



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

March 6, 2018

CERTIFIED MAIL #7016 3010 0001 0575 1003

Austin Ross, VP Planning
Northwest Kidney Centers
700 Broadway
Seattle, Washington 98122

RE: Determination of Reviewability #18-16

Dear Mr. Ross:

Thank you for your January 31, 2018, letter requesting a Certificate of Need exemption related to Northwest Kidney Centers (NKC) proposed relocation of West Seattle Kidney Center. Below are the facts relied upon by the Certificate of Need Program in reaching its conclusion regarding your proposed relocation project.

FACTS

- On February 5, 1998, Certificate of Need (CN) #1173 was issued to NKC approving the establishment of a 10-station dialysis center to be located at 4045 Delridge Way Southwest, #100, in Seattle, within King County. The facility was completed and the dialysis center was known as West Seattle Kidney Center.
- On September 4, 2000, CN #1214 was issued to NKC approving the addition of three stations to West Seattle Kidney Center. At project completion, the dialysis center was operating 13 dialysis stations.
- On February 1, 2002, CN #1236 was issued to NKC approving the addition of seven stations to the dialysis center. At project completion West Seattle Kidney Center was operating 20 dialysis stations.
- The 20-station dialysis center has remained at its current location on Delridge Way Southwest since its opening in 1999. Under the current Kidney Disease Treatment Center rules, the facility is located in King County planning area #3.
- Your January 31, 2018, letter requests relocation of the 20-station West Seattle Kidney Center in its entirety. Below is a summary of the information provided.
 - The new site at 12901 – 20th Avenue South, in SeaTac, within King County planning area #3.
 - The new site is slightly less than eight miles from the existing site.

- The current site and the new site are both located in King County Planning Area #3 as defined in Washington Administrative Code 246-310-800(15)(a).
- NKC expects that the new facility would become operational at the new site by the end of August 2019. The existing facility would cease operation as a dialysis center once the relocated facility was operational.
- No break in dialysis services would occur as a result of the relocation.
- The floor plan for the new facility demonstrates that the facility will be built-out as a 20-station dialysis center. The new facility includes shelled space and two stations for future growth. Dialysis services in isolated space and a permanent bed will be available at the new site.
- A breakdown of the 20 stations for the new site is shown below.

Private Isolation Room	1
Permanent Bed Station	1
General Dialysis Stations	18
Total	20

- NKC's total cost for the relocation is estimated at \$11,542,618.

ANALYSIS

- Revised Code of Washington (RCW) 70.38.105(4) identifies the types of projects subject to prior Certificate of Need review and approval. Subsection (a) identifies that the construction, development, or other establishment of a new health care facility is subject to CON review. RCW 70.38.025(6) defines "health care facility" to include kidney disease treatment centers.
- WAC 246-310-830 allows for relocation of a kidney disease treatment center within the same planning area [as defined in WAC 246-310-800(15)] without undergoing prior Certificate of Need review and approval, provided the following five requirements are met.
 - (a) The existing facility ceases operation;
 - (b) No new stations are added to the replacement facility;
 - (c) There is no break in service between the closure of the existing facility and the operation of the replacement facility;
 - (d) The existing facility has been in operation for at least five years at its present location; and
 - (e) The existing facility has not been purchased, sold, or leased within the past five years.

CONCLUSION

Based on the above factual information, the Certificate of Need Program concludes that the proposed relocation of NKC West Seattle Kidney Center qualifies for a relocation exemption under WAC 246-310-830, provided that NKC agrees to the following condition.

Austin Ross, VP Planning
Northwest Kidney Centers
DOR #18-16
March 6, 2018
Page 3 of 3

Condition of Exemption Approval

At project completion, NKC West Seattle Kidney Center is approved to certify and operate 20 dialysis stations at the new site.

You have two options, either accept or reject the above in its entirety. If you accept the above in its entirety, your application will be approved and a replacement authorization for the project will be issued. If you reject any provision of the above, you must identify that provision, and your application will be denied because approval would not be consistent with applicable Certificate of Need review criteria. Please notify the Department of Health within 20 days of the date of this letter whether you accept the above in its entirety.

Your written response should be sent to the Certificate of Need Program, 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

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

Sincerely,



Janis Sigman, Manger
Certificate of Need Program
Community Health Systems