives of the Signatory Organizations in any meeting to work out the language or implementation issues of this MAP.

The Emergency Contacts from a Signatory Organization shall:

A. Act as a single point of contact for information about the availability of resources when other Signatory Organizations seek assistance.
B. Take the initiative to obtain and communicate decisions and discussion items of the meeting.
C. Maintain a hard-copy manual containing the MAP including a list of Signatory Organizations who have executed this MAP.

Article V – TERM AND TERMINATION

A. This MAP is effective upon execution by Signatory Organizations.
B. A Signatory Organization opting to terminate its participation in this MAP shall provide written termination notification to Signatory Organizations. Any terminating Signatory Organization shall remain liable for all obligations incurred during its period of participation, until the obligation is satisfied.

Article VI – PAYMENT FOR SERVICES AND ASSISTANCE

A. Borrower shall pay to the Lender all valid and invoiced Assistance Costs within 60 days of receipt of the Lender's invoice (unless other date is mutually agreed upon), for all of the Emergency Assistance services provided by the Lender. In the event the Lender provides supplies or parts, the Lender shall have the option to accept payment of cash or in kind for the supplies or parts provided.

B. Reimbursement for Patient Care: The Borrower and the Lender acknowledge that there will be payment issues to be addressed between the facilities and that revenue will be divided based on the amount and type equipment, supplies and/or personnel loaned. The facilities agree to:
    1. Attempt to work out the division of payment amicably amongst themselves and incorporate into the discussions, as necessary, the Washington State Department of Health and the appropriate payer (private, state or federal.)
    2. If the dispute requires Mediation or Arbitration, see Article XIV Section E.
    3. If the dispute escalates to require Litigation, see Article XIV Section F.

Article VII – INDEPENDENT CONTRACTOR

Lender shall be and operate as an independent contractor of Borrower in the performance of any Emergency assistance. Employees of Lender shall at all times while performing Emergency assistance continue to be employees of Lender and shall not be deemed employees of Borrower for any purpose. Wages, hours, and other terms and conditions of employment of Lender shall remain applicable to all of its employees who perform Emergency assistance. Lender shall be solely responsible for payment of its employees' wages, any required payroll taxes and any benefits or other compensation. Borrower shall not be responsible for paying any wages, benefits, taxes, or other compensation directly to the Lender's employees, but shall reimburse Lender for same when invoiced by Lender. The costs associated with borrowed personnel are subject to the reimbursement process outlined in Article XII. In no event shall Lender or its officers, employees, agents, or representatives be authorized (or represent that they are authorized) to make any representation, enter into any MAP, waive any right or incur any obligation in the name of, on behalf of or as agent for Borrower under or by virtue of this MAP.

Article VIII – REQUESTS FOR EMERGENCY ASSISTANCE

Requests for Emergency assistance shall be directed to the designated Emergency Contact(s) on the contact list provided by the Signatory Organizations – Exhibit 1. Those resources will be paid for by the organization submitting the request for emergency assistance. The extent to which the Lender provides any Emergency assistance shall be at the Lender's sole discretion.

In the event the emergency impacts a large geographical area that activates State and/or Federal emergency laws, this MAP shall remain in effect until or unless this MAP conflicts with such laws.

Article IX – GENERAL NATURE OF EMERGENCY ASSISTANCE (Equipment, supplies and personnel)

Emergency Assistance is in the form of resources, such as equipment, supplies, and personnel or the direct provision of services. The execution of the MAP shall not create any duty to respond on the part of any Signatory Organization hereto. A Signatory Organization shall not be held liable for failing to provide Emergency Assistance. A Signatory Organization has the absolute discretion to decline to provide any requested Emergency Assistance and to withdraw resources it has provided at any time without incurring any liability. Resources are "borrowed" with reimbursement and terms of exchange varying with the type of resource as defined in Articles X through XII. The Signatory Organizations recognize that time is critical during an emergency and diligent efforts are made to respond to a request for resources as rapidly as possible, including any notification(s) that requested resources are not available.

Article X – LOANS OF EQUIPMENT

Use of medical and non-medical equipment shall be at the Lender's current equipment rate, or if no written rates have been established, at the hourly operating costs set forth in an industry standard publication or as mutually agreed between Borrower and Lender. Equipment loans are subject to the following conditions:

A. At the option of the Lender, loaned equipment may be loaned with an operator. See Article XII for terms and conditions applicable to use of borrowed personnel.

B. Loaned equipment shall be returned to the Lender upon release by the Borrower, or immediately upon the Borrower's receipt of an oral or written notice from the Lender for the return of the equipment. When notified to return equipment to a Lender, the Borrower shall make every effort to return the equipment to the Lender's possession within 24 hours following notification.

C. Borrower shall, at its own expense, supply all fuel, lubrication and maintenance for loaned equipment. The Borrower takes proper precaution in its operation, storage and maintenance of Lender's equipment. Equipment shall be used only by properly trained and supervised operators. Borrower takes responsibility to assure users are properly trained in the use of any equipment or supplies. Lender shall endeavor to provide equipment in good working order. All equipment is provided "as is", with no representations or warranties as to its fitness for particular purpose.

D. Lender's cost related to the transportation, handling, and loading/unloading of equipment shall be chargeable to the Borrower. Lender shall provide copies of invoices for such charges where provided by outside sources and shall provide hourly accounting of charges for Lender's employees who perform such services.

E. Without prejudice to a Lender's right to indemnification under Article XIV herein, in the event loaned equipment is lost or damaged while being dispatched to Borrower, or while

in the custody and use of the Borrower, or while being returned to the Lender, Borrower shall reimburse the Lender for the reasonable cost of repairing said damaged equipment. If the equipment cannot be repaired within a time period indicated by the Lender, then Borrower shall reimburse Lender for the cost of replacing such equipment with equipment, which is of equal condition and capability. Any determinations of what constitutes "equal condition and capability" shall be at the discretion of the Lender. If Lender must lease or rent a piece of equipment while the Lender's equipment is being repaired or replaced, Borrower shall reimburse Lender for such costs. Borrower shall have the right of subrogation for all claims against persons other than parties to this MAP who may be responsible in whole or in part for damage to the equipment. Borrower shall not be liable for damage caused by the sole negligence of Lender's operator(s).

Article XI – EXCHANGE OF MATERIALS AND SUPPLIES.

Borrower shall reimburse Lender in kind or at Lender's actual replacement cost, plus handling charges, for use of partially consumed or non-returnable materials and supplies, as mutually agreed between Borrower and Lender. Other reusable materials and supplies which are returned to Lender in clean, damage-free condition shall not be charged to the Borrower and no rental fee is charged. Lender shall determine whether items returned are "clean and damage-free" and items shall be treated as partially consumed or non-returnable materials and supplies if item is found to be damaged.

Article XII – LOANS OF PERSONNEL

Lender may, at its option, make such employees as are willing to participate available to Borrower at Borrower's expense equal to Lender's full cost, including employee's salary or hourly wages, call back or overtime costs, benefits and overhead, and consistent with Lender's personnel union contracts, if any, or other conditions of employment. Costs to feed and house loaned personnel, if necessary, shall be chargeable to and paid by the Borrower. The Borrower is responsible for assuring such arrangements as may be necessary to provide for the safety, housing, meals, and transportation to and from job sites/housing sites (if necessary) for loaned personnel. The Signatory Organizations' Emergency Contacts or their designees shall develop planning details associated with being a Borrower or Lender under the terms of this MAP. Lender personnel providing Emergency Assistance shall be under the operational control of the command structure of the Borrower. Lender shall not be liable for cessation or slowdown of work if Lender's employees decline or are reluctant to perform any assigned tasks if said employees judge such task to be unsafe.

A request for loaned personnel to direct the activities of others during a particular response operation does not relieve the Borrower of any responsibility or create any liability on the part of the Lender for decisions and/or consequences of the response operation. Loaned personnel may refuse to direct the activities of others without creating any liability on the part of the Lender. Any valid licenses issued to Lender personnel by Lender or Lender's state, relating to the skills required for the emergency work, may be recognized by the Borrower during the period of emergency and for purposes related to the emergency (interstate actions would require appropriate approvals by the State of Washington). When notified to return personnel to a Lender, the Borrower shall make every effort to return the personnel to the Lender immediately after notification.

Article XIII – RECORD KEEPING AND DOCUMENTATION

Time sheets and/or daily logs showing hours worked and equipment and materials used or provided by the Lender are recorded on a shift-by-shift basis by the Lender and/or the loaned employee(s) and provided to the Borrower as needed. If no personnel are loaned, the Lender provides shipping records for materials and equipment, and the Borrower is responsible for any required documentation of use of material and equipment for state or federal reimbursement. The documentation is presented to the Administration/Finance Section of the Incident Command System or appropriate financial officers and materials management personnel when the Incident Command System is demobilized. All necessary information will be provided to the Borrower to support reimbursement efforts. Under all circumstances, the Borrower remains responsible for ensuring that the amount and quality of all documentation is adequate to enable disaster reimbursement.

Article XIV - INDEMNIFICATION AND LIMITATION OF LIABILITY

A. INDEMNIFICATION. Except as provided in section B., to the fullest extent permitted by applicable law, the Borrower releases and shall indemnify, hold harmless and defend each Lender and City/County Emergency Management Agencies, their officers, employees and agents from and against any and all costs, including costs of defense, claims, judgments or awards of damages asserted or arising directly or indirectly from, on account of, or in connection with providing Emergency Assistance, resources or patient care to/for the Borrower, whether arising before, during or after performance of the Emergency Assistance or patient care and whether suffered by any of the Signatory Organizations or any other person or entity. The Borrower, city and county emergency management agencies agree that their obligation under this section extends to any claim, demand and/or cause of action brought by or on behalf of any of its employees, or agents. For this purpose, the Borrower and emergency management agencies, by mutual negotiation, hereby waives, as respects any indemnitee only, any immunity that is otherwise available against such claims under the Industrial Insurance provisions of Title 51 RCW of the State of Washington and similar laws of other states.

B. ACTIVITIES IN BAD FAITH, NEGLIGENCE OR BEYOND SCOPE. Any Signatory Organizations shall not be required under this MAP to indemnify, hold harmless and defend any other Signatory Organization from any claim, loss, harm, liability, damage, cost or expense caused by or resulting from the activities or negligence of any Signatory Organizations officers, employees, or agents acting in bad faith or performing activities beyond the scope of their duties.

C. LIABILITY FOR PARTICIPATION. In the event of any liability, claim, demand, action or proceeding, of whatever kind or nature arising out of rendering of Emergency Assistance through this MAP, the Borrower agrees, to indemnify, hold harmless, and defend, to the fullest extent of the law, each signatory to this MAP, whose only involvement in the transaction or occurrence which is the subject of such claim, action, demand, or other proceeding, is the execution and approval of this MAP.

D. DELAY/FAILURE TO RESPOND. No Signatory Organization shall be liable to another Signatory Organization for, or be considered to be in breach of or default under this

MAP on account of any delay in or failure to perform any obligation under this MAP, except to make payment as specified in this MAP.

E. MEDIATION AND ARBITRATION. If a dispute arises out of or relates to this Contract, or the breach thereof, and if said dispute cannot be settled through direct discussions, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation. Thereafter, any unresolved controversy or claim arising out of or relating to this MAP, or breach thereof, may be settled by arbitration, if they agree to do so, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties to this Contract may seek to resolve disputes pursuant to mediation or arbitration, but are not required to do so.

F. SIGNATORY ORGANIZATION LITIGATION PROCEDURES. Each Signatory Organization seeking to be released, indemnified, held harmless or defended under this Article with respect to any claim shall promptly notify the Borrower of such claim and shall not settle such claim without the prior consent of Borrower, which consent shall not be unreasonably withheld. Such Signatory Organization shall have the right to participate in the defense of said claim to the extent of its own interest. Signatory Organization's personnel shall cooperate and participate in legal proceedings if so requested by the Borrower, and/or required by a court of competent jurisdiction.

Article XV – SUBROGATION

A. BORROWER'S WAIVER. Borrower expressly waives any rights of subrogation against the Lender, which it may have on account of, or in connection with, the Lender providing Emergency Assistance to the Borrower under this MAP.

B. LENDER'S RESERVATION AND WAIVER. Lender expressly reserves its right to subrogation against the Borrower to the extent the Lender incurs any self-insured, self-insured retention or deductible loss. The Lender expressly waives its rights to subrogation for all insured losses only to the extent the Lender's insurance policies, then in force, permit such waiver.

Article XVI – WORKER'S COMPENSATION AND EMPLOYEE CLAIMS

Lender's employees, officers or agents, made available to Borrower, shall remain the general employee, officer or agents of Lender while engaged in carrying out duties, functions or activities pursuant to this MAP, and each Signatory Organization shall remain fully responsible as employer for all taxes, assessments, fees, premiums, wages, withholdings, workers' compensation and other direct and indirect compensation, benefits, and related obligations with respect to its own employees. Likewise, each Signatory Organization shall provide worker's compensation in compliance with statutory requirements of the state of residency.

Article XVII – MODIFICATIONS

No provision of this MAP may be modified, altered, or rescinded by any individual Signatory Organization without concurrence of the Signatory Organizations. Modifications to this MAP must be in writing and becomes effective upon approval of the modification by the Signatory

Organizations. Modifications must be signed by an authorized representative of each Signatory Organization.

Article XVIII – NON-EXCLUSIVENESS AND PRIOR MAPS

This MAP shall not supersede any existing mutual aid MAP or MAPs between Signatory Organizations, and as to assistance requested by a party to such mutual MAP within the scope of the mutual aid MAP, such assistance shall be governed by the terms of the mutual aid MAP and not by this MAP.

Article XIX – GOVERNMENTAL AUTHORITY

This MAP is subject to laws, rules, regulations, orders, and other requirements, now or hereafter in effect, of all governmental authorities having jurisdiction over the emergencies covered by this MAP, the Signatory Organization or either of them.

Article XX – NO DEDICATION OF FACILITIES

No undertaking by one Signatory Organization to the other Signatory Organizations under any provision of this MAP shall constitute a dedication of the facilities or assets of such Signatory Organization, or any portion thereof, to the public or to the other Signatory Organization. Nothing in this MAP shall be construed to give a Signatory Organization any right of ownership, possession, use or control of the facilities or assets of the other Signatory Organization.

Article XXI – NO PARTNERSHIP

This MAP shall not be interpreted or construed to create an association, joint venture or partnership among the Signatory Organizations or to impose any partnership obligation or liability upon any Signatory Organization. Further, no Signatory Organization shall have any undertaking for or on behalf of, or to act as or be an agent or representative of, or to otherwise bind any other Signatory Organization.

Article XXII – NO THIRD PARTY BENEFICIARY

Nothing in this MAP shall be construed to create any rights in or duties to any Third Party, nor any liability to or standard of care with reference to any Third Party. This MAP shall not confer any right, or remedy upon any person other than the Signatory Organizations. This MAP shall not release or discharge any obligation or liability of any Third Party to any Signatory Organizations.

Article XXIII – ENTIRE MAP

This MAP constitutes the entire MAP amongst the Signatory Organizations.

Article XXIV – SUCCESSORS AND ASSIGNS

This MAP is not transferable or assignable, in whole or in part, and any Signatory Organization may terminate its participation in this MAP subject to Article V.

Article XXV – GOVERNING LAW

This MAP shall be interpreted, construed, and enforced in accordance with the laws of Washington State.

Article XXVI – VENUE

Any action which may arise out of this MAP shall be brought in Washington State.

Article XXVII – TORT CLAIMS

It is not the intention of this MAP to remove from any of the Signatory Organizations any protection provided by any applicable Tort Claims Act. However, between Borrower and Lender or the Borrower retains full liability to the Lender for any claims brought against the Lender as described in other provisions of this MAP.

Article XXVIII – WAIVER OF RIGHTS

Any waiver at any time by any Signatory Organizations of its rights with respect to a default under this MAP, or with respect to any other matter arising in connection with this MAP, shall not constitute or be deemed a waiver with respect to any subsequent default or other matter arising in connection with this MAP. Any delay short of the statutory period of limitations, in asserting or enforcing any right, shall not constitute or be deemed a waiver.

Article XXIX – INVALID PROVISION

The invalidity or unenforceability of any provisions hereof, and this MAP shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Article XXX – NOTICES

Any notice, demand, information, report, or item otherwise required, authorized, or provided for in this MAP shall be conveyed and facilitated by the Signatory Organizations. Such notices, given in writing, and shall be deemed properly given if (i) delivered personally, (ii) transmitted and received by telephone facsimile device and confirmed by telephone, or (iii) sent by United States Mail, postage prepaid.

Article XXXI – PUBLIC RELATIONS

Each Signatory Organization is responsible for developing and coordinating with other Signatory Organizations and for the media response to the disaster in coordination with other agencies using a Joint Information System (JIS) approach.

Mutual Aid Plan for Provision of Dialysis Services
Signatory Documentation Sheet

IN WHITNESS WHEREOF, the Signatory Organization hereto has caused this Mutual Aid Plan to be executed by duly authorized representatives as of the date of their signature:

Northwest Kidney Centers

Signed: Mary J. McHugh
Printed: Mary J. McHugh
Title: Vice President
Date: 7/10/18

Puget Sound Kidney Centers

Signed:
Printed: H. S. Kelly
Title: President + CEO
Date: 7-10-18

Olympic Peninsula Kidney Center

Signed: Katrina Russell
Printed: Katrina Russell
Title: Executive Director
Date: 7/10/2018

Seattle Children's

Signed: Bonnie Fryzlewicz
Printed: Bonnie Fryzlewicz
Title: Associate Chief Nurse
Date: 7-16-18

The document will be reconfirmed as needed

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Exhibit 1 – Units and Contacts
(refer to Northwest Renal Network for current list of dialysis units)

Northwest Kidney Centers

NKC Auburn Kidney Center	Auburn
NKC Broadway Kidney Center	Seattle
NKC Elliott Bay Kidney Center	Seattle
NKC Enumclaw Kidney Center	Enumclaw
NKC Federal Way East Kidney Center	Federal Way
NKC Kent Kidney Center	Kent
NKC Kirkland Kidney Center	Kirkland
NKC Lake City Kidney Center	Lake Forest Park
NKC Lake Washington Kidney Center	Bellevue
NKC Port Angeles Kidney Center	Port Angeles
NKC Renton Kidney Center	Renton
NKC Scribner Kidney Center	Seattle
NKC SeaTac Kidney Center	SeaTac
NKC Seattle Kidney Center	Seattle
NKC Snoqualmie Ridge Kidney Center	Snoqualmie
NKC West Seattle Kidney Center	Seattle

Primary Contact Name:	Administrator on Call	Pager – (206) 969-1249
Secondary Contact Name:	Mary McHugh	Cell/text – (206) 390-3158

Puget Sound Kidney Centers

PSKC Anacortes	360-755-3586
PSKC Everett	425-259-5195
PSKC Monroe	360-863-3313
PSKC South	425-744-1095
PSKC Smokey Point	360-454-5280
PSKC Whidbey	360-679-6706

Primary Contact Name:	Amanda Crain, COO	425-328-6388
Secondary Contact Name:	Jon Mass, DTS	425-327-4500

Seattle Children's

Seattle		(206) 987-3985
Primary Contact Name:	Emiliah Kambarami-Sitole	(206) 987-3074
Secondary Contact Name:	TBD	

Olympic Peninsula Kidney Center

Clare Avenue	Bremerton
Olympic Peninsula Kidney Center	Bremerton
Olympic Peninsula Kidney Center - North	Poulsbo
Olympic Peninsula Kidney Center - South Kitsap	Port Orchard
Olympic Peninsula Kidney Center - Northwest	Port Townsend

Contact Name:	Catina Strode	(317) 506-7399
Contact Name:	Pat O'Kane	(360) 813-4350

Exhibit 21
Transfer Agreement

TRANSFER AGREEMENT BETWEEN NORTHWEST KIDNEY CENTERS AND SWEDISH MEDICAL CENTER

This Transfer Agreement ("Agreement") is entered into this 2nd day of October 2013, (the "Effective Date"), between Swedish Medical Center ("SMC") and Northwest Kidney Centers, including the dialysis centers listed in the attached Schedule 1, ("NKC"), the transferring facility. SMC and NKC are sometimes collectively referred to as the "parties."

RECITALS

WHEREAS, the parties desire to enter into this Agreement in order to specify the rights and duties of each of the parties;

WHEREAS, the purpose of this Agreement is to facilitate continuity of patient care and the timely transfer of patients and records between NKC and SMC;

WHEREAS, only a patient's attending physician at NKC can refer patients to SMC;

NOW THEREFORE, in consideration of the promises herein contained and for other good and valuable consideration, the parties agree as follows:

1. SMC Obligations

In accordance with the policies and procedures as hereinafter provided, and upon the recommendation of a NKC attending physician, a patient of NKC may be transferred to SMC.

a) If a determination is made by the NKC attending physician that a patient requires transfer from NKC to SMC, SMC agrees to admit the patient as promptly as possible, as long as it has the available space, qualified personnel, and appropriate services for the treatment of the patient, and the requirements are met in accordance with Federal and State laws/regulations.

b) SMC agrees to accept referrals of NKC patients regardless of age, sex, race, national origin, or ability to pay.

2. NKC Obligations

a) NKC will have the responsibility for transferring the patient and agrees to arrange qualified personnel and equipment as required, including the use of necessary and medically appropriate life support measures, during the transfer.

b) NKC agrees to provide appropriate documentation and completed forms of clinical care in order to ensure continuity of patient care. This information should include, as needed, appropriate portions of the patient's medical record and relevant transfer forms. This information will be sent at the time of transfer unless doing so would jeopardize the patient; in which case, the documentation will be sent as promptly as

possible after the transfer.

c) To the extent possible, patients will be stabilized prior to transfer.

d) All transfers will be done in accordance with Federal and State laws/regulations and in accordance with the standards of The Joint Commission.

e) NKC will be responsible for the transfer or other appropriate disposition of personal effects, particularly money and valuables and information related to those items.

3. Billing, Payment, and Fees

SMC and NKC each shall be responsible for billing the appropriate payor (s). Charges for services performed by either party shall be collected by the party rendering the service from the patient, third party payor, or other sources normally billed by the party. Neither party shall have any liability to the other for such charges, except to the extent such liability would exist separate from this Agreement. The parties shall cooperate with each other in the exchange of information about financial responsibility for services rendered by them to patients who are transferred to SMC.

4. Indemnification

NKC shall indemnify, hold harmless and defend SMC, its agents and employees from and against any claim, loss damage, cost, expense or liability, including reasonable attorney's fees, arising out of or related to the performance or nonperformance of NKC, its agents and employees or any services to be performed or provide by NKC under this Agreement.

SMC shall indemnify, hold harmless and defend NKC, its agents and employees from and against any claim, loss damage, cost, expense or liability, including reasonable attorney's fees, arising out of or related to the performance or nonperformance of SMC, its agents and employees or any services to be performed or provide by SMC under this Agreement

5. Insurance

The parties shall maintain at their own expense comprehensive general and professional liability insurance and property damage insurance adequate to insure them against risk arising out of this Agreement, with limits no less than those customarily carried by similar facilities. Upon request, both parties shall furnish each other with evidence of such insurance.

6. Medicare and Medicaid Participation

NKC hereby represents and warrants that neither NKC nor its principals (if applicable) are presently debarred, suspended, proposed for debarment, declared ineligible, or excluded from participation in any federally funded health care program, including Medicare and Medicaid. NKC hereby agrees to immediately notify SMC of any threatened, proposed, or actual debarment, suspension, or exclusion from any federally funded health care program, including Medicare and Medicaid. In the event that NKC is debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in any federally funded health care program during the term of this Agreement, or if at any time after the effective date of this Agreement it is determined that NKC is in breach of this Section, this Agreement shall as of the effective date of such action or breach,

automatically terminate. NKC further understands that SMC periodically checks contracted individuals and entities against the Office of the Inspector General (OIG) and General Service Administration (GSA) databases of Excluded Individuals and Entities and will notify NKC if it discovers a match. SMC will take reasonable measures to verify that the match is the same individual or entity before taking any action to terminate any underlying agreement(s).

7. **Term**

a) This Agreement shall be effective for an initial one (1) year term from the Effective Date and shall continue in effect indefinitely after such initial term, except that either party may terminate by giving thirty (30) days notice in writing to the other party of its intention to terminate the Agreement.

b) If either party shall have its license to operate its facility revoked by the State or become ineligible as a provider of service under Medicare or Medicaid laws, this Agreement shall automatically terminate on the date such revocation or ineligibility becomes effective.

8. **Miscellaneous**

a) Nothing in this Agreement shall be construed as limiting the rights of either party to contract with any other facility or entity on a limited or general basis.

b) This Agreement may be modified and amended from time to time by mutual agreement of both parties.

c) This Agreement may be signed in counterparts.

SIGNATURES:

SWEDISH MEDICAL CENTER		NORTHWEST KIDNEY CENTERS	
Signed:	[signature]	Signed:	Joyce F. Jackson
Name:	Todd Strumwasser MD	Name:	Joyce F. Jackson
Title:	Chief Executive	Title:	President & CEO
Date:	10/7/13	Date:	10/2/13

List of Dialysis Centers

Auburn Kidney Center
1501 W. Valley Highway N.
Auburn, WA 98001-1606
Phone 253-804-8323
Fax 206-292-2708
Emergency land line 253-804-8323
Emergency cell line 253-709-9550

Broadway Kidney Center
700 Broadway
Seattle, WA 98122-4302
Phone 206-292-2705
Fax 206-292-2708
Emergency land line 206-292-2705
Emergency cell line 206-465-5112

Elliott Bay Kidney Center
600 Broadway, Suite 240
Seattle, WA 98122-5371
Phone 206-292-2515
Fax 206-292-2138
Emergency land line 206-292-2515
Emergency cell line 206-465-9110

Enumclaw Kidney Center
857 Roosevelt Ave E
Enumclaw, WA 98022-9239
Phone 360-825-2050
Fax 360-825-2103
Emergency land line 360-825-2050
Emergency cell line 253-397-6505

Federal Way East Kidney Center
33820 Weyerhaeuser Way South,
Suite 100
Federal Way, WA 98001
(Opens in 2018)

Federal Way West Campus
501 S. 336th Street, Suite 110
Federal Way, WA 98003
(Opens in 2018)

Fife Kidney Center
6021 12th Street East, Suite 100
Fife, WA 98424
Phone 253-943-6262
Fax 253-943-6272
(Opens in 2018)

Kent Kidney Center
25316 74th Ave So, Suite 101
Kent, WA 98032-6022
Phone 253-850-6810
Fax 253-850-6815
Emergency land line 253-850-6810
Emergency cell line 253-508-7140

Kirkland Kidney Center
405 Corporate Center,
Bldg. 11327 NE 120th St.
Kirkland, WA 98034
Fax 206-823-9667
Emergency land line 425-821-8785
Emergency cell line 425-985-9556

Lake City Kidney Center
14524 Bothell Way NE
Lake Forest Park, WA 98155-7606
Phone 206-365-5543
Fax 206-365-5543
Emergency land line 206-365-0775
Emergency cell line 206-465-9466

Lake Washington Kidney Center
1474 - 112th Avenue NE
Bellevue, WA 3762-98004
Phone 425-454-0067
Fax 425-451-2501
Emergency land line 425-454-0067
Emergency cell line 425-985-9510

Port Angeles Kidney Center
809 Georgiana Street
Port Angeles, WA 98362 – 3511
Phone 360-565-1435
Fax 360- 565-1440
Emergency land line 360-565-1435
Emergency cell line 360-808-3091

Renton Kidney Center
602 Oakesdale Ave SW
Renton, WA 98057- 5224
Phone 425-251-0647
Fax 425-251-0713
Emergency land line 425-251-0647
Emergency cell line 425-985-9515

Scribner Kidney Center
2150 N. 107th, Suite 160
Seattle, WA 98133-5609
Phone 206-363-5090
Fax 206-363-6146
Emergency land line 206-363-5090
Emergency cell line 206-465-7828

SeaTac Kidney Center
17900International Blvd, Suite 301
SeaTac, WA 98188-4232
Phone 206-901-8700
Fax 206-901-8722
Emergency land line 206-901-8700
Emergency cell line 206-465-9325

Seattle Kidney Center
548 15th Avenue
Seattle, WA 98122-5609
Phone 206- 720-3940
Fax 206- 720-3945
Emergency land line 206-292-2774
Emergency cell line 206-465-4955

Snoqualmie Ridge Kidney Center
5131 SE Douglas Street, Suite 113
Snoqualmie, WA 98065-9233
Phone 425-396-7090
Fax 425-396-4328
Emergency land line 425-396-7090
Emergency cell line 425-766-7261

West Seattle Kidney Center
4045 Delridge Way SW, Suite 100
Seattle, WA 98106-1276
Phone 206-923-3562
Fax 206-923-3566
Emergency land line 206-923-3562
Emergency cell line 206-465-5749