

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

PO Box 47852 Olympia, Washington 98504-7852

December 11, 2018

CERTIFIED MAIL # 7017 3380 0000 0863 8499

Evan Moore, Director Special Projects DaVita, Inc. North Star Division 32275 – 32nd Avenue South Federal Way, Washington 98001

RE: Certificate of Need Application #18-44-Federal Way Community Dialysis Center

Dear Mr. Moore:

Enclosed is Certificate of Need #1755 issued to DaVita, Inc. approving the addition of two dialysis stations to Federal Way Community Dialysis Center located in King County planning area #5. The two stations are added under the special circumstance provisions of Washington Administrative Code 246-310-818.

The certificate is not an 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:

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

Evan Moore, Director Special Projects DaVita, Inc. North Star Division CN Application #18-44 Federal Way Community Dialysis Center December 11, 2018 Page 2 of 2

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:
Department of Health
Adjudicative Service Unit
Mail Stop 47879
Olympia, WA 98504-7879

Physical Address
Department of Health
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,

Nancy Tyson, Executive Director

Health Facilities and Certificate of Need

Washington State Department of Health

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 #1755 is issued to:

Legal Name of Applicant: DaVita, Inc.

Address of Applicant: 32275 – 32nd Avenue South, Federal Way, Washington 98001

Type of Service: End Stage Renal Disease Facility

Facility Name: Federal Way Community Dialysis Center

Facility Address: 1015 South 348th Street, Federal Way Washington 98003

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED DECEMBER 4, 2018 (CN App #18-44)

Project Description

This certificate approves the addition of two dialysis stations to the 16-station Federal Way Community Dialysis Center, for a facility total of 18 dialysis stations, plus one isolation station. Services provided at Federal Way Community Dialysis Center include in-center hemodialysis, home hemodialysis and home peritoneal dialysis training and support for dialysis patients, a permanent bed station, an isolation station, and a shift beginning after 5:00 p.m.

Certificate of Need #1647 was issued to DaVita, Inc. approving the one-time addition of an isolation station to Federal Way Community Dialysis Center consistent with Washington Administrative Code 246-310-809(3). The certificate was effective on January 1, 2018.

The table below provides a breakdown of the total number of stations at Federal Way Community Dialysis Center, which includes two additional stations approved under the special circumstance criterion outlined in Washington Administrative Code 246-310-818.

	CMS Certified Stations	Stations Counted in Methodology
General Use In-Center Stations	17	17
Permanent Bed Station	1	1
Private Isolation Station ¹	1	0
Total Stations	19	18

As required under Washington Administrative Code 246-310-818(10), the two additional stations must be operational within six months of approval, otherwise this Certificate of Need is revoked.

Service Area

King County ESRD Planning Area #5

Conditions

- 1. Approval of the project description as stated above. DaVita, Inc. 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. DaVita, Inc. shall finance this project using existing capital reserves, as described in the application.

Approved Capital Expenditure

The approved capital expenditure for this two-station addition is \$36,559. This amount represents the costs for fixed and moveable equipment and associated sales tax. All costs will be paid by DaVita.

This Certificate authorizes commencement of the project from <u>December 11, 2018</u> to <u>December 11, 2020</u> unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: December 11, 2018

Nancy Tyson, Executive Director

Health Facilities and Certificate of Need

Washington State Department of Health

This Certificate is not transferable

¹ DaVita has not yet completed the administrative station adjustment as allowed under Washington Administrative Code 246-310-809.