



September 25, 2025

Eric Hernandez, Program Manager
Department of Health
Certificate of Need Program
111 Israel Road, S.E.
Tumwater, WA 98501

Sent by Email: CN@doh.wa.gov

RE: Certificate of Need Application – Annexia Health Services, LLC d/b/a Annexia Home Health (King County)

Dear Mr. Hernandez,

On behalf of Annexia Health Services, LLC d/b/a Annexia Home Health, please find attached our Certificate of Need application proposing the establishment of a new home health agency to serve Medicare- and Medicaid-eligible patients in King County.

Payment for the application fee has been submitted by check (No. 1006), mailed via USPS Priority Mail (2-Day Delivery). The tracking number is 9505 5162 0180 5272 2233 88.

We appreciate the Department's consideration of our application and look forward to your review. Please do not hesitate to contact me directly should you require any additional information or clarification.

Sincerely,


Manfred Munyao
CEO/Administrator
(253) 642-6567
manfred@annexiahomehealth.com



Certificate of Need Application Home Health Agency

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 Manfred Munyao, CEO/Administrator  Email Address manfred@annexiahomehealth.com	Date September 24, 2025 Telephone Number 253-642-6567
Legal Name of Applicant Annexia Health Services, LLC DBA Annexia Home Health Address of Applicant 402 S 333rd St, Suite 117 Federal Way, WA 98003	Provide a brief project description <input checked="" type="checkbox"/> New Agency <input type="checkbox"/> Expansion of Existing Agency <input type="checkbox"/> Other: _____ Estimated capital expenditure: \$ <u>12,500</u>
Identify the county proposed to be served for this project. Note: Each home health application must be submitted for one county only. If an applicant intends to obtain a Certificate of Need to serve more than one county, then an application must be submitted for each county separately. <u>King County</u>	



Annexia Health Services, LLC DBA Annexia Home Health

Certificate of Need Application

**Proposing the Establishment of Medicare & Medicaid Certified Home
Health Agency
in
King County**

September 2025

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Section 1: Applicant Description

Answers to the following questions will help the department fully understand the role of the applicant(s). Your answers in this section will provide context for the reviews under Financial Feasibility (WAC 246-310-220) and Structure and Process of Care (WAC 246-310-230).

- 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 as defined in WAC 246-310-010(6).**

The legal name of the applicant is Annexia Health Services, LLC. Individuals with a 10% or greater financial interest include:

- Anne Gikunju: 50% ownership
- Manfred Munyao: 50% ownership

Address: 402 S 333rd St, Suite 117
Federal Way, WA 98003

- 2. Identify the legal structure of the applicant (LLC, PLLC, etc.) and provide the Unified Business Identifier (UBI).**

Annexia Health Services, LLC DBA Annexia Home Health
UBI: 605 312 108

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

Manfred Munyao, Administrator

Address: 402 S 333rd St. Suite 117, Federal Way, WA 98023

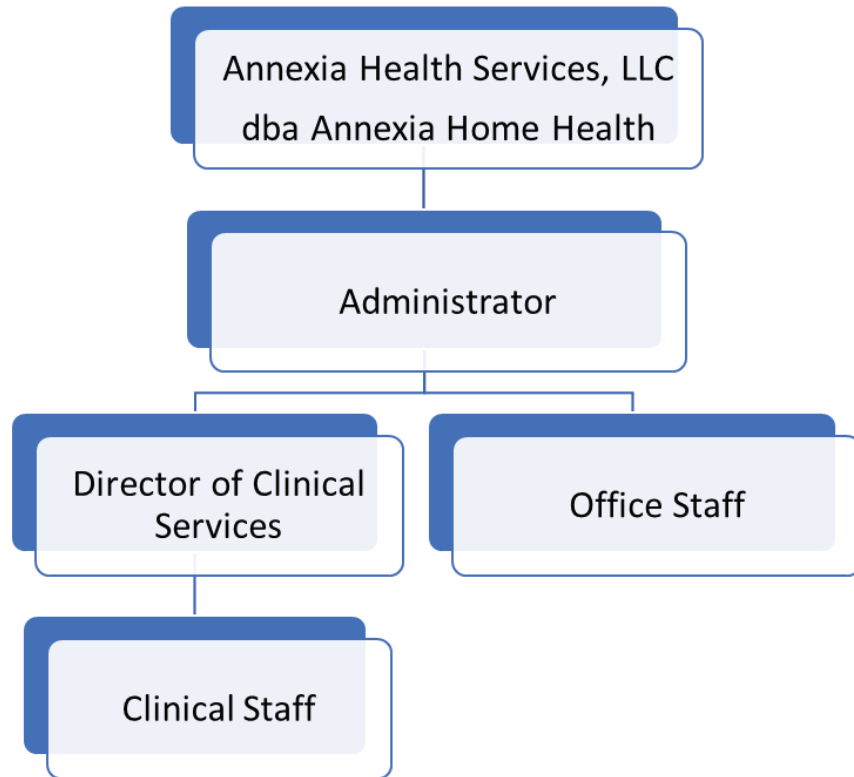
Email: manfred@annexiahomehealth.com

Phone: 253-642-6567

- 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).**

Not applicable. Annexia Home Health has not authorized anyone to speak on our behalf

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



6. Identify all healthcare facilities and agencies owned, operated by, or managed by the applicant or its affiliates with overlapping decision-makers. This should include all facilities in Washington State as well as out-of-state facilities. The following identifying information should be included:
- Facility and Agency Name(s):
 - Facility and Agency Location(s):
 - Facility and Agency License Number(s):
 - Facility and Agency CMS Certification Number(s):
 - Facility and Agency Accreditation Status:
 - If acquired in the last three full calendar years, list the corresponding month and year the sale became final :
 - Type of facility or agency (home health, hospice, other):

Neither Annexia Home Health nor its owners own any other healthcare facility or agency. Therefore this question is not applicable.

Section 2: Project Description

1. Provide the name and address of the existing agency, if applicable.

Not applicable, Annexia Home Health is not a Medicare and Medicaid certified home health agency.

2. If an existing Medicare and Medicaid certified home health agency, explain how this proposed project will be operated in conjunction with the existing agency.

Not applicable, Annexia Home Health is not a Medicare and Medicaid certified home health agency.

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

Annexia Home Health
402 S 333rd St, Ste 117, Federal Way, WA 98003

4. Provide a detailed description of the proposed project.

Annexia Home Health is seeking Certificate of Need (CN) approval to operate a Medicare-certified and Medicaid-eligible home health agency serving residents across King County in Washington State. Annexia Home Health will provide comprehensive in-home services including skilled nursing, physical therapy, occupational therapy, speech therapy, medical social work, and home health aide care. All services will be delivered by licensed, experienced clinicians who are committed to providing professional, compassionate, and clinically appropriate care in the home setting.

In alignment with Medicare and Medicaid's transition toward accountable care and value-based purchasing, Annexia Home Health will implement a patient-centered model that emphasizes continuity of care, clinical excellence, and responsiveness to social determinants of health. Our strategic approach includes smooth client onboarding, individualized needs assessments, and coordinated service delivery that connects patients to relevant resources and supports. By integrating clinical expertise with operational efficiency, Annexia Home Health aims to improve health outcomes, reduce hospitalizations, and enhance the overall experience of care for Washington State residents.

- 5. Confirm that this agency will be available and accessible to the entire geography of the county proposed to be served.**

Yes, Annexia Home Health will serve all residents of King County.

- 6. With the understanding that the review of a Certificate of Need application typically takes at least six to nine months, provide an estimated timeline for project implementation, below:**

Event	Anticipated Month/Year
CN Approval	December 2025
Design Complete (if applicable)	N/A
Construction Commenced* (if applicable)	N/A
Construction Completed* (if applicable)	N/A
Agency Prepared for Survey	December 2025
Agency Providing Medicare and Medicaid home health services in the proposed county.	January 2026

***If no construction is required, commencement of the project is project completion, commencement of the project is defined in WAC 246-310-010(13) and project completion is defined in WAC 246-310-010(47).**

- 7. Identify the home health services to be provided by this agency by checking all applicable boxes below. For home health agencies, at least two of the services identified below must be provided.**

Annexia Home Health will provide a comprehensive range of services, including skilled nursing, physical therapy, occupational therapy, speech therapy, medical social work, and home health aide support. Nursing staff are equipped to perform intravenous (IV) therapy, administer injections, and offer nutritional counseling. Bereavement support will be available through the agency's licensed medical social worker. Additional services such as durable medical equipment (DME), respiratory therapy, and applied behavioral analysis will be coordinated on a contract basis, as clinically indicated.

<input checked="" type="checkbox"/> Skilled Nursing	<input checked="" type="checkbox"/> Occupational Therapy
<input checked="" type="checkbox"/> Home Health Aide	<input checked="" type="checkbox"/> Nutritional Counselling
<input checked="" type="checkbox"/> Durable Medical Equipment	<input checked="" type="checkbox"/> Bereavement Counselling
<input checked="" type="checkbox"/> Speech Therapy	<input checked="" type="checkbox"/> Physical Therapy
<input checked="" type="checkbox"/> Respiratory Therapy	<input checked="" type="checkbox"/> IV Services
<input checked="" type="checkbox"/> Medical Social Services	<input checked="" type="checkbox"/> Applied Behavioral Analysis
<input type="checkbox"/> Other (please describe)	

- 8. If this application proposes expanding the service area of an existing home health agency, clarify if the proposed services identified above are consistent with the existing services provided by the agency in other planning areas.**

Not applicable. Annexia Home Health is not seeking to expand the service area.

- 9. If this application proposes expanding an existing home health agency, provide the county(ies) already served by the applicant and identify whether Medicare and Medicaid services are provided in the existing county(ies).**

Not applicable.

- 10. Provide a general description of the types of patients to be served by the agency at project completion (age range, diagnoses, etc.).**

Annexia Home Health will provide high-quality home health services to adults aged 18 and older throughout King County, WA. We will serve individuals with all diagnoses and will remain firmly committed to equity, inclusion, and accessibility.

We will uphold strict non-discrimination and charity care policies to ensure access for all, regardless of race, color, religion, gender identity or expression, age, national origin, disability, marital status, sexual orientation, English proficiency, or military status. Our admission and charity care policies will support Medicare and Medicaid beneficiaries, as well as those who are uninsured or underinsured, without compromising the quality of care.

To promote health equity, we will collaborate with community organizations, cultural leaders, and faith-based groups to ensure inclusive outreach and responsive service. We will eliminate barriers by offering language interpretation, culturally competent care, and flexible scheduling tailored to individual needs. By delivering care directly in patients' homes, we will remove transportation challenges and ensure continuity of care, especially for those in remote or underserved communities.

11. Provide a copy of the applicable letter of intent that was submitted according to WAC 246-310-080.

The applicable Letter of Intent is provided in [Exhibit 1](#).

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

IHS.FS. _____

Medicare #: _____

Medicaid #: _____

We confirm that Annexia Home Health will be licensed by Medicare and Medicaid following Certificate of Need approval. However, it is not currently Medicare and Medicaid certified.

Section 3: Certificate of Need Review Criteria

A. Need (WAC 246-310-210)

WAC 246-310-210 provides general criteria for an applicant to demonstrate need for healthcare facilities or services in the planning area. Documentation provided in this section must demonstrate that the proposed agency will be needed, available, and accessible to the community it proposes to serve. Some of the questions below only apply to existing agencies proposing to expand. For any questions that are not applicable to your project, explain why.

1. List all home health providers currently operating in the planning area.

The following home health agencies are currently operating in King County.

Table 1: Home Health Agencies in King County

#	Credential Number	Facility Name	Site City	Status	Medicare Certified?	Exclude/ Include?
1	IHS.FS.00000028	Home Care by Wesley	Kent	Active	No	Exclude
2	IHS.FS.00000042	Lincare Inc.	Kent	Active	No	Exclude
3	IHS.FS.00000096	Right At Home	Seattle	Active	No	Exclude
4	IHS.FS.00000111	AccentCare of Washington	Renton	Active	No	Exclude
5	IHS.FS.00000142	New Care Concepts	Seattle	Active	No	Exclude
6	IHS.FS.00000201	A and B Healthcare and Staffing	Federal Way	Active	No	Exclude
7	IHS.FS.00000204	Alliance Nursing	Woodinville	Active	No	Exclude
8	IHS.FS.00000214	American Healthcare Services	Seattle	Active	No	Exclude
9	IHS.FS.00000215	Amicable Health Care	Seatac	Active	Yes	Include
10	IHS.FS.00000227	Ashley House	Federal Way	Active	No	Exclude

11	IHS.FS.00000232	Bayview / Bayview Home Care	Seattle	Active	No	Exclude
12	IHS.FS.00000252	Chesterfield Health Services	Seattle	Active	No	Exclude
13	IHS.FS.00000253	Children's Country Home	Woodinville	Active	No	Exclude
14	IHS.FS.00000278	EvergreenHealth Home Care Services	Kirkland	Active	Yes	Include
15	IHS.FS.00000293	CenterWell Home Health	Kent	Active	Yes	Include
16	IHS.FS.00000305	Kaiser Permanente Home Health and Hospice	Seattle	Active	Yes	Include
17	IHS.FS.00000309	Health People Inc,	Kirkland	Active	No	Exclude
18	IHS.FS.00000350	Jewish Family Service	Seattle	Active	No	Exclude
19	IHS.FS.00000398	Option Care	Tukwila	Active	No	Exclude
20	IHS.FS.00000417	Providence Infusion and Pharmacy Services	Tukwila	Active	No	Exclude
21	IHS.FS.00000427	Rotech	Renton	Active	No	Exclude
22	IHS.FS.00000433	Sea Mar Home Health / Sea Mar Home Care	Seattle	Active	Yes	Include
23	IHS.FS.60001472	EKL Health	Woodinville	Active	No	Exclude
24	IHS.FS.60007888	Careage Home Health	Bellevue	Active	Yes	Include
25	IHS.FS.60073462	Optum Women's and Children's Health LLC	Renton	Active	No	Exclude
26	IHS.FS.60082962	Husky Senior Care	Kirkland	Active	No	Exclude
27	IHS.FS.60103446	Careage At Home	Bellevue	Active	Yes	Include
28	IHS.FS.60103742	Kline Galland Benaroya Community Services	Seattle	Active	Yes	Include

29	IHS.FS.60151137	Synergy Home Care Seattle	Seattle	Active	No	Exclude
30	IHS.FS.60276500	Wesley Health and Homecare	Des Moines	Active	Yes	Include
31	IHS.FS.60291296	Judson Park	Des Moines	Active	No	Exclude
32	IHS.FS.60304119	TheKey of Washington, LLC	Seattle	Active	No	Exclude
33	IHS.FS.60306801	Senior Helpers of Seattle	Auburn	Active	No	Exclude
34	IHS.FS.60340573	Evergreen In Home Care LLC	Bellevue	Active	No	Exclude
35	IHS.FS.60378260	Renton Divine Homecare LLC	Normandy Park	Active	No	Exclude
36	IHS.FS.60610351	Ro Health	Seattle	Active	No	Exclude
37	IHS.FS.60631342	Universal Home Care LLC	Seattle	Active	No	Exclude
38	IHS.FS.60653263	Visiting Angels Snoqualmie Valley/Maple Valley	Maple Valley	Active	No	Exclude
39	IHS.FS.60660148	Serengeti Care	Renton	Active	No	Exclude
40	IHS.FS.60664985	Mercy Home Care	Seatac	Active	No	Exclude
41	IHS.FS.60716334	Caring Hearts	Bellevue	Active	No	Exclude
42	IHS.FS.60819258	Muckleshoot Elders In Home Support Serves	Auburn	Active	No	Exclude
43	IHS.FS.60871359	D.C.S. LLC	Covington	Active	No	Exclude
44	IHS.FS.60871865	Eden Home Health	Kirkland	Active	Yes	Include
45	IHS.FS.60876098	Dependable Staffing and Home Health Services	Federal Way	Active	No	Exclude
46	IHS.FS.60889708	Interim Healthcare of Bellevue	Bellevue	Active	No	Exclude

47	IHS.FS.60904213	ICHS PACE at Legacy House	Seattle	Active	No	Exclude
48	IHS.FS.60907239	Day by Day Nursing Services	Seattle	Active	No	Exclude
49	IHS.FS.60950400	Sofavi Home Health LLC	Seattle	Active	No	Exclude
50	IHS.FS.60959298	Childress Nursing Services DBA: CNS, Complete Nurturing Solutions	Renton	Active	No	Exclude
51	IHS.FS.61006746	Kin on Health Care Center	Seattle	Active	No	Exclude
52	IHS.FS.61035006	Amedisys Home Health	Bellevue	Active	Yes	Include
53	IHS.FS.61078336	Goldencare Homecare LLC	Seatac	Active	No	Exclude
54	IHS.FS.61090653	Restoration Health Services	Federal Way	Active	No	Exclude
55	IHS.FS.61100576	Aristo Healthcare Services, LLC	Renton	Active	No	Exclude
56	IHS.FS.61107218	BrightStar Care of Bellevue and North Seattle	Kirkland	Active	No	Exclude
57	IHS.FS.61108148	Haven Home Health Care	Federal Way	Active	Yes	Include
58	IHS.FS.61129589	Silver Pacific Home Health	Bellevue	Active	No	Exclude
59	IHS.FS.61143217	Light Within Home Health	Kent	Active	No	Exclude
60	IHS.FS.61173807	New Life Home Healthcare	Renton	Active	No	Exclude
61	IHS.FS.61186662	Assured Home Health	Redmond	Active	Yes	Include
62	IHS.FS.61205186	Elite Care Northwest Corporation	Seattle	Active	No	Exclude

63	IHS.FS.61239698	MGA Homecare	Renton	Active	No	Exclude
64	IHS.FS.61245594	Kin on Health Care Center	Seattle	Active	No	Exclude
65	IHS.FS.61293991	Eden Hospice	Kirkland	Active	No	Exclude
66	IHS.FS.61298549	Choice Home Healthcare Agency LLC	Kent	Active	No	Exclude
67	IHS.FS.61325814	Magenta Care	Seattle	Active	No	Exclude
68	IHS.FS.61367715	Timber Ridge Assistance in Living (TRAIL)	Issaquah	Active	No	Exclude
69	IHS.FS.61379202	Heart and Soul Hospice	Renton	Active	No	Exclude
70	IHS.FS.61407976	Unity Home Health	Tukwila	Active	No	Exclude
71	IHS.FS.61428561	AccentCare Hospice & Palliative Care of King County	Renton	Active	No	Exclude
72	IHS.FS.61485352	Annexia Home Health	Federal Way	Active	No	Exclude
73	IHS.FS.61493424	Pristine Health	Seattle	Active	No	Exclude
74	IHS.FS.61517002	Proactive Home Health	Kenmore	Active	No	Exclude
75	IHS.FS.61529228	Prestige Home Healthcare LLC	Bellevue	Active	No	Exclude
76	IHS.FS.61530916	Shining Home Healthcare Services LLC	Kent	Active	No	Exclude
77	IHS.FS.61532155	Premier Home Healthcare Agency LLC	Seattle	Active	No	Exclude
78	IHS.FS.61535464	We Care Staffing	Mercer Island	Active	No	Exclude
79	IHS.FS.61546794	Care with Compassion Home Care LLC	Renton	Active	No	Exclude
80	IHS.FS.61557582	Aspire Serenity Home Health Care Inc	Kent	Active	No	Exclude

81	IHS.FS.61582876	Brooklyn Homecare and Medical Staffing LLC	Kent	Active	No	Exclude
82	IHS.FS.61618307	AccentCare Home Health of King County	Renton	Active	No	Exclude
83	IHS.FS.61628496	Family Hospice Services LLC	Bellevue	Active	No	Exclude
84	IHS.FS.61634624	Providence at Home with Compassus Hospice Care, Puget Sound	Tukwila	Active	No	Exclude
85	IHS.FS.61634661	Providence at Home with Compassus Home Health, King	Tukwila	Active	Yes	Include
86	IHS.FS.61635924	Cloudland Home Care Limited Liability Company	Renton	Active	No	Exclude
87	IHS.FS.61666027	Hale & Hearty Care LLC	Bothell	Active	No	Exclude
88	IHS.FS.61680392	Rainier Home Care	Federal Way	Active	No	Exclude

Sources:

Washington State Department of Health Facility Search Portal, accessed September 16, 2025.¹

<https://fortress.wa.gov/doh/facilitysearch/>

Centers for Medicare & Medicaid Services (CMS), Home Health Agency Provider Data, accessed September 16, 2025². <https://data.cms.gov/provider-data/dataset/6jpm-sxkc>

¹ Washington State Department of Health Facility Search Portal, accessed September 16, 2025. <https://fortress.wa.gov/doh/facilitysearch/>

² Centers for Medicare & Medicaid Services (CMS), Home Health Agency Provider Data, accessed September 16, 2025. <https://data.cms.gov/provider-data/dataset/6jpm-sxkc>

2. Complete the numeric methodology.

Annexia Home Health presents below its step-by-step method for projecting King County's home health utilization. This approach is grounded in the numeric need methodology outlined in the *1987 Washington State Health Plan (SHP), Volume 2, page 43*, and aligns with how the Department of Health has historically assessed the need for home health services under WAC 246-310-210.³

We begin with the latest data on King County's population by age groups: under 65; 65–79; and 80 and older, and apply use-rates and visit-per-user assumptions derived from the State Health Plan. By multiplying each cohort's projected population by the expected utilization rate and average number of visits, we estimate the total annual number of home-health visits required. That total is then divided by the State's benchmark of 10,000 visits per agency to estimate how many home health agencies the county could support. Subtracting the number of existing Medicare certified agencies provides a clear picture of whether Annexia Home Health's entry is justified.

STEP 1 — Get King County population by Age Cohort

The following table 2 presents King County's projected population from 2025 to 2029, segmented by age cohort. Estimates are derived from OFM's FMA 2022 Medium - Series forecasts⁴. Static age distributions are applied using ratios derived from the U.S. Census Bureau's American Community Survey (ACS) 2019–2023 5-Year Estimates and Neilsberg demographic analysis⁵⁶.

The cohort's age distribution is as follows: Age 0-64: ~84.3%, Age 65-79: ~ 10.1%, and Age 80+:~5.6%.

³ Washington State Department of Health. *1987 State Health Plan: Volume 2*. Olympia, WA: Washington DOH, 1987. p. 43. Available at: https://doh.wa.gov/sites/default/files/legacy/Documents/2300/1987_State_Health_Plan_Vol_2.pdf (Accessed September 16, 2025).

⁴ Washington State Office of Financial Management (2022). *GMA 2022 1-Year County Population Projections – Medium Series*. Available at: <https://ofm.wa.gov/washington-data-research/population-demographics/population-forecasts-and-projections/state-population-forecast>

⁵ U.S. Census Bureau. *American Community Survey (ACS) 5-Year Estimates, 2019–2023*. Accessed via: <https://data.census.gov>

⁶ Neilsberg. *King County, WA Population by Gender and Age – 2025 Update*. Available at: <https://www.neilsberg.com/insights/king-county-wa-population-by-gender/>

Table 2: King County population by age cohort

Year	Age 0–64	Age 65–79	Age 80+	Total Population
2025	2,004,472	239,342	96,397	2,340,211
2026	2,016,499	244,129	100,733	2,361,361
2027	2,028,598	249,011	105,276	2,382,885
2028	2,040,770	253,991	110,035	2,404,796
2029	2,053,016	259,071	115,017	2,427,104

STEP 2 — Estimate how many people in each cohort will use home health.

Multiply each cohort by the plan’s penetration rate:

- Under 65: 0.5% (0.005)
- 65-79: 4.4% (0.044)
- 80+: 18.3% (0.183)

Table 3: Projected Number of Home Health Patients

Age Cohort	Use Rate	2025 (Year 0)	2026 (Year 1)	2027 (Year 2)	2028 (Year 3)	2029 (Year 4)
0-64	0.005	10,022.36	10,082.50	10,142.99	10,203.85	10,265.08
65-79	0.044	10,531.05	10,741.68	10,956.48	11,175.60	11,399.12
80+	0.183	17,640.65	18,434.14	19,265.51	20,136.41	21,048.11

STEP 3 — Project the number of annual visits.

Multiply the result for each cohort by the plan’s average visits per patient:

- Under 65 users × **10** visits
- 65–79 users × **14** visits
- 80+ users × **21** visits

Then sum for **Total Projected Home Health Visits**.

Table 4: Projected Number of Home Health Visits

Age Cohort	Visits	2025 (Year 0)	2026 (Year 1)	2027 (Year 2)	2028 (Year 3)	2029 (Year 4)
0-64	10	100,224	100,825	101,430	102,039	102,651
65-79	14	147,435	150,383	153,391	156,458	159,588
80+	21	370,454	387,117	404,576	422,865	442,010
Total HH Visits		618,113	638,325	659,397	681,362	704,249

STEP 4 — Determine the gross projected number of home health agencies needed.

This is done by dividing the total projected visits by 10,000 (the State’s benchmark for one home health agency) to determine the number of agencies the county can support. The SHP specifies that fractions are rounded to the nearest whole number.

Table 5: Projected Gross Need of Home Health Agencies in King County

Age Cohort	Visits	2025 (Year 0)	2026 (Year 1)	2027 (Year 2)	2028 (Year 3)	2029 (Year 4)
0-64	10	100,224	100,825	101,430	102,039	102,651
65-79	14	147,435	150,383	153,391	156,458	159,588
80+	21	370,454	387,117	404,576	422,865	442,010
Total HH Visits		618,113	638,325	659,397	681,362	704,249
Target Minimum		10,000	10,000	10,000	10,000	10,000
Number of Agencies Needed		61.81	63.83	65.94	68.14	70.42
Gross Need of Agencies		61	63	65	68	70

STEP 5 — Determine the projected number of home health agencies needed.

In this step, the calculated gross need for home health agencies is adjusted by subtracting the number of currently certified agencies operating in King County, the designated planning area. The result represents the net need and indicates whether approval of additional agencies is justified under the Department’s numeric methodology.

Table 6: Projected Net Need of Home Health Agencies in King County

Age Cohort	Visits	2025 (Year 0)	2026 (Year 1)	2027 (Year 2)	2028 (Year 3)	2029 (Year 4)
0-64	10	100,224	100,825	101,430	102,039	102,651
65-79	14	147,435	150,383	153,391	156,458	159,588
80+	21	370,454	387,117	404,576	422,865	442,010
Total HH Visits		618,113	638,325	659,397	681,362	704,249
Target Minimum		10,000	10,000	10,000	10,000	10,000
Gross Need of Agencies		61	63	65	68	70
Existing Supply of Certified Agencies		14	14	14	14	14
Net Need of Agencies		47	49	51	54	56

3. If applicable, provide a discussion identifying which agencies identified in response to Question 1 should be excluded from the numeric need methodology and why. Examples for exclusion could include but are not limited to: not serving the entire geography of the planning area, being exclusively dedicated to DME, infusion, or respiratory care, or only serving limited groups.

We are intentionally limiting our scope to include only Medicare and Medicaid certified home health agencies. This decision is guided by the following key considerations:

- **Equity in Access:** Agencies without Medicare and Medicaid certification typically do not provide services that are fully accessible to all residents of King County—especially individuals from low-income backgrounds and elderly populations who primarily rely on government-funded healthcare programs.
- **Regulatory Alignment:** Some organizations identified in Question 1 may provide healthcare-related services (e.g. DME, infusion, respiratory care, non-skilled home care), but do not meet the official criteria for classification as home health providers under CMS guidelines and Washington Administrative Code (WAC) definitions. Including such entities could lead to inconsistencies in service standards and compliance.

Out of the **88 agencies** currently operating in King County, 74 agencies were excluded based on one or more of the following criteria.

- Lack of Medicare and Medicaid certification
- Service specialization limited to DME, infusion, Non-skilled home care, staffing, hospice or respiratory care
- Restricted geographic coverage or population served
- Absence of full-spectrum skilled home health services

The exclusions are detailed in [Table 7](#) below

Table 7: Excluded Agencies

#	Credential Number	Facility Name	Site City	Status	Comments	Medicare Certified?	Exclude/ Include?
1	IHS.FS.00000028	Home Care by Wesley	Kent	Active		No	Exclude
2	IHS.FS.00000042	Lincare Inc.	Kent	Active	Respiratory care & supplies	No	Exclude
3	IHS.FS.00000096	Right At Home	Seattle	Active		No	Exclude
4	IHS.FS.00000111	AccentCare of Washington	Renton	Active	Hospice & Palliative Care	No	Exclude
5	IHS.FS.00000142	New Care Concepts	Seattle	Active		No	Exclude
6	IHS.FS.00000201	A and B Healthcare and Staffing	Federal Way	Active	Home Care & staffing	No	Exclude
7	IHS.FS.00000204	Alliance Nursing	Woodinville	Active		No	Exclude
8	IHS.FS.00000214	American Healthcare Services	Seattle	Active		No	Exclude
9	IHS.FS.00000227	Ashley House	Federal Way	Active		No	Exclude
10	IHS.FS.00000232	Bayview / Bayview Home Care	Seattle	Active		No	Exclude
11	IHS.FS.00000252	Chesterfield Health Services	Seattle	Active		No	Exclude
12	IHS.FS.00000253	Children's Country Home	Woodinville	Active	Serves children	No	Exclude
13	IHS.FS.00000309	Health People Inc,	Kirkland	Active		No	Exclude

14	IHS.FS.00000350	Jewish Family Service	Seattle	Active	Serves a small demographic & its not clear if they offer Skilled services	No	Exclude
15	IHS.FS.00000398	Option Care	Tukwila	Active	Infusion therapy	No	Exclude
16	IHS.FS.00000417	Providence Infusion and Pharmacy Services	Tukwila	Active	Infusion & Pharmacy	No	Exclude
17	IHS.FS.00000427	Rotech	Renton	Active	home respiratory and medical supplier.	No	Exclude
18	IHS.FS.60001472	EKL Health	Woodinville	Active	No website	No	Exclude
19	IHS.FS.60073462	Optum Women's and Children's Health LLC	Renton	Active	Care for a small select demographic-Women & children	No	Exclude
20	IHS.FS.60082962	Husky Senior Care	Kirkland	Active	Home Care Services	No	Exclude
21	IHS.FS.60151137	Synergy Home Care Seattle	Seattle	Active		No	Exclude
22	IHS.FS.60291296	Judson Park	Des Moines	Active	Senior living facility	No	Exclude
23	IHS.FS.60304119	TheKey of Washington, LLC	Seattle	Active		No	Exclude
24	IHS.FS.60306801	Senior Helpers of Seattle	Auburn	Active	Possibly non-skilled	No	Exclude
25	IHS.FS.60340573	Evergreen In Home Care LLC	Bellevue	Active		No	Exclude

26	IHS.FS.60378260	Renton Divine Homecare LLC	Normandy Park	Active	Possibly only non-skilled	No	Exclude
27	IHS.FS.60610351	Ro Health	Seattle	Active	Homecare staffing	No	Exclude
28	IHS.FS.60631342	Universal Home Care LLC	Seattle	Active		No	Exclude
29	IHS.FS.60653263	Visiting Angels Snoqualmie Valley/Maple Valley	Maple Valley	Active		No	Exclude
30	IHS.FS.60660148	Serengeti Care	Renton	Active		No	Exclude
31	IHS.FS.60664985	Mercy Home Care	Seatac	Active		No	Exclude
32	IHS.FS.60716334	Caring Hearts	Bellevue	Active	No information available online	No	Exclude
33	IHS.FS.60819258	Muckleshoot Elders In Home Support Serves	Auburn	Active	no info available	No	Exclude
34	IHS.FS.60871359	D.C.S. LLC	Covington	Active	No info	No	Exclude
35	IHS.FS.60876098	Dependable Staffing and Home Health Services	Federal Way	Active	Staffing & Non-skilled services only	No	Exclude
36	IHS.FS.60889708	Interim Healthcare of Bellevue	Bellevue	Active		No	Exclude
37	IHS.FS.60904213	ICHS PACE at Legacy House	Seattle	Active	no info on HH services	No	Exclude
38	IHS.FS.60907239	Day by Day Nursing Services	Seattle	Active		No	Exclude
39	IHS.FS.60950400	Sofavi Home Health LLC	Seattle	Active	no info	No	Exclude

40	IHS.FS.60959298	Childress Nursing Services DBA: CNS, Complete Nurturing Solutions	Renton	Active	Fertility services	No	Exclude
41	IHS.FS.61006746	Kin on Health Care Center	Seattle	Active	Offers services to Asians only	No	Exclude
42	IHS.FS.61078336	Goldencare Homecare LLC	Seatac	Active		No	Exclude
43	IHS.FS.61090653	Restoration Health Services	Federal Way	Active	Staffing & Non skilled services	No	Exclude
44	IHS.FS.61100576	Aristo Healthcare Services, LLC	Renton	Active	Staffing	No	Exclude
45	IHS.FS.61107218	BrightStar Care of Bellevue and North Seattle	Kirkland	Active	Staffing & Non Skilled	No	Exclude
46	IHS.FS.61129589	Silver Pacific Home Health	Bellevue	Active	Staffing & Non Skilled	No	Exclude
47	IHS.FS.61143217	Light Within Home Health	Kent	Active		No	Exclude
48	IHS.FS.61173807	New Life Home Healthcare	Renton	Active		No	Exclude
49	IHS.FS.61205186	Elite Care Northwest Corporation	Seattle	Active		No	Exclude
50	IHS.FS.61239698	MGA Homecare	Renton	Active		No	Exclude
51	IHS.FS.61245594	Kin on Health Care Center	Seattle	Active	Offers services to Asians only	No	Exclude
52	IHS.FS.61293991	Eden Hospice	Kirkland	Active	Hospice & Home Health	No	Exclude
53	IHS.FS.61298549	Choice Home Healthcare Agency LLC	Kent	Active		No	Exclude

54	IHS.FS.61325814	Magenta Care	Seattle	Active		No	Exclude
55	IHS.FS.61367715	Timber Ridge Assistance in Living (TRAIL)	Issaquah	Active	Assisted Living	No	Exclude
56	IHS.FS.61379202	Heart and Soul Hospice	Renton	Active	Hospice	No	Exclude
57	IHS.FS.61407976	Unity Home Health	Tukwila	Active	Home Health - no info	No	Exclude
58	IHS.FS.61428561	AccentCare Hospice & Palliative Care of King County	Renton	Active	Hospice	No	Exclude
59	IHS.FS.61485352	Annexia Home Health	Federal Way	Active		No	Exclude
60	IHS.FS.61493424	Pristine Health	Seattle	Active	Staffing agency	No	Exclude
61	IHS.FS.61517002	Proactive Home Health	Kenmore	Active	No info	No	Exclude
62	IHS.FS.61529228	Prestige Home Healthcare LLC	Bellevue	Active		No	Exclude
63	IHS.FS.61530916	Shining Home Healthcare Services LLC	Kent	Active	no info	No	Exclude
64	IHS.FS.61532155	Premier Home Healthcare Agency LLC	Seattle	Active	no info	No	Exclude
65	IHS.FS.61535464	We Care Staffing	Mercer Island	Active	staffing agency	No	Exclude
66	IHS.FS.61546794	Care with Compassion Home Care LLC	Renton	Active		No	Exclude

67	IHS.FS.61557582	Aspire Serenity Home Health Care Inc	Kent	Active	No info	No	Exclude
68	IHS.FS.61582876	Brooklyn Homecare and Medical Staffing LLC	Kent	Active	Staffing & non skilled	No	Exclude
69	IHS.FS.61618307	AccentCare Home Health of King County	Renton	Active		No	Exclude
70	IHS.FS.61628496	Family Hospice Services LLC	Bellevue	Active	Hospice	No	Exclude
71	IHS.FS.61634624	Providence at Home with Compassus Hospice Care, Puget Sound	Tukwila	Active	Hospice	No	Exclude
72	IHS.FS.61635924	Cloudland Home Care Limited Liability Company	Renton	Active		No	Exclude
73	IHS.FS.61666027	Hale & Hearty Care LLC	Bothell	Active	No info	No	Exclude
74	IHS.FS.61680392	Rainier Home Care	Federal Way	Active	No info	No	Exclude

4. Explain why this application is not considered an unnecessary duplication of services for the proposed planning area. Provide any documentation to support the response.

i) Service Supply Gap

The following analysis draws from Annexia Home Health's internal modeling of King County's projected utilization. According to *Table 6: Projected Net Need of Home Health Agencies in King County*, the total number of home health visits is expected to grow from **618,113 in 2025 to over 704,000 by 2029**. The **80+ age cohort alone is projected to account for more than 442,000 visits by 2029**, underscoring the disproportionate demand among older adults.

This rising utilization translates into a measurable service supply gap. Based on projected need:

- The **gross need for home health agencies** will increase from **approximately 62 in 2025** to over **70 by 2029**, representing an **increase of nearly 14%** in just four years.
- In contrast, the **current supply remains stagnant at only 14 agencies** throughout the forecast period.
- This creates a widening **net shortfall**, growing from **48 additional agencies needed in 2025** to **56 by 2029**.

These figures highlight not just a theoretical demand, but a measurable and actionable service deficit. Without the addition of new certified providers, Medicare beneficiaries, particularly those in low-income, suburban, and high-need communities, will continue to encounter limited provider options, delays in care initiation, and disjointed care coordination.

Annexia Home Health's certification would directly help close this growing access gap by expanding provider capacity and delivering responsive, high-quality services to areas most affected by the shortfall.

ii) Population Demand and Demographics

King County, Washington's most populous jurisdiction, is projected to exceed 2.37 million residents by 2025, with nearly 15% aged 65 and older, according to the Washington State Office of Financial Management (OFM) GMA 2022 Medium-Series

Forecasts.⁷ This demographic shift reflects a rapidly expanding cohort of Medicare beneficiaries in need of skilled nursing, chronic disease management, and rehabilitative therapy delivered in the home.

Securing certification will position Annexia Home Health to provide accessible, covered services tailored to this high-need population, supporting aging in place while easing pressure on institutional care settings.

- 5. For existing agencies, using the table below, provide the home health agency's historical utilization broken down by county for the last three full calendar years.**

County	Identify Year	Identify Year	Identify Year
Total number of admissions			
Total number of visits			
Average number of visits/patient			

This criterion does not apply to Annexia Home Health as it is not Medicare and Medicaid certified.

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

Annexia Home Health's utilization projections are as shown on Table 8 below.

Table 8: Utilization Projections for Annexia Home Health, King County

King County	2026	2027	2028	2029
Total number of admissions	336	521	628	741
Total number of visits	6,383	9,891	11,924	14,085
Projected number of visits/patient	19	19	19	19

⁷ Washington State Office of Financial Management (2022). *GMA 2022 1-Year County Population Projections – Medium Series*. Available at: [OFM Population Forecasts](#)

The projected number of residents in King County requiring home health services continues to rise annually. Based on the home health need projections outlined in Table 4, the following projections have been made:

- **2025:** 618,113 home health visits
- **2026:** 638,325 home health visits
- **2027:** 659,397 home health visits
- **2028:** 681,362 home health visits
- **2029:** 704,249 home health visits

As Annexia Home Health will not be operational until 2026, no services are expected to be provided in 2025. Following Medicare certification, Annexia intends to serve a modest yet meaningful portion of the county's need:

- **1.0%** of the projected visits in 2026
- **1.5%** in 2027
- **1.75%** in 2028
- **2.00%** in 2029

These projections translate into a substantial number of yearly home health visits delivered by Annexia Home Health:

- **6,383 visits** in 2026
- **9,891 visits** in 2027
- **11,924 visits** in 2028
- **14,085 visits** in 2029

This phased approach allows Annexia Home Health to address current service gaps without overextending system capacity or duplicating existing efforts. Our estimates are grounded in 2023 CMS data, which indicate that the average home health patient receives approximately 19 visits per year in Washington State.

These projected service volumes are summarized in Table 8 and illustrate how Annexia Home Health will support the county's growing need for Medicare-certified home health services, particularly in underserved communities.

Table 9: Projected Utilization Assumptions

Utilization Assumptions	2026	2027	2028	2029
King County Visits Projections	638,325	659,397	681,362	704,249
Assumed Market Share	1%	1.5%	1.75%	2.00%
Months of Operation	12	12	12	12
Home Health Visits	6,384	9,891	11,924	14,085
Average Visits Per Patient In WA	19	19	19	19
Unduplicated Admission	336	521	628	742
<ul style="list-style-type: none"> Assumes start date of Jan 1, 2026 				
<p>Source: Centers for Medicare & Medicaid Services (CMS), Medicare Home Health Agency Utilization by State, CY 2023.⁸ Retrieved from https://www.cms.gov/files/document/medicare-home-health-agency-utilization-state.xlsx-0</p>				

Table 10: Visits by Discipline Distribution Assumptions

Discipline Category	Percentage (%)
Skilled Nursing	40%
Physical Therapy	35%
Occupational Therapy	12%
Speech Pathology	2%
Medical Social Worker	1%
Home Health Aide	10%

⁸ Centers for Medicare & Medicaid Services (CMS). Medicare Home Health Agency Utilization by State, Calendar Year 2023. Available at: <https://www.cms.gov/files/document/medicare-home-health-agency-utilization-state.xlsx-0>

7. Identify any factors in the planning area that could restrict patient access to home health services.

- Limited home health agencies in King county
- Lack of/inadequate health insurance coverage
- Rural or remote areas may lack agencies willing or able to travel long distances thus limiting service availability
- Shortage of home health nurses, aides and therapists
- Homes that lack basic safety features such as plumbing or space for medical equipment may be deemed unsuitable for in home care
- Limited English proficiency or lack of culturally competent care can prevent individuals from understanding or feeling comfortable with home health services
- Some individuals may feel uncomfortable receiving care at home due to privacy concerns, fear of judgment, or a preference for facility-based care

8. Explain why this application is not considered an unnecessary duplication of services for the proposed planning area. Provide any documentation to support the response.

Based on the numerical methodology data, there is a notable shortage of home health agencies operating in King County. This gap in service availability highlights a clear and growing need for additional providers. In this context, the services offered by Annexia Home Health will not replicate those already in place; rather, they will strategically complement existing resources. By entering the market with a focused and measured approach, Annexia Home Health aims to enhance care access, particularly in underserved areas, without overwhelming the system or contributing to redundancy.

9. Confirm the proposed agency will be available and accessible to the entire planning area.

Annexia Home Health confirms that all services will be available and accessible to all residents of King County.

10. Identify how this project will be available and accessible to underserved groups.

Upon Medicare certification, Annexia Home Health will launch with a strategic focus on serving historically underserved populations across King County. Through partnerships with hospitals, clinics, and community organizations, the agency will extend care to

individuals facing chronic health conditions, limited mobility, language or cultural barriers, and socioeconomic challenges. Services will be delivered by a culturally diverse, multilingual team trained in inclusive communication and trauma-informed care. Service areas will be mapped to prioritize neighborhoods with the greatest need, and technology will support coordination and timely delivery, even in regions with limited infrastructure.

To ensure financial and systemic accessibility, Annexia Home Health will implement a robust charity care policy for uninsured or underinsured individuals. Care coordinators will help patients navigate Medicare, Medicaid, and supplemental programs while offering flexible billing options. The agency will also establish inclusive feedback channels to continuously adapt to community needs. Equity and accessibility are central to Annexia Home Health's mission, ensuring that every resident of King County, regardless of background, has access to high-quality, respectful, and patient-centered home health care.

11. 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 related with patient access (involuntary discharge)**

The above policies are provided in the following exhibits:

- [Admissions Policy - Exhibit 2](#)
- [Charity care - Exhibit 3](#)
- [Patient Rights and Responsibilities policy - Exhibit 4](#)
- [Non-discrimination policy - Exhibit 5](#)
- [Referral & Intake - Exhibit 6](#)
- [Patient Transfer & Discharge - Exhibit 7](#)

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

Financial feasibility of a home health project is based on the criteria in WAC 246-310-220.

1. 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 revenue and expense projections for at least the first three full calendar years of operation using at a minimum the following Revenue and Expense categories identified at the end of this question. Include all assumptions.
 - Pro Forma balance sheet for the current year and at least the first three full calendar years of operation. Include all assumptions.
 - For existing agencies proposing addition of another county, provide historical revenue and expense statements, including the current year.

Ensure these are in the same format as the proforma projections. For incomplete years, identify whether the data is annualized.

Revenue

Medicare, including Managed Care
Medicaid, including Managed Care
Private Pay
Other, [TriCare, Veterans, LNI, etc.] detail what is included
Non-operating revenue

Expenses

Advertising
Allocated Costs
B & O Taxes
Depreciation and Amortization

Dues and Subscriptions
Education and Training
Employee Benefits
Equipment Rental
Information Technology/Computers
Insurance
Interest
Legal and Professional
Licenses and Fees
Medical Supplies
Payroll Taxes
Postage

Deductions from Revenue:
(Charity)
(Provision for Bad Debt)
(Contractual Allowances)

Purchased Services (utilities, other)
Rental/Lease
Repairs and Maintenance
Salaries and Wages (DNS, RN, OT, clerical, etc.)
Supplies
Telephone/Pagers
Travel (patient care, other)
Other, detail what is included

→ **Utilization Projections**

Annexia Home Health's utilization projections are presented below.

Table 8: Utilization Projections for Annexia Home Health, King County

King County	2026	2027	2028	2029
Total number of admissions	336	521	628	741
Total number of visits	6,383	9,891	11,924	14,085
Projected number of visits/patient	19	19	19	19

Table 9: Projected Utilization Assumptions

Utilization Assumptions	2026	2027	2028	2029
King County Visits Projections	638,325	659,397	681,362	704,249
Assumed Market Share	1%	1.5%	1.75%	2.00%
Months of Operation	12	12	12	12
Home Health Visits	6,384	9,891	11,924	14,085
Average Visits Per Patient In WA	19	19	19	19
Unduplicated Admission	336	521	628	742
<ul style="list-style-type: none"> Assumes start date of Jan 1, 2026 				
Source: Medicare Home Health Utilization by state 2023				

Table 11: Payer Mix Assumptions

Payer	Percentage
Medicare	82.00%
Medicaid	16.00%
Commercial/Other Insurance	2.00%
	100.00%

Table 12: Number of Visits Per Payer Type

Payer	2026	2027	2028	2029
Medicare	5,234	8,111	9,778	11,550
Medicaid	1,021	1,583	1,908	2,254
Commercial/Other Insurance	128	198	238	282
Total Visits	6,383	9,891	11,924	14,085

Table 10: Visit by Discipline Distribution Assumptions

Discipline Category	Percentage (%)
Skilled Nursing	40%
Physical Therapy	35%
Occupational Therapy	12%
Speech Pathology	2%
Medical Social Worker	1%
Home Health Aide	10%

Table 13: Visit by Discipline Category

Discipline	2026	2027	2028	2029
Skilled Nursing	2,553	3,956	4,770	5,634
Physical Therapy	2,234	3,462	4,173	4,930
Occupational Therapy	766	1,187	1,431	1,690
Speech Pathology	128	198	238	282
Medical Social Worker	64	99	119	141
Home Health Aide	638	989	1,192	1,408
Total Visits	6,383	9,891	11,924	14,085

Table 14: Per Visit Payer Rates - 2025

Discipline Category	Medicare	Medicaid	Commercial/Other
Skilled Nursing	\$172.73	\$145.81	\$159.27
Physical Therapy	\$188.79	\$155.40	\$172.10
Occupational Therapy	\$190.08	\$145.52	\$167.80
Speech Pathology	\$205.22	\$147.93	\$176.58
Medical Social Worker	\$276.85	\$196.92	\$236.89
Home Health Aide	\$78.20	\$73.67	\$75.94

Assumption 1: Commercial/Other insurance rate is an average of medicare & medicaid rates

Assumption 2: Payer rates remain constant 2026 through 2029

Sources: Centers for Medicare & Medicaid Services (CMS), CY 2025 Home Health Prospective Payment System Rates [CMS HH PPS Update](https://www.cms.gov/files/document/mm13838-home-health-prospective-payment-system-cy-2025-rate-update.pdf)⁹;

Washington State Health Care Authority, Home Health Fee Schedule [HCA Provider Resources](https://www.hca.wa.gov/billers-providers-partners)¹⁰

⁹ Centers for Medicare & Medicaid Services (CMS). CY 2025 Home Health Prospective Payment System Rate Update. Published September 2025. Available at: <https://www.cms.gov/files/document/mm13838-home-health-prospective-payment-system-cy-2025-rate-update.pdf>

¹⁰ Washington State Health Care Authority. Home Health Fee Schedule and Provider Billing Resources. Accessed September 2025. Available at: <https://www.hca.wa.gov/billers-providers-partners>

Table 15: Visits by Discipline & Payer (2026 -2029)												
	2026			2027			2028			2029		
Discipline	Medicare	Medicaid	Commercial	Medicare	Medicaid	Commercial	Medicare	Medicaid	Commercial	Medicare	Medicaid	Commercial
Skilled Nursing	2,094	409	51	3,244	633	79	3,911	763	95	4,620	901	113
Physical Therapy	1,832	357	45	2,839	554	69	3,422	668	83	4,042	789	99
Occupational Therapy	628	123	15	973	190	24	1,173	229	29	1,386	270	34
Speech Pathology	105	20	3	162	32	4	196	38	5	231	45	6
Medical Social Worker	52.34	10.21	1.28	81	16	2	98	19	2	115	23	3
Home Health Aide	523	102	13	811	158	20	978	191	24	1,155	225	28
Total Visits by Payer	5,234	1,021	128	8,111	1,583	198	9,778	1,908	238	11,550	2,254	282
TOTAL VISITS	6,383			9,891			11,924			14,085		

Table 16: Revenue by Discipline & Payer (2026 -2029)										
	2026			2027			2028			2029
Discipline	Medicare	Medicaid	Commercial	Medicare	Medicaid	Commercial	Medicare	Medicaid	Commercial	Commercial
Skilled Nursing	\$361,646	\$59,567	\$8,133	\$560,376	\$92,301	\$12,603	\$675,550	\$111,271	\$15,193	\$17,947
Physical Therapy	\$345,862	\$55,550	\$7,690	\$535,919	\$86,075	\$11,915	\$646,066	\$103,766	\$14,364	\$16,968
Occupational Therapy	\$119,391	\$17,835	\$2,571	\$184,999	\$27,635	\$3,983	\$223,022	\$33,315	\$4,802	\$5,672
Speech Pathology	\$21,484	\$3,022	\$451	\$33,289	\$4,682	\$699	\$40,131	\$5,644	\$842	\$995
Medical Social Worker	\$14,491	\$2,011	\$302	\$22,454	\$3,116	\$469	\$27,069	\$3,757	\$565	\$667
Home Health Aide	\$40,932	\$7,524	\$969	\$63,425	\$11,659	\$1,502	\$76,460	\$14,055	\$1,811	\$2,139
Total Revenue by Payer	\$903,806	\$145,509	\$20,116	\$1,400,462	\$225,468	\$31,171	\$1,688,298	\$271,808	\$37,577	\$44,388
GROSS REVENUE	\$1,069,431			\$1,657,101			\$1,997,684			\$2,359,756

→ Pro Forma Revenue and Expense Projections

Table 17: Pro Forma Revenue and Expense Projections (2026 -2029)

Annexia Home Health Pro Forma Revenue and Expense Projection				
REVENUE				
<i>Gross Revenue by Payer Mix</i>				
Payer Type	2026 Revenue	2027 Revenue	2028 Revenue	2029 Revenue
Medicare	\$903,806	\$1,400,462	\$1,688,298	\$1,994,295
Medicaid	\$145,509	\$225,468	\$271,808	\$321,073
Commercial/Other	\$20,116	\$31,171	\$37,577	\$44,388
Gross Revenue Subtotal	\$1,069,431	\$1,657,101	\$1,997,684	\$2,359,756
<i>Deductions from patient service revenue</i>				
Contractual Adjustments	\$ 71,723	\$ 111,136	\$ 133,977	\$ 158,260
Bad Debt	\$ 13,903	\$ 21,542	\$ 25,970	\$ 30,677
Charity Care	\$ 17,111	\$ 26,514	\$ 31,963	\$ 37,756
Total Deductions	\$ 102,736	\$ 159,191	\$ 191,910	\$ 226,693
Total Net Revenue	\$966,695	\$1,497,910	\$1,805,774	\$2,133,063
EXPENSES				
<i>Operating Expenses</i>				
Salaries	\$684,600	\$881,950	\$989,050	\$1,040,650
Benefits	\$136,920	\$176,390	\$197,810	\$208,130
Supplies	\$16,533	\$25,618	\$30,883	\$36,480
Base Rent	\$7,800.00	\$7,800.00	\$7,800.00	\$7,800.00
Other Property Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Information Technology/ Computer/ software Maintenance	\$750	\$750	\$750	\$750
Equipment	\$292	\$292	\$292	\$292
Education and Trainings	\$2,500	\$2,500	\$2,500	\$2,500
Purchased Services	\$59,364	\$91,986	\$110,892	\$130,990

Mileage & Travel	\$31,916	\$49,455	\$59,619	\$70,425
B&O Taxes	\$14,500	\$22,469	\$27,087	\$31,996
Licensing Fees	\$4,618	\$4,618	\$4,618	\$4,618
Other Expenses	\$7,022	\$10,880	\$13,116	\$15,493
Total Operating Expenses	\$966,815	\$1,274,707	\$1,444,416	\$1,550,124
<i>Non-Operating Expenses</i>				
Overhead Allocations	\$43,501	\$67,406	\$81,260	\$95,988
Depreciation & Amortization	\$2,500	\$2,500	\$2,500	\$2,500
Total Non-Operating Expenses	\$46,001	\$69,906	\$83,760	\$98,488
Total Expenses	\$1,012,816	\$1,344,613	\$1,528,176	\$1,648,612
Net Income	(\$46,121)	\$153,297	\$277,598	\$484,451

Table 18: Staffing Worksheet

Annexia Home Health Staffing Worksheet					
Clinical Staff by FTE	2026	2027	2028	2029	Annual Comp/FTE
Skilled Nursing	1.8	3.2	3.6	3.8	\$85,000
Physical Therapy	0.8	1	1.2	1.3	\$90,000
Physical Therapy Assistant	1.2	1.6	1.8	1.9	\$56,000
Occupational Therapy	0.5	0.6	0.8	0.9	\$90,000
Speech Pathology	0.15	0.18	0.21	0.23	\$105,000
Medical Social Worker	0.07	0.09	0.11	0.12	\$100,000
Home Health Aide	0.67	0.81	0.96	0.98	\$45,000
Total Clinical FTEs	5.19	7.48	8.68	9.23	

Management & Non-Clinical FTEs					Annual Comp
Manager/ Administrator	1.00	1.00	1.00	1.00	\$135,000
Director of Clinical Services	1.00	1.00	1.00	1.00	\$135,000
Administrative Assist/Clerical	0.70	1.20	1.60	1.80	\$35,000
Total Non-Clinical FTEs	2.70	3.20	3.60	3.80	
Total FTEs	7.89	10.68	12.28	13.03	

Table 19: Staff Salaries

Salaries	2026	2027	2028	2029	Note
Skilled Nursing	\$153,000	\$272,000	\$306,000	\$323,000	<i>FTE x Annual Comp</i>
Physical Therapy	\$72,000	\$90,000	\$108,000	\$117,000	<i>FTE x Annual Comp</i>
Physical Therapy Assistant	\$67,200	\$89,600	\$100,800	\$106,400	<i>FTE x Annual Comp</i>
Occupational Therapy	\$45,000	\$54,000	\$72,000	\$81,000	<i>FTE x Annual Comp</i>
Speech Pathology	\$15,750	\$18,900	\$22,050	\$24,150	<i>FTE x Annual Comp</i>
Medical Social Worker	\$7,000	\$9,000	\$11,000	\$12,000	<i>FTE x Annual Comp</i>
Home Health Aide	\$30,150	\$36,450	\$43,200	\$44,100	<i>FTE x Annual Comp</i>
Manager/Administrator	\$135,000	\$135,000	\$135,000	\$135,000	<i>FTE x Annual Comp</i>
Director of Clinical Services	\$135,000	\$135,000	\$135,000	\$135,000	<i>FTE x Annual Comp</i>
Administrative Assist/Clerical	\$24,500	\$42,000	\$56,000	\$63,000	<i>FTE x Annual Comp</i>
Total Salaries	\$684,600	\$881,950	\$989,050	\$1,040,650	

Table 20: Depreciation Worksheet

Annexia Home Health Depreciation Worksheet				
Column 1	Capital Expenditures	Useful Life (Years)	Monthly Depreciation	Column 2
Tenant Improvements	\$0	7	\$0	
Equipment	\$12,500	5	\$208	
	2026	2027	2028	2029
# of Months	12	12	12	12
Depreciation (TI)	\$0	\$0	\$0	\$0
Depreciation (Equipment)	\$2,500	\$2,500	\$2,500	\$2,500
Total Depreciation	\$2,500	\$2,500	\$2,500	\$2,500

Table 21: Financial Model Assumptions

Financial Model Assumptions
<p>Unless otherwise noted, the assumptions are based on the average of public documents for other home health projects similar to Annexia's proposed project ("Washington Benchmarks"). These included the approvals of Amicable Healthcare, Inc (CN #19-52) and Wellspring Home Health (CN #21-35) in King County, Providence Home Health (CN #20-24) in Clark County, Unity Home Health (CN #22-38) in King County, Puget Sound Home Health (CN# 24-055) of Thurston County, Universal Home Care (CN #23-32) in King County, and Eden Home Health (CN# 25-22) of Spokane County.</p>
Assumptions
<ul style="list-style-type: none"> Visit distribution by discipline remains constant each year: Visits Distribution by discipline categories are as follows: <ul style="list-style-type: none"> Skilled Nursing (40%), Physical Therapy (35%), Occupational Therapy (12%), Speech Pathology (2%), Medical Social Work (1%), Home Health Aide (10%) Payer rates are fixed at 2025 levels across years (conservative estimate). Commercial rates are the average of Medicare and Medicaid per discipline.

Table 23: Financial Model Assumptions Continued		
<i>Deductions from patient service revenue</i>	Calculation Method	Estimate
Contractual Adjustments		
Medicare	% of [Payer] Gross Revenue	7.00%
Medicaid	% of [Payer] Gross Revenue	5.30%
Commercial/Other	% of [Payer] Gross Revenue	3.70%
Bad Debt	% of Gross Revenue	1.30%
Charity Care	% of Gross Revenue	1.60%
<i>Operating Expenses</i>	Calculation Method	Estimate
Salaries	See staffing worksheet	See staffing worksheet
Benefits	% of Salaries	20%
Medical Director*	No Medical Director	\$0
Medical Supplies	Per Visit	\$2.59
Mileage & Travel	Per Visit	\$5.00
Base Rent	Sublease (Monthly)	\$650.00
Other Property Expenses	Sublease (Monthly)	\$0
Information Technology	Annual Amount Adj by # Months	\$9,000
Equipment	Annual Amount Adj by # Months	\$3,500
Maintenance	Annual Amount Adj by # Months	\$300.00
Purchased Services	Per Visit	\$9.30
B&O Tax	% of Net Revenue	1.50%
Licensing Fees	WAC 246-335-990	Initial licensing fee of \$3,832 in partial 2023. 24-month renewal fee in CY 2024 based on FTEs in that time period
Other Expenses	Per Visit	1.1
<i>Non-Operating Expenses</i>	Calculation Method	Estimate
Overhead Allocation	% of Net Revenue	4.50%
Depreciation & Amortization	See Depreciation Worksheet	See Depreciation Worksheet

Table 22: Pro Forma Balance Sheet

Annexia Home Health
Pro Forma Balance Sheet

	2025 (Setup)	2026 (Year 1)	2027 (Year 2)	2028 (Year 3)	2029 (Year 4)
ASSETS					
Current Assets					
Cash and Equivalents	\$110,168	\$108,781	\$261,448	\$533,694	\$1,005,284
Account Receivables (~8.33% (1 month) of Net Revenue)	\$0	\$80,526	\$124,776	\$150,421	\$177,684
Other Current Assets prepaids, supplies, fees)	\$13,832	\$15,000	\$20,000	\$25,000	\$30,000
Non-Current Assets					
Property, Plant & Equipment	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500
Accumulated Depreciation & Amortization	(\$2,500)	(\$5,000)	(\$7,500)	(\$10,000)	(\$12,500)
Net PP&E	\$10,000	\$7,500	\$5,000	\$2,500	\$0
Total Assets	\$134,000	\$218,256	\$424,874	\$732,465	\$1,241,019
LIABILITIES & EQUITY					
Current Liabilities					
Accounts Payable (~1.25 mo. OpEx)	\$9,000	\$100,710	\$132,782	\$150,460	\$161,471
Accrued Expenses (~2% Revenue)	\$0	\$19,334	\$29,958	\$36,115	\$42,661
Deferred Revenue (~2% Revenue)	\$0	\$19,334	\$29,958	\$36,115	\$42,661
Total Current Liabilities	\$9,000	\$139,378	\$192,698	\$222,691	\$246,794
Long Term Liabilities	\$0	\$0	\$0	\$0	
Total Liabilities	\$9,000	\$139,378	\$192,698	\$222,691	\$246,794
Equity					
Contributed Capital	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Retained Earnings (cumulative NI)	\$0	(\$46,121)	\$107,176	\$384,774	\$869,225
Total Equity	\$125,000	\$78,879	\$232,176	\$509,774	\$994,225
Total Liabilities + Equity	\$134,000	\$218,256	\$424,874	\$732,465	\$1,241,019

Pro Forma Balance Sheet Assumptions:

- **Startup Capital:** \$125,000 contributed in 2025; funds initial working capital, prepaids, equipment, and early operating expenses.
- **Cash & Equivalents:** Calculated as the balancing item:

Cash & Equivalents = (Total Liabilities - Total Equity) - Accounts Receivable + Other Current Assets + Net PP&E)

- **Accounts Receivable:** 1-month Net Revenue (~8.33%) (1-month collection cycle)
- **Other Current Assets:** Prepaids, supplies, licensing/regulatory fees.
- **Property, Plant & Equipment (PP&E):** Equipment purchased 2025 for \$12,500; depreciated \$2,500/year.
- **Accounts Payable:** 1.25 months of operating expenses each year.
- **Accrued Expenses:** ~2% of Net Revenue for payroll taxes, utilities, and small recurring obligations.
- **Deferred Revenue:** ~2% of Net Revenue to account for any prepayments from private payers
- **Long-Term Liabilities:** No long-term debt assumed; growth funded through retained earnings and startup capital.
- **Retained Earnings:** Cumulative net Income is rolled forward each year.

Table 23: Pro Forma Cash Flow Statement

Annexia Home Health Pro Forma Cash Flow Statement					
Startup Capital:		\$125,000.00			
Year	2025 (Setup)	2026 (Year 1)	2027 (Year 2)	2028 (Year 3)	2029 (Year 4)
Cash Flows from Operating Activities					
Net Income	\$0	(\$46,121)	\$153,297	\$277,598	\$484,451
Adjustments for Non-Cash Items:					
Depreciation & Amortization	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Changes in Working Capital:					
Accounts Receivable	\$0	(\$80,526)	(\$44,250)	(\$25,645)	(\$27,263)
Other Current Assets	(\$13,832)	(\$1,168)	(\$5,000)	(\$5,000)	(\$5,000)
Accounts Payable	\$9,000	\$91,710	\$32,072	\$17,678	\$11,011
Accrued Expenses	\$0	\$19,334	\$10,624	\$6,157	\$6,546
Deferred Revenue	\$0	\$19,334	\$10,624	\$6,157	\$6,546
Net Cash from Operations	(\$2,332)	\$5,063	\$159,868	\$279,446	\$478,790
Cash Flow from Investing					
CapEx (PP&E additions)	(\$12,500)	\$0	\$0	\$0	\$0
Financing Activities (Startup Capital)					
	\$125,000	\$0	\$0	\$0	\$0
Net Increase in Cash	\$110,168	\$5,063	\$159,868	\$279,446	\$478,790
Beginning Cash	\$0	\$110,168	\$115,231	\$275,098	\$554,544
Ending Cash	\$110,168	\$115,231	\$275,098	\$554,544	\$1,033,334

2. Provide the following agreements/contracts:

- Management agreement.
- Operating agreement
- Medical director agreement
- Joint Venture agreement

Note, all agreements above must be valid through at least the first three full years following completion or have a clause with automatic renewals. *Any agreements in draft form must include a document signed by both entities committing to execute the agreement as submitted following CN approval.*

None of the aforementioned agreements or contracts apply to the proposed project. Additionally, a medical director is not required for the provision of home health services. Annexia Home Health's Administrator meets the qualifications outlined in § 484.115, Condition of Participation: Personnel Qualifications, (a) Standard: Administrator, Home Health Agency.

3. Provide documentation of site control. This could include either a deed to the site or a lease agreement for the site.

If this is an existing home health agency and the proposed services would be provided from an existing main or branch office, provide a copy of the deed or lease agreement for the site. If a lease agreement is provided, the agreement must extend through at least the third full year following the completion of the project. Provide any amendments, addenda, or substitute agreements to be created as a result of this project to demonstrate site control.

If this is a new home health agency site, documentation of site control includes one of the following:

- a. An executed purchase agreement or deed for the site.
- b. A draft purchase agreement for the site. The draft agreement must include a document signed by both entities committing to execute the agreement as submitted following CN approval.
- c. An executed lease agreement for at least three years with options to renew for not less than a total of two years.
- d. A draft lease agreement. For Certificate of Need purposes, draft agreements are acceptable if the draft identifies all entities entering into the agreement,

outlines all roles and responsibilities of the entities, identifies all costs associated with the agreement, includes all exhibits referenced in the agreement. The draft agreement must include a document signed by both entities committing to execute the agreement as submitted following CN approval.

Please see [Exhibit 9](#) for a copy of the executed lease agreement between Annexia Health Services, LLC and MGRE 402 333, LLC.

4. Complete the table below with the estimated capital expenditure associated with this project. Capital expenditure is defined under WAC 246-310-010(10). 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

Table 24: Capital Expenditure	
Item	Cost
a. Land Purchase	\$
b. Utilities to Lot Line	\$
c. Land Improvements	\$
d. Building Purchase	\$
e. Residual Value of Replaced Facility	\$
f. Building Construction	\$
g. Fixed Equipment (not already included in the construction contract)	\$
h. Movable Equipment	\$12,500
i. Architect and Engineering Fees	\$
j. Consulting Fees	\$

k. Site Preparation	\$
l. Supervision and Inspection of Site	\$
m. Any Costs Associated with Securing the Sources of Financing (include interim interest during construction)	\$
i. Land	\$
ii. Building	\$
iii. Equipment	\$
iv. Other	\$
n. Washington Sales Tax	\$
Total Estimated Capital Expenditure	\$12,500

- 5. 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 each**

Annexia Home Health will be responsible for the estimated capital costs identified above.

- 6. Identify the amount of start-up costs expected to be needed for this project. Include any assumptions that went into determining the start-up costs. Start-up costs should include any non-capital expenditure expenses incurred prior to the facility opening or initiating the proposed service. If no start-up costs are expected, explain why.**

Table 25: Expected Startup Costs

Start-Up Operating Costs	Amount
Lease/Rent Commitments	\$ 8,400.00

Technology & Software	\$ 9,000.00
Licensing & Regulatory Fees	\$ 4,618.00
Recruitment and Training	\$ 6,000.00
Office Furniture and Supplies	\$ 3,500.00
CON Application Fee	\$ 24,666.00
Total Startup Cost	\$ 56,184.00

7. Identify the entity responsible for the start-up costs. If more than one entity is responsible, provide a breakdown of percentages and amounts for each.

Annexia Home Health shall assume full financial responsibility for all initial startup costs associated with the establishment and launch of the agency.

8. Explain how the project would or would not impact costs and charges for healthcare services in the planning area.

As illustrated in [Table 13: Payer Mix Assumptions](#), it is anticipated that approximately 90% or more of the patient population will be covered under Medicare and Medicaid programs. Consequently, Annexia Home Health's reimbursement rates will be largely determined by the standardized fee schedules established by the Centers for Medicare & Medicaid Services (CMS). Given this structure, the proposed initiative is not expected to result in any significant changes to the overall costs or charges associated with health services in King County.

9. Explain how the costs of the project, including any construction costs, will not result in an unreasonable impact on the costs and charges for healthcare services in the planning area.

The proposed project does not involve any new construction or significant capital improvements. At this time, Annexia Home Health does not foresee the need for facility buildouts, structural renovations, or high-cost infrastructure upgrades. The current operational and physical setup is adequate to support the scope of services outlined, allowing for efficient program implementation without incurring substantial startup expenditures.

10. Provide the projected payer mix by revenue and by patients by county as well as for the entire agency using the example table below. Medicare and Medicaid managed care plans should be included within the Medicare and Medicaid lines, respectively. If “other” is a category, define what is included in “other.”

Table 26: Payer Mix by Revenue & By Patients		
Payer Mix	Percentage of Gross Revenue	Percentage by Patient
Medicare	82%	82%
Medicaid	16%	16%
Other Payers (Commercial/Private)	2%	2%
Total	100%	100%

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

Annexia Home Health does not have historical utilization data or a historical payer mix to report. Therefore, this question is not applicable.

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

Table 27: Equipment Proposed for the Project			
Furniture	Quantity	Unit Cost	Total Cost
Desks	5	\$400	\$2,000
Office Chairs	10	\$150	\$1,500

Technology Equipment			
Computers	6	\$800	\$4,800
Tablets	8	\$300	\$2,400
Cellphones	3	\$400	\$1,200
Printer/Fax/Copier	1	\$600	\$600
Total			\$12,500

- 13. 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.**

Annexia Home Health will utilize existing reserves to cover the capital expenditure associated with this project. No external financing will be required. A formal letter of financial commitment is provided in [Exhibit 10](#).

- 14. If this project will be debt financed through a financial institution, provide a repayment schedule showing interest and principal amount for each year over which the debt will be amortized.**

This project will not involve financing through a financial institution; accordingly, this question does not apply.

- 15. Provide the most recent audited financial statements for:**

- The applicant, and
- Any parent entity responsible for financing the project.

Not applicable. Annexia Home Health has not undergone a financial audit to date and therefore does not have audited financial statements available.

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

Projects are evaluated based on the criteria in WAC 246-310-230 for staffing availability, relationships with other healthcare entities, relationships with ancillary and support services, and compliance with federal and state requirements. Some of the questions within this section have implications on financial feasibility under WAC 246-310-220.

1. Provide a table that shows FTEs [full time equivalents] by category for the county proposed in this application. All staff categories should be defined.

Table 28: FTE by Category				
Clinical Staff by FTE	2026	2027	2028	2029
Skilled Nursing	1.8	3.2	3.6	3.8
Physical Therapy	0.8	1	1.2	1.3
Physical Therapy Assistant	1.2	1.6	1.8	1.9
Occupational Therapy	0.5	0.6	0.8	0.9
Speech Pathology	0.15	0.18	0.21	0.23
Medical Social Worker	0.07	0.09	0.11	0.12
Home Health Aide	0.67	0.81	0.96	0.98
Total Clinical FTEs	5.19	7.48	8.68	9.23
Management & Non-Clinical FTEs				
Manager/ Administrator	1.00	1.00	1.00	1.00
Director of Clinical Services	1.00	1.00	1.00	1.00
Administrative Assist/Clerical	0.70	1.20	1.60	1.80
Total Non-Clinical FTEs	2.70	3.20	3.60	3.80
Total FTEs	7.89	10.68	12.28	13.03

2. If this application proposes the expansion of an existing agency into another county, provide an FTE table for the entire agency, including at least the most recent 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.

This is a new agency, therefore, this question is not applicable.

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

To support the proposed expansion of home health services in King County, Annexia Home Health Agency has developed a full-time equivalent (FTE) staffing model that spans calendar years 2026 through 2029. These projections are grounded in anticipated patient volume growth, service diversification, regulatory mandates, and operational efficiency benchmarks. The staffing model ensures that Annexia can deliver high-quality, interdisciplinary care while maintaining compliance and financial sustainability.

Clinical Staffing Assumptions

- **Patient Volume Growth**
Clinical FTEs scale proportionally with projected increases in patient census, driven by expanded referral networks, geographic outreach, and growing community demand for skilled home health services. Visit volumes are expected to rise from 6,383 in 2026 to 14,085 by 2029.
- **Interdisciplinary Service Delivery**
Staffing projections reflect Annexia's commitment to comprehensive care, including skilled nursing, physical therapy, occupational therapy, speech pathology, medical social work, and home health aide services. Incremental increases in therapy and aide FTEs support broader rehabilitative and supportive care offerings.
- **Visit Frequency and Geographic Coverage**
FTE calculations incorporate estimated visit frequency, average visit duration, and travel time across King County. Staffing levels are designed to ensure timely, high-quality care while maintaining clinician efficiency and balanced caseloads.
- **Part-Time and Consultative Roles**
Lower FTE allocations for Speech Pathology and Medical Social Work reflect anticipated utilization rates and the feasibility of part-time or consultative staffing models. These roles are scaled to demand and may be filled via contracted or PRN staff.

Management & Non-Clinical Staffing Assumptions

- **Stable Leadership Structure**

The Manager/Administrator and Director of Clinical Services positions remain constant across all projected years, providing consistent oversight, strategic direction, and regulatory compliance. These roles are mandated by CMS and Washington DOH.

- **Administrative Scaling**

Growth in administrative and clerical FTEs corresponds with increased documentation, scheduling, billing, and coordination needs. As patient volume expands, these roles become critical to maintaining operational integrity and supporting clinical workflows.

- **Regulatory Compliance and Operational Support**

Staffing levels are aligned with Washington State Department of Health requirements for licensed home health agencies, including supervisory visit mandates, documentation standards, and quality assurance protocols. The model ensures Annexia meets all Conditions of Participation and maintains audit-readiness.

4. Provide a detailed explanation of why the staffing for the agency is adequate for the number of patients and visits projected.

- **Patient Volume Growth**

Clinical FTEs increase proportionally with expected annual growth in patient census, driven by expanded referral networks, geographic outreach, and community demand for skilled home health services.

- **Interdisciplinary Service Delivery**

Staffing projections reflect a commitment to comprehensive care, including skilled nursing, physical therapy, occupational therapy, speech pathology, medical social work, and home health aide services. Incremental increases in therapy and aide FTEs support broader rehabilitative and supportive care offerings.

- **Visit Frequency and Geographic Coverage**

FTE calculations incorporate estimated visit frequency, average visit duration, and travel time within King County. Staffing levels are designed to ensure timely, high-quality care while maintaining clinician efficiency and caseload balance.

- **Part-Time and Consultative Roles**

Lower FTE allocations for Speech Pathology and Medical Social Work reflect anticipated utilization rates and the feasibility of part-time or consultative staffing models for these disciplines.

5. If you intend to have a medical director, 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.

Annexia Home Health will not designate a medical director, as Medicare does not require this role for home health agencies. Instead, Annexia will collaborate directly with each patient's attending physician or other authorized practitioner to establish, review, and update the plan of care, ensuring continuity and quality of services in accordance with Medicare Conditions of Participation.

6. If the medical director is/will be an employee rather than under contract, provide the medical director's job description.

Annexia Home Health will not designate a medical director; instead, Annexia will collaborate directly with each patient's attending physician or other authorized practitioner to establish, review, and update the plan of care, ensuring continuity and quality of services in accordance with Medicare Conditions of Participation.

7. Identify key staff by name and professional license number, if known. If not yet known, provide a timeline for staff recruitment and hiring (nurse manager, clinical director, etc.)

Administrator: Manfred Munyao

Director of Clinical Services: Anne Gikunju, RN - RN60753865

8. For existing agencies, provide names and professional license numbers for current credentialed staff.

This question is not applicable

9. 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.

Annexia Home Health acknowledges the ongoing challenges of recruiting and retaining qualified healthcare personnel in light of workforce shortages across the state. To address these challenges proactively, the agency will offer competitive wage and benefit packages. Recruitment strategies will include utilization of established online platforms such as ZipRecruiter, Glassdoor, Indeed, and LinkedIn, as well as participation in local job fairs, and advertising through professional associations and conferences at both the state and national levels. Should Annexia Home Health encounter recruitment or retention barriers, it will engage licensed medical staffing agencies to ensure uninterrupted access to qualified professionals.

In addition to external recruitment efforts, Annexia Home Health will maintain active liaisons with career services departments at regional colleges, universities, and clinical certification programs to attract emerging talent. Strategies will include offering clinical shadowing, volunteer opportunities, and sign on bonuses for hard to fill positions. Once hired, staff will undergo rigorous department-specific orientation, clinical and safety training, and competency evaluations, both at hire and periodically thereafter. Performance will be reviewed at 90 days and annually to foster open dialogue, address concerns, and promote professional growth and retention.

10. Identify your intended hours of operation and explain how patients will have access to services outside the intended hours of operation.

Annexia Home Health office will be open from 9:00am – 5:30pm, Monday through Friday. We will have staff on call 24 hours 7 days a week to assist with any patient needs.

11. For existing agencies, clarify whether the applicant currently has a method for assessing customer satisfaction and quality improvement for the home health agency.

Although Annexia Home Health is not currently a Medicare and Medicaid certified home health provider in Washington State, please refer to [Exhibit 11](#) for a copy of the Annexia Home Health Quality Improvement Program policy.

12. For existing agencies, provide a listing of ancillary and support service vendors already in place.

Annexia Home Health is not an existing Medicare and Medicaid certified home health provider in Washington State. Therefore, this question is not applicable.

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

Annexia Home Health is not an existing Medicare and Medicaid certified home health provider in Washington State. Therefore, this question is not applicable.

14. For new agencies, provide a listing of ancillary and support services that will be established.

Annexia Home Health anticipates contracting with local vendors to deliver ancillary and support services. Please refer to [Table 29](#) below for a summary of the anticipated ancillary services.

Table 29: Ancillary and Support Services

Service Category	Description of Service	Staff Responsible	Availability
Front Desk Coordination	Patient inquiries, scheduling, care coordination, and general support during business hours.	Front Desk Personnel	Mon–Fri, 9 AM–5:30 PM
Referral Management	Reviews incoming referrals, initiates intake, and supports smooth transition into care.	Intake Coordinator / Office Staff	Mon–Fri, 9 AM–5:30 PM
Electronic Health Records (EHR)	Maintains records through Alora Home Health Software.	Administrator	24/7
Care Planning Support	Assists clinicians in developing individualized care plans based on assessments and needs.	RN, Office Coordinator, PT/OT	Ongoing, as referrals are received

Community Resource Navigation	Connects clients to local resources (food, housing, transportation, public health programs).	MSW	As needed
Insurance Coordination	Verifies coverage, secures authorizations, and resolves insurance-related barriers.	Billing Specialist / Office Staff	Mon–Fri, 9 AM–5:30 PM
Durable Medical Equipment (DME)	Coordinates ordering and delivery of prescribed equipment for home use.	Office Coordinator / RN / PT/OT	As prescribed by physician
Translation & Interpretation	Provides language support for non-English-speaking clients.	Bilingual Staff / Contract Agency (JR Language Services)	As needed
Technology Support	Assists patients/caregivers with telehealth tools and remote monitoring setup.	IT Support / Nursing Staff / PT/OT	By appointment / scheduled follow-up
Transportation Coordination	Arranges non-emergency medical transportation via county or Medicaid-supported services.	MSW/Office Staff	As needed

15. For existing agencies, provide a listing of healthcare facilities with which the home health agency has documented working relationships.

Annexia Home Health is not an existing Medicare and Medicaid certified home health provider in Washington State. Therefore, this question is not applicable.

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

Annexia Home Health is not an existing Medicare and Medicaid certified home health provider in Washington State. Therefore, this question is not applicable.

17. For a new agency, provide the names of healthcare facilities with which the home health agency anticipates it would establish working relationships.

Annexia Home Health plans to establish collaborative relationships with a wide network of local healthcare providers to ensure seamless coordination of services and timely referrals for our clients. These partnerships will include:

Local Hospitals

We aim to work closely with major hospitals in the region to support transitions of care and post-acute services. These include:

- Harborview Medical Center
- University of Washington Medical Center
- Valley Medical Center
- Highline Medical Center
- Kaiser Permanente Washington
- Virginia Mason Medical Center
- Swedish Medical Center (First Hill, Cherry Hill, and Ballard campuses)
- MultiCare Health System
- CHI Franciscan Health
- EvergreenHealth
- Overlake Medical Center

Local Health Home Programs

To support clients with complex health needs, we will coordinate with health home programs such as:

- Asian Counseling and Referral Service (ACRS)
- Catholic Community Services
- Molina Health Homes
- Coordinated Care Health Home Program
- Community Health Plan of Washington (CHPW)
- SeaMar Health Home Services
- Sound Health Home Program

Behavioral Health Centers

We recognize the importance of mental and behavioral health in overall wellness and will collaborate with behavioral/mental health providers such as:

- Therapeutic Health Services
- Sound Mental Health
- Navos Mental Health Solutions
- Valley Cities Behavioral Health
- Compass Health
- SeaMar Behavioral Health
- Community Psychiatric Clinic
- Consejo Counseling and Referral Service

Local Step-Down and Long-Term Care Facilities

To support clients transitioning from acute care to home, we will work with facilities such as:

- Empress Health Management
- Kindred Transitional Care and Rehabilitation
- Life Care Centers of America (e.g., Life Care Center of Federal Way)
- Avalon Care Center
- Park West Care Center
- Mission Healthcare at Renton
- Stafford Healthcare
- Providence Mount St. Vincent
- Horizon House

Local Clinics and Community Health Centers

For ongoing outpatient care and preventive services, we will partner with clinics such as:

- NeighborCare Health
- SeaMar Community Health Centers
- HealthPoint Clinics
- HopeCentral Pediatric and Behavioral Health
- International Community Health Services (ICHS)
- Country Doctor Community Clinic
- Rainier Valley Community Clinic

- UW Neighborhood Clinics
- Swedish Primary Care Clinics
- Planned Parenthood of the Great Northwest

Other Home Health Agencies

To ensure continuity of care when our capacity is limited, we will coordinate with other reputable agencies such as:

- Amicable Healthcare
- AccentCare Home Health
- Light Within Home Health
- CenterWell Home Health
- Providence Home Services
- EvergreenHealth Home Health
- Puget Sound Home Health and Hospice
- Eden Home Health of King County
- Signature Home Health
- Kindred at Home

18. Identify whether any facility or practitioner associated with this application has a history of the actions listed below. If so, provide evidence that the proposed or existing facility can and will be operated in a manner that ensures safe and adequate care to the public and conforms to applicable federal and state requirements. WAC 246-310-230(3) and (5)

- 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; or**
- A revocation of a license to operate a healthcare facility; or**
- A revocation of a license to practice as a health profession; or**
- Decertification as a provider of services in the Medicare or Medicaid program because of failure to comply with applicable federal conditions of participation.**

Annexia Home Health and its associated practitioners have no record of involvement in any of the actions described above.

19. Provide a discussion explaining how 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

There is a documented unmet need for home health services in King County, as evidenced by the Department's numeric need methodology. Annexia Home Health's proposed project is designed to help meet this need by expanding critical capacity within the planning area, thereby improving access to home health services for King County residents. This initiative is structured to enhance service delivery without contributing to unwarranted fragmentation.

Annexia is deeply committed to building and sustaining collaborative relationships with local healthcare centers and ancillary service providers. Through coordinated care efforts, we will work closely with community health partners to ensure smooth transitions for our clients and continuity of care. Our approach integrates community-based healthcare models to address social determinants of health, deliver holistic services, and connect patients to essential local resources. All clients will benefit from access to a diverse, interdisciplinary clinical team.

20. Provide a discussion explaining how the proposed project will have an appropriate relationship to the service area's existing health care system as required in WAC 246-310-230.

Annexia Home Health is dedicated to meeting the substantial demand for home health services in King County, as outlined by the Department's numeric need methodology. To help close this gap, Annexia Home Health plans to grow its service capacity while working closely with the existing healthcare network to support integration and reduce system fragmentation. The organization will collaborate actively with local clinical providers and community-based wellness programs to build strong referral pathways and resource partnerships. Through these efforts, Annexia Home Health aims to provide coordinated, patient-focused home health care that improves both access and continuity of services across the region.

21. The department will complete a quality of care analysis using publicly available information from CMS. If any facilities or agencies owned or operated by the applicant reflect a pattern of condition -level findings, provide applicable plans of correction identifying the facilities current compliance status.

This question is not applicable to Annexia Home Health.

22. If information provided in response to the question above show a history of condition-level findings, provide clear, cogent and convincing evidence that the applicant can and will operate the proposed project in a manner that ensures safe and adequate care and conforms to applicable federal and state requirements.

This question is not applicable to Annexia Home Health.

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

Projects are evaluated based on the criteria in WAC 246-310-240 in order to identify the best available project for the planning area.

1. Identify all alternatives considered prior to submitting this project. At a minimum include a brief discussion of this project versus no project.

Annexia Home Health evaluated three primary alternatives before submitting this project application:

- **Alternative 1: Develop a Medicare/Medicaid Certified Home Health Agency in King County —The Project**

This option establishes a certified home health agency able to serve Medicare and Medicaid beneficiaries as well as commercially insured patients. The agency would provide skilled nursing, therapy, and home health aide services reimbursable under Medicare and Medicaid. This alternative directly addresses unmet need in the planning area and aligns with statewide goals for improved access, quality, and cost containment.

- **Alternative 2: Launch a Non-Certified Home Health Agency (Private/ Commercial Insurance Only)**

This model would limit services to patients with private insurance and exclude Medicare/Medicaid beneficiaries, many of whom represent the most vulnerable populations.

- **Alternative 3: Do Nothing**

This option would maintain the status quo, relying on existing providers in the region to be solely responsible for meeting growing demand in King County. This alternative fails to address the gaps identified in the numeric need methodology and would perpetuate higher-cost institutional care utilization.

- 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.**

[Table 30](#) below presents a structured comparison of the proposed Medicare certified Home Health Agency against two rejected alternatives: (1) launching a Non-Certified Home Health Agency, and (2) maintaining the status quo. This analysis evaluates each option across eight critical dimensions that directly impact community health outcomes, fiscal sustainability, and regulatory alignment:

- Patient access to health services
- Capital cost
- Legal / regulatory compliance
- Staffing impacts
- Quality of care
- Charity care capacity
- Operational efficiency and,
- Cost containment impact

The selected project, which involves developing a Medicare Certified Home Health Agency, demonstrates clear advantages across all criteria. It expands access to underserved populations, ensures compliance with federal and state regulations, supports high-quality care delivery, and aligns with Washington’s cost-containment and workforce development goals. In comparison, the non-certified alternative offers limited reach and financial viability. The option to do nothing fails to address documented service gaps and allows systemic inefficiencies to persist.

This comparative framework provides a strong rationale for pursuing certification. It is the only option that meets regulatory standards, supports equitable access, and delivers sustainable value to patients, providers, and payers.

Table 30: Comparison of Project Alternatives

Factor	Option 1: Develop Certified Home Health Agency (Selected)	Option 2: Launch Non-Certified Home Health Agency (Rejected)	Option 3: Do Nothing (Rejected)
Patient Access to Healthcare Services	Expands access to underserved populations, including Medicare/Medicaid beneficiaries, and patients with mobility barriers, and those in rural/low-income areas.	Limited to commercially insured patients; excludes Medicare/Medicaid clients and vulnerable groups.	No additional access; unmet demand continues.
Capital Cost	Moderate upfront investment in infrastructure and staffing; long-term sustainability supported by Medicare/Medicaid reimbursement.	Lower initial cost, but limited growth potential and reduced reimbursement pathways.	No capital required, but no service expansion or return on investment.
Legal / Regulatory Compliance	Fully compliant with CMS certification and Washington DOH regulations; ensures eligibility for federal/state reimbursement.	Not eligible for Medicare/Medicaid reimbursement; lacks regulatory recognition and limits legitimacy.	No regulatory barriers, but fails to meet community healthcare needs (WAC 246-310).
Staffing Impacts	Creates jobs for skilled clinicians and support staff; certification enhances recruitment of high-quality candidates.	May require fewer specialized staff; narrower clinical scope reduces professional appeal.	No staffing growth; existing providers remain strained.
Quality of Care	Provides integrated, coordinated, and standardized care with certified oversight; supports reduced readmissions and better outcomes.	Care model less standardized; oversight mechanisms weaker, increasing risk of inconsistent quality.	No improvements to current care gaps; risk of worsening access inequities.

Charity Care Capacity	Diversified reimbursement base enables Annexia Home Health to maintain a robust charity care policy.	Restricted revenues limit ability to provide charity care.	No expansion of charity care; unmet needs persist.
Operational Efficiency	Enhances system efficiency by shifting patients from higher-cost institutional settings to lower-cost home-based care.	Limited payer mix undermines financial sustainability; efficiency gains marginal.	Continued reliance on high-cost institutional care.
Cost Containment Impact	Supports statewide cost-containment goals through coordinated, lower-cost home health delivery.	Fragmented model has minimal effect on cost containment.	No impact on system costs.

3. If the project involves construction, provide information that supports conformance with WAC 246-310-240(2):
- The costs, scope, and methods of construction and energy conservation are reasonable; and
 - The project will not have an unreasonable impact on the costs and charges to the public of providing health services by other persons.

The project does not involve construction. This question is not applicable.

4. Identify any aspects of the project that will involve appropriate improvements or innovations in the financing and delivery of health services which foster cost containment and which promote quality assurance and cost effectiveness.

The proposed project aims to expand access to high-quality, cost-effective home health services for underserved populations in King county. Through innovative strategies in financing and service delivery, Annexia Home Health will reduce reliance on institutional care, promote quality through standardized and accredited practices, and improve access for Medicare and Medicaid beneficiaries and low-income seniors. These efforts are designed to support statewide goals of cost containment, operational efficiency, and health equity.

1. Innovative Financing Strategies for Cost Containment

Diversified Reimbursement Strategy: By securing Medicare and Medicaid certification, Annexia will serve a broad payer base that includes public programs and private insurance. This diversified strategy supports financial sustainability and enables the provision of charity care to uninsured and underinsured individuals.

Reducing Institutional Reliance: Shifting care delivery to the home setting will reduce dependence on high-cost facilities such as hospitals and skilled nursing homes. This model lowers overall system expenditures by decreasing readmission rates and emergency department use.

Alignment with Value-Based Models: The agency will pursue accreditation through the Accreditation Commission for Health Care (ACHC), positioning itself for future participation in value-based reimbursement models that reward quality and efficiency.

2. Innovations in Service Delivery to Improve Quality and Efficiency:

Interdisciplinary Care Teams: Care will be delivered by integrated teams of registered nurses, physical and occupational therapists, and licensed social workers. This

coordinated, patient-centered approach improves outcomes and minimizes duplication of services

Technology-Driven Monitoring and Coordination: The agency will implement electronic medical records (EMRs) to support real-time care management, early intervention, and efficient documentation, all of which contribute to improved quality and cost-effectiveness.

Standardized Clinical Protocols: Certification and accreditation will ensure adherence to CMS and ACHC standards. This allows for consistent care delivery, reduced variability, and enhanced operational performance.

3. Workforce Development and Operational Efficiency

Targeted Recruitment and Training: Annexia will recruit licensed professionals trained to meet Medicare and ACHC standards. Ongoing education will promote staff retention and reinforce quality assurance.

Efficiency Through Certification: Medicare/Medicaid certification will reinforce internal quality controls, improve documentation practices, and support continuous improvement, contributing to long-term cost containment.

4. Expanding Access and Advancing Health Equity

Serving Underserved Populations: Medicare and Medicaid certification will allow Annexia to provide services to Medicaid beneficiaries and low-income seniors, helping close access gaps in the home health landscape.

Geographic Focus on High-Need Areas: The agency will prioritize service delivery in zip codes identified by the Washington State Department of Health as medically underserved, aligning with statewide health equity goals.

Home Health Agency Tie Breakers (1987 State Health Plan, Volume II, pages B35-36)

If two or more applicants meet all applicable review criteria and there is not enough need projected for all applications to be approved, the department will approve the agency that better improves patient care, reduces costs, and improves population health through increased access to services in the planning area. Ensure that sufficient documentation and discussion of these items is included throughout the application under the relevant sections.

Exhibit 1: Letter of Intent

