

March 10, 2017

CERTIFIED MAIL # 7009 0960 0000 5565 0291

Austin Ross, Vice President of Planning Northwest Kidney Centers 700 Broadway Seattle, Washington 98122-4302

RE: CN: 16-31

Dear Mr. Ross:

Enclosed is Certificate of Need #1593 issued to Northwest Kidney Centers approving the establishment of NKC Federal Way East Kidney Center in King County End Stage Renal Dialysis Planning Area #11. At project completion, NKC Federal Way East Kidney Center will have fourteen approved stations as noted on the certificate.

The certificate is not approval for any other local, federal, or state statutes, rules, or regulations. Such a project may also need Department of Health approval for a construction plan and facility licensing or certification, as well as other federal or local jurisdiction permits.

The Certificate of Need is valid for two years. The project must begin during this time. If there is substantial and continuing progress, we may extend the certificate for one six month period. For an extension, you must submit an extension request at least 120 days before the expiration. You cannot begin a project after the expiration date.

This decision may be appealed. The appeal options are listed below.

Appeal Option 1:

Any person with standing may request a public hearing to reconsider this decision. The request must state the specific reasons for reconsideration in accordance with Washington Administrative Code 246-310-560. A reconsideration request must be received within 28 calendar days from the date of the decision at one of the following addresses:

Austin Ross Vice President of Planning Northwest Kidney Centers CN Application #16-31 March 10, 2017 Page 2 of 2

Mailing Address:
Department of Health
Certificate of Need Program
Mail Stop 47852
Olympia, WA 98504-7852

Physical Address:
Department of Health
Certificate of Need Program
111 Israel Road SE
Tumwater, WA 98501

Appeal Option 2:

Any person with standing may request an adjudicative proceeding to contest this decision within 28 calendar days from the date of this letter. The notice of appeal must be filed according to the provisions of Revised Code of Washington 34.05 and Washington Administrative Code 246-310-610. A request for an adjudicative proceeding must be received within the 28 days at one of the following addresses:

Mailing Address: Adjudicative Service Unit Mail Stop 47879 Olympia, WA 98504-7879 Physical Address:
Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

We monitor projects until completed or the expiration date, whichever occurs last. We do this with quarterly progress reports. At least 30 days before the report's due date, you will receive a form to complete and return.

If you have any questions, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,

Steve Bowman, PhD, MHA

Director, Office of Community Health Systems

Enclosure



This Certificate is granted under the authority of RCW 70.38. Issuance of this Certificate does not constitute approval under any other local, federal or state statute, implementing rules and regulations. Examples where additional approval may be necessary include, but are not limited to, construction plan approval through the Construction Review Unit of the Department of Health, facility licensing/certification through the Department of Social and Health Services or Department of Health, and other federal or local jurisdiction permits.

Certificate of Need #1593 is issued to:

Legal Name of Applicant: Northwest Kidney Centers

Address of Applicant:

700 Broadway, Seattle, Washington 98122

Type of Service:

End Stage Renal Disease Facility

Facility Name:

NKC Federal Way East Kidney Dialysis Center

Facility Address:

33820 Weyerhaeuser Way South, Suite 100 Federal Way, Washington 98001

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED FEBRUARY 21, 2017, (CN App #16-31)

PROJECT DESCRIPTION

This certificate approves the construction of a new 14-station dialysis center in Federal Way within King County planning area #11. Twelve of the stations will be relocated from NKC Auburn Kidney Dialysis Center. The remaining two stations are new to the planning area. At project completion, the dialysis center is approved to certify and operate fourteen dialysis stations. Services to be provided at NKC Federal Way East include in-center hemodialysis, peritoneal and hemodialysis training and backup, treatment shifts beginning after 5:00 p.m., a permanent bed station, and a dedicated isolation/private room. A breakdown of the approved 14 stations is shown below:

NKC Federal Way East Kidney Dialysis Center

Private Isolation Room	1
Permanent Bed Station	1
Other In-Center Stations	12
Total	14

At completion of the NKC Federal Way East dialysis center, the NKC Auburn Kidney Center is approved to operate and certify 12 stations. A breakdown of the approved 12 stations is shown below.

NKC Auburn Kidney Dialysis Center

Private Isolation Room	1
Permanent Bed Station	1
Other In-Center Stations	10
Total	12

Continued on page 2

This Certificate authorizes commencement of the project from March 10, 2017 to March 10, 2019, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: March 10, 2017

Steve Bowman, PhD, MHA

Director, Office of Community Health Systems

This Certificate is not transferable.

CN#1593

Page 2 of 2

At completion of the NKC Federal Way East dialysis center, the NKC Auburn Kidney Center is approved to operate and certify 12 stations. A breakdown of the approved 12 stations is shown below.

NKC Auburn Kidney Dialysis Center

Private Isolation Room	1 1	
Permanent Bed Station		
Other In-Center Stations	10	
Total	12	

Conditions:

- 1. Northwest Kidney Centers agrees with the project description as stated above. Northwest Kidney Centers further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
- 2. Northwest Kidney Centers will finance the project using existing capital reserves of Northwest Kidney Centers as described in the application.
- 3. No later than 30 days following the opening of NKC Federal Way East Dialysis Center, Northwest Kidney Centers will request Centers for Medicare and Medicaid Services (CMS) to decertify 12 stations at the NKC Auburn Dialysis Center.
- 4. Prior to providing services, Northwest Kidney Centers will provide an executed copy of the medical director agreement for the department's review and approval. The executed medical director agreement must be consistent with the draft provided in the application.
- 5. Prior to commencement Northwest Kidney Centers will provide an executed copy the lease agreement for the department's review and approval. The executed lease agreement must be consistent with the draft provided in the application.
- 6. Prior to providing services at NKC Federal Way East, Northwest Kidney Centers will provide an updated transfer agreement listing NKC Federal Way East Kidney Center as part of the agreement for the department's review and approval.