

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

PO Box 47852 Olympia, Washington 98504-7852

May 21, 2019

CERTIFIED MAIL # 7018 2290 0001 8591 8537

Amanda Crain, Chief Operating Officer Puget Sound Kidney Centers 1019 Pacific Avenue Everett, Washington 98201

RE: Certificate of Need Application #18-55

Dear Ms. Crain:

Enclosed is Certificate of Need #1777 issued to Puget Sound Kidney Center approving the establishment of a 10-station dialysis facility in Arlington within Snohomish County planning area#1.

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

Amanda Crain, Chief Operating Officer Certificate of Need Application #18-55 May 21, 2019 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 #1777 is issued to:

Applicant's Legal Name:

Puget Sound Kidney Centers

Applicant's Address:

1019 Pacific Avenue, Everett, Washington 98201

Facility Type Project Type End State Renal Disease Facility End State Renal Disease Facility

Facility Name:

Puget Sound Kidney Centers Arlington

Facility Address:

XXX—74th Avenue SE, Tax Parcel Numbers: 00793300001201 &

00793300001201 Arlington, Washington 98223

ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT'S RECORD AND EVALUATION DATED MAY 15, 2019 (CN APP # 18-55)

Project Description

This certificate approves the construction of a ten nine-station dialysis center in Arlington within Snohomish County planning area #1. Services to be provided at Puget Sound Kidney Centers Arlington includes in-center hemodialysis, home hemodialysis training, peritoneal dialysis training and home backup, a permanent bed station, and dedicated isolation/private room and treatment shifts beginning after 5:00 p.m.

The table below provides a breakdown of the total number of stations at Puget Sound Kidney Centers Arlington Dialysis Center.

	CMS Certified Stations	Stations Counted in Methodology
General Use In-Center Stations	9	9
Permanent Bed Station	1	11
Private Isolation Station	1	0
Total Stations	11	10

Service Area

Snohomish County Planning Area #1

Conditions

See page 2.

Approved Capital Expenditure

See page 2

This Certificate authorizes commencement of the project from May 21, 2019 to May 21, 2021 unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.

Date Certificate Issued: May 21, 2019

Nancy Tyson, Executive Director

Health Facilities and Certificate of Need

Washington State Department of Health

This Certificate is not transferable

Certificate of Need #1777 Page Two

Conditions

- 1. Puget Sound Kidney Centers agrees with the project description as stated above. Puget Sound 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. Prior to providing services, Puget Sound 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.
- 3. Prior to providing services at Puget Sound Kidney Centers Arlington, Puget Sound Kidney Centers will provide an executed copy of the patient transfer agreement for the department's review and approval. The executed patient transfer agreement must be consistent with the draft provided in the application.
- 4. Puget Sound Kidney Centers shall finance this project consistent with the financing described in the application.

Approved Costs:

The approved capital expenditure for this project is \$4,638,758.