

CN# 20-45



STATE OF WASHINGTON  
 DEPARTMENT OF HEALTH  
 Olympia, Washington 98504

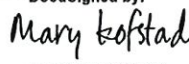
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**RECEIVED**  
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 CERTIFICATE OF NEED PROGRAM  
 DEPARTMENT OF HEALTH

WASHINGTON STATE CERTIFICATE OF NEED PROGRAM  
 RCW 70.38 AND WAC 246-310

APPLICATION FOR CERTIFICATE OF NEED  
**HOSPICE PROJECTS**  
 (excludes amendments)

Certificate of Need applications must be submitted with a fee in accordance with the instructions on page 2 of this form.

Application is made for a Certificate of Need in accordance with provisions in Revised Code of Washington (RCW) 70.38 and Washington Administrative Code (WAC) 246-310 adopted by the Washington State Department of Health. I hereby certify that the statements made in this application are correct to the best of my knowledge and belief.

<p><b>Signature and Title of Responsible Officer:</b></p> <p>DocuSigned by:                    73A96D5B1B014F9...  <b>Date:</b> January 29, 2020</p> <p>President</p>	<p><b>Person To Whom Questions Regarding This Application Should Be Directed:</b></p> <p>Mary Kofstad, Division President                  Signature Health Care at Home</p> <p><b>Telephone Number:</b> (971) 224-2033</p>
<p><b>Legal Name of Applicant:</b></p> <p>Signature Hospice Bellingham, LLC</p> <p><b>Address of Applicant:</b></p> <p>25117 SW Parkway, Suite F                  Wilsonville, OR 97070</p> <p><b>Telephone Number:</b> (971) 224-2505</p>	<p><b>Type of Project (check all that apply):</b></p> <p><input checked="" type="checkbox"/> New Agency</p> <p><input type="checkbox"/> Existing Medicare Certified/Medicaid Eligible Agency Expanding into Different County</p> <p><input type="checkbox"/> Existing Licensed-Only Hospice Agency to Become Medicare Certified/Medicaid Eligible</p>

**Project Summary:**

Establish a Medicare certified / Medicaid eligible hospice agency in Whatcom County, Washington.

**Estimated capital expenditure:** \$50,000

**INSTRUCTIONS FOR SUBMISSION:**

1. Mail an original and a CD with a PDF of the completed application, with narrative portion to:

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

The application must be accompanied by a check, payable to: ***Department of Health***. This check is for the review fee as identified below.

2. COMPLETE THE FOLLOWING PRIOR TO SUBMISSION FOR REVIEW:

REVIEW FEE:      \$21,968

## APPLICATION INFORMATION INSTRUCTIONS:

These application information requirements are to be used in preparing a Certificate of Need application. The information will be used to evaluate the conformance of the project with all applicable review criteria contained in RCW 70.38.115 and WAC 246-310-210, 220, 230, 240, and 290.

Hospice projects are reviewed under a Concurrent Review schedule. Key dates include:

- **Letter of Intent:** Accepted between the 1<sup>st</sup> working day of September and the last working day of September of each year.
- **Application Submission:** Accepted between the 1<sup>st</sup> working day of October and last working day of October of each year. If a letter of intent has not been received in September, an application will not be accepted in October.

The application is to be submitted together with a completed, signed Certificate of Need application face sheet and the appropriate review. Please send an original and one copy to:

Mailing Address:

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

Other Than By Mail:

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

- Please make the narrative information complete and concise. Data sources are to be cited. Extensive supporting data, that tends to interrupt the narrative, should be placed in the appendix.
- DO NOT bind the application.
- Please number **ALL** pages consecutively.
- All cost projections are to be in non-inflated dollars. Use the current year dollar value for all program data and projections. **DO NOT** inflate these dollar amounts.
- Capital expenditures should not include contingencies. Certificate of Need statutes and regulations allow a 12 percent or \$50,000.00 (*whichever is greater*) margin before an amendment to an approved Certificate is required.
- All subsequent correspondence in relation to the application must be submitted with an original and one PDF copy.



December 27, 2019

Department of Health  
Certificate of Need Program  
Attention: Nancy Tyson  
111 Israel Road SE  
Tumwater, WA 98501

Re: Signature Hospice Bellingham, LLC Letter of Intent for Hospice Services

Dear Ms. Tyson:

Signature Hospice Bellingham, LLC is pleased to provide you this Letter of Intent indicating our desire to provide Hospice Services in Whatcom County, Washington. In accordance with WAC 246-310-080 and WAC 246-310-290, we are providing the following information regarding the proposed services Signature Hospice would offer to the community.

**1. DESCRIPTION OF SERVICES PROPOSED**

Signature Hospice Bellingham, LLC proposes a new location in Whatcom County to provide Hospice services to the community. The expansion into hospice services will provide a continuum of care with existing Signature Home Health services and offer the residents of Whatcom County a choice for hospice services.

**2. ESTIMATED COST**

Initial start-up costs of \$50,000 (Includes application fee)

**3. SERVICE AREA**

Whatcom County with a physical office located in Bellingham, WA.

Sincerely,

DocuSigned by:  
  
7969B55D071B448...

Mary Kofstad,  
Division President  
Signature Healthcare at Home  
mkofstad@4signatureservice.com  
971-224-2033





Signature Hospice Bellingham, LLC

Certificate of Need Program Application  
Whatcom County

Due January 31<sup>st</sup>, 2020

## I. APPLICANT DESCRIPTION:

### A. Provide the legal name(s) of applicant(s).

**Note: The term "applicant" for this purpose is defined as any person or individual with a ten percent or greater financial interest in a partnership or corporation or other comparable legal entity that engage in any undertaking which is subject to review under provisions of RCW 70.38.**

The legal entity of this application is Signature Hospice Bellingham, LLC.

Signature Hospice Bellingham, LLC is registered with the Washington Secretary of State effective August 22, 2019 under UBI Number 604 498 004.

**See attached Exhibit 1** for the Washington Secretary of State Certificate of Formation for Signature Hospice Bellingham, LLC.

Applying the "applicant" definition above, the members with ten percent or greater ownership interest in the LLC are:

Northwest Hospice, LLC dba Signature Healthcare at Home  
Avamere Group, LLC  
Robert Thomas

**See attached Exhibit 2** for the organizational structure of Signature Hospice Bellingham, LLC.

Avamere Group, LLC owns 85% of Northwest Hospice, LLC which owns 100% of Signature Hospice Bellingham, LLC.

**See attached Exhibit 3** for the organizational structure of Avamere Group, LLC (ultimate parent entity)

### B. For existing facilities, provide the name and address of the facility.

**Note: The term "existing facility" for this purpose is defined as a home health agency that is currently providing licensed only home health care services OR a home health agency that is seeking to expand its Medicare certified service area.**

Signature Hospice Bellingham, LLC is a new entity established in the State of Washington to provide hospice service in Whatcom County. The related entity ("applicant"), Northwest Hospice, LLC dba Signature Healthcare at Home currently operates 10 hospice locations in 3 states.

Avamere Home Health Care, LLC dba Signature Healthcare at Home, a related entity currently operates 1 home health locations in Washington located in Bellingham as well as 6 home health locations in Oregon, 3 locations in Utah and 5 home health locations in Idaho.

Prime Home Health, LLC dba Signature Healthcare at Home, a related entity currently operates 1 home health location in Federal Way, Washington.

A-One Home Health Services, LLC dba Signature Healthcare at Home, a related entity currently operates 1 home health location in Bellevue, Washington.

Avamere Group, LLC (“applicant”) operates 65 long term care / skilled care facilities in Washington, Oregon, Idaho, Colorado, Nevada, Arizona and New Mexico.

**See attached Exhibit 4** for Signature Healthcare at Home locations.

**See attached Exhibit 5** of Avamere Group, LLC locations.

**C. Identify the type of ownership (public, private, corporation, non-profit, etc.).**

Signature Hospice Bellingham, LLC is a for profit, privately held corporation established in the State of Washington.

**D. Provide the name and address of *owning* entity at completion of project (unless same as applicant).**

The owning entity is the same as applicant.

**E. Provide the name and address of *operating* entity at completion of project (unless same as applicant).**

The operating entity is the same as applicant.

**F. Identify the corporate structure and related parties. Attach a chart showing organizational relationship to related parties.**

**See attached Exhibit 3** for the organizational structure of Avamere Group, LLC (ultimate parent entity)

**G. Provide a general description and address of each facility owned and/or operated by applicant (include out-of-state facilities, if any).**

**See attached Exhibit 4** for Signature Healthcare at Home locations.

**See attached Exhibit 5** of Avamere Group, LLC locations.

**H. For existing facilities, identify the geographic primary service area.**

This question is not applicable. Related entities do not operate any hospice services in the State of Washington. However, related entities do operate home health agencies in Whatcom, King and Pierce counties.

**I. Identify the facility licensure/accreditation status.**

Signature Hospice Bellingham, LLC will seek facility licensure if the CON application is approved.

**J. Is the applicant reimbursed for services under Titles XVIII, and XIX of Social Security Act?**

Yes, Signature Hospice Bellingham, LLC will be reimbursed for services under Medicare and Medicaid once the certificate of need is secured.

**K. Identify the medical director and provide his/her professional license number, and specialty represented.**

Signature Hospice Bellingham, LLC will utilize Dr.Jodhvir Sarai as the medical director. Dr.Sarai has been a preferred provider for the Avamere Family of Companies within Signature Healthcare at Home and the Avamere Living Skilled buildings in the past. He exhibits all the qualities we value at Signature.

Dr.Sarai currently has an active license in the state of Washington (license #MD60919220), as well as in Arizona, Alabama, Pennsylvania, Utah and Wyoming.

His specialties include Internal Medicine and Hospitalist.

**See Exhibit 6** for Dr.Sarai's Curriculum Vitae and copy of the state license.

**L. Please identify whether the medical director is employed directly by or has contracted with the applicant. If services are contracted, please provide a copy of the contract.**

The medical director, Dr.Jodhvir Sarai, will be contracted or employed by Northwest Hospice, LLC when the Certificate of Need application is approved.

**M. For existing facilities, please provide the following information for each county currently serving:**

- 1. total number of unduplicated hospice patients served per year for the last three years;**
- 2. average length of stay (days) per patient per year for the last three years;**
- 3. median length of stay; and**
- 4. average daily census per year for the last three years.**

Signature Hospice Bellingham, LLC and related entities currently do not operate any hospice agencies in the state of Washington. However, in Table 1, we have included the data requested from the hospice entities in Oregon (Northwest Hospice, LLC) from the past 3 years to help show our current capacity and the potential of Signature Hospice Bellingham, LLC.

**Table 1.**

<b>Northwest Hospice, LLC - Oregon</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Unduplicated Hospice Patients	1,302	1,422	1,200
Average Length of Stay	65.45	67.1	73.62
Average Daily Census	284	306	246
Total Patient Days	103,536	111,718	89,600

## II. PROJECT DESCRIPTION

**Include the following elements in the project description. An amendment to a Certificate of Need is required for certain project modifications as described in WAC 246-310-100(1).**

### **A. Provide the name and address of the proposed facility.**

The proposed Signature Hospice Bellingham, LLC agency will be in a shared office within the existing Signature Healthcare at a Home, home health location in Bellingham, located at:

Signature Hospice Bellingham, LLC  
459 Stuart Avenue  
Bellingham, WA 98226

Avamere Home Health Care, LLC “tenant” (Signature Healthcare at Home) currently leases an office location in Bellingham, WA for home health services. This is a large office space with separate entrances and more than enough office space to support both the existing home health and the proposed hospice agency.

### **B. Describe the project for which Certificate of Need approval is sought.**

Signature Hospice Bellingham, LLC is proposing a Medicare / Medicaid certified hospice agency in Whatcom County Washington. This new agency will provide the same high level of care currently provided by all *affiliated agencies*. Signature Hospice Bellingham will provide exceptional in-home care wherever the patient calls home. Our focus of exceptional care delivery will be accomplished via a team of experienced and specialty trained professionals. The interdisciplinary teams central focus and goals for care delivery during hospice care will center on a holistic approach to quality, dignity and comfort of care through the end of life to support medical, physical, emotional, social and spiritual needs of the patient and their family.

The high level of care a Signature Hospice in Whatcom County can provide to the community will assure all residents of Whatcom county in need of hospice services have access and choice to compassionate end of life care.

**C. List new services or changes in services represented by this project. Please indicate which services would be provided directly by the agency and which services would be contracted.**

Table 2 lists services intended for this project in Whatcom County, Washington. The services below are representative of Northwest Hospice dba Signature Healthcare at Home current operations model in Oregon, Utah and Idaho.

**Table 2.**

<b>Service</b>	<b>Medicare Hospice</b>	<b>Direct</b>	<b>Contracted</b>
Nursing Care / RN	Required	X	
Medical Director	Required	X	
Speech –Language pathology service	Required		X
Physical and Occupational therapy	Required		X
Social Services	Required	X	
Dietary	Required		X
Pastoral care	Required	X	
Home Care Aide	Required	X	
Interdisciplinary team	Required	X	
Case management	Required	X	
Medical supplies, including drugs and biologicals	Required		X
Inpatient hospital care for procedures necessary for pain control and acute and chronic s	Required		X
Inpatient (nursing home) respite care	Required		X
Medical Social Worker counseling	Required	X	
Bereavement Services for family members	Required	X	
Volunteer Coordinator	Required	X	
Other: Music, pets, massage, reiki			X

**D. General description of types of patients to be served by the project.**

Signature Hospice Bellingham, LLC will serve all patients eligible for hospice services under the requirements for eligibility without discrimination who choose hospice services from our agency.

**E. List the equipment proposed for the project:**

- 1. description of equipment proposed; and**
- 2. description of equipment to be replaced, including cost of the equipment, disposal, or use of the equipment to be replaced.**

The equipment proposed for the project is typical of an office start-up. Costs are based on 2019 new office startups in Oregon by related entities.

**Table 3.**

<b>Equipment</b>	<b>Cost</b>
Furniture	\$5,000
Phones	\$2,000 hardware / setup
IT – Computers, monitor, docks, equipment	\$2,500
Printer / Copier + Deliver	\$3,500
Tablets (\$200 per tablet)	\$1,200
Miscellaneous (Marketing, Signage)	\$13,832
<b>TOTAL</b>	<b>\$28,032</b>

**F. Provide drawings of proposed project:**

- 1. single line drawings, *approximately to scale*, of current locations which identify current department and services; and**
- 2. single line drawings, *approximately to scale*, of proposed locations which identify proposed services and departments; and**
- 3. total net and gross square feet of project.**

**See attached Exhibit 7** for the Bellingham office current and proposed line drawings of the space available for hospice operations.

Signature Hospice Bellingham, LLC will occupy approximately 500 square feet of office space within the existing home health location.

**G. Identify the anticipated dates of both commencement and completion of the project.**

Per WAC 246-310-290, Table A, Cycle 1, we anticipate a decision on certificate of need approval by September 2020. If successful in the Certificate of Need application, the

Washington State application for licensure will be submitted by the end of October 2020. Ideally, we would begin to see patients by January 1, 2021.

**H. Describe the relationship of this project to the applicant's long-range business plan and long-range financial plan (if any).**

Avamere Group, LLC operates with the mission to “enhance the life of every person we serve.” Through 25 years in the senior care service market we have identified the hospice philosophy and service as the necessary element to be able to meet our patient’s holistic needs in home health and senior communities. Patients and residents in our communities and home health, currently report delays in access to hospice service. With our experience in palliative care and hospice operations, the opportunity for us to submit a Certificate of Need application gives us assurance we can make a difference in those patients and families lives who are experiencing terminal illness. Signature Hospice in Whatcom County will complete the full range of service provided by the Avamere Family of Companies to include Signature Healthcare at Home, Avamere Living and Infinity Rehab. The continuum of care helps ensure the highest level of care and reduces the current delay in service the community is experiencing.

**I. Provide documentation that the applicant has sufficient interest in the site or facility proposed. "Sufficient interest" shall mean any of the following:**

- 1. clear legal title to the proposed site; or**
- 2. a lease for at least one year with options to renew for not less than a total of three years; or**
- 3. a legally enforceable agreement (i.e., draft detailed sales or lease agreement, executed sales or lease agreement with contingencies clause) to give such title or such lease in the event that a Certificate of Need is issued for the proposed project.**

The current addendum, “Option to Extend Rider”, to the lease agreement shows an expiration date of August 31, 2020 with (2) five-year renewal options. The lease is held by Avamere Home Health, LLC dba Signature Healthcare at Home which is a related entity as shown in **Exhibit 3**. As both Signature Hospice Bellingham and home health share similar ownership, we are not anticipating any further amendments to the lease. If the Department of Health requires any changes or amendments to the lease agreement to meet their requirements, we are willing to discuss changes with the lessor.

**See Exhibit 8** for the Bellingham lease agreement and addendums.

### III. PROJECT RATIONALE

**Please address each county proposing to be served separately.**

**A. Need (WAC 246-310-210)**



**1. Identify and analyze the unmet hospice service needs and/or other problems toward which this project is directed.**

- a. Identify the unmet hospice needs of the patient population in the proposed service area(s). The unmet patient need should not include physical plant and/or operating (service delivery) deficiencies; and**

The need for hospice agencies in Whatcom County has been determined by the 8 step Department of Health Need Methodology as published by the State of Washington in WAC246-310-290(8)(a-h). When this methodology is applied to Whatcom County for the next upcoming year, 2021, it shows a need of 0.86 additional hospice agencies.

The Certificate of Need methodology and how this need was obtained is outlined below, utilizing the most recently published version of WAC 246-310-290 from November 2019.

**See Exhibit 9** for full 2019-2020 Hospice Need Methodology from the Department of Health.

**Step 1.**

Calculate the following two statewide predicted hospice use rates using the department of health survey and vital statistic data:

WAC 246-310-290(8)(a)(i) the percentage of patients age sixty-five and over who will use hospice services. This percentage is calculated by dividing the average number of unduplicated admissions over the last three years for patients sixty-five and over by the average number of past three years statewide total deaths age sixty-five and over.

WAC 246-310-290(8)(a)(ii) the percentage of patients under sixty-five who will use hospice services. This percentage is calculated by dividing the average number of unduplicated admissions over the last three years for patients under sixty-five by the average number of past three years statewide total deaths under sixty-five.

**Table 4.**

Statewide Hospice Admission and Deaths by Age Group and Year			
	2016	2017	2018
Hospice Admissions ages 0-64	3,768	3,757	4,114
Hospice Admissions ages 0-64	24,738	26,365	26,951
Deaths ages 0-64	13,557	14,113	14,055
Deaths ages 65+	41,104	42,918	42,773
		Use Rates	
		0-64	27.89%
		65+	61.56%

Source: DOH 2019-2020 Hospice Need Methodology

Step 2.

WAC246-310-290(8)(b) calculate the average number of total resident deaths over the last three years for each planning area by age cohort.

**Table 5.**

Whatcom County Deaths by Age Group and Year				
	2016	2017	2018	2016-18 Average Deaths
Deaths (0-64)	365	367	360	364
Deaths (65+ )	1,353	1,329	1,252	1,311

Source: DOH 2019-2020 Hospice Need Methodology

Step 3.

WAC246-310-290(8)(c) multiply each hospice use rate determined in step 1 by the planning areas average total resident deaths determined in step 2, separated by age cohort.

**Table 6.**

Whatcom County Average Deaths and Projected Hospice Patients, by Age Group			
	2016-2018 Average Deaths	Use Rates	Projected Hospice Patients
Deaths (0-64)	364	27.90%	102
Deaths (65+ )	1,311	61.56%	807

Source: DOH 2019-2020 Hospice Need Methodology

Step 4.

WAC246-310-290(8)(d) Using the projected patients calculated in step 3, calculate a use rate by dividing the projected patients by the three-year historical average population by county. Use this rate to determine the potential volume of hospice use by the projected population by age cohort using the Office of Financial Management (OFM) data.

**Table 7.**

Whatcom County Projected Population and Potential Hospice Volume for 2019-2021								
	Projected Patients	2016-2018 Avg Population	2019 Projected Population	2020 Projected Population	2021 Projected Population	2019 Potential Volume	2020 Potential Volume	2021 Potential Volume
Ages 0-64	102	180,629	185,418	187,812	189,267	104	106	106
Ages 65+	807	37,426	40,902	42,640	44,217	882	920	954

Source: DOH 2019-2020 Hospice Need Methodology

Step 5.

WAC246-310-290(8)(e) Combine the two age cohorts. Subtract the average of the most recent three years hospice capacity in each planning area from the projected volumes calculated in step 4 to determine the number of projected admissions beyond the planning area capacity.

According to the data collected by the Certificate of Need Program, the current capacity of the agencies currently operating in Whatcom County is 875. By subtracting the current capacity from the potential volume of each year's data, we are left with the unmet admits for the next three years.

**Table 8.**

Whatcom County Potential Hospice Volume by Unmet Hospice Admits, 2019-2021						
2019 Potential Volume	2020 Potential Volume	2021 Potential Volume	Current Capacity	2019 Admits (Unmet)	2020 Admits (Unmet)	2021 Admits (Unmet)
986	1,025	1,060	875	111	150	185

Source: DOH 2019-2020 Hospice Need Methodology

Step 6.

WAC246-310-290(8)(f) Multiply the unmet need from Step 5 by the statewide average length of stay as determined by CMS to determine unmet need patient days in the projection years (2019-2021).

Assuming the Statewide ALOS of 60.13, we will multiply that number by the projected unmet admits, obtaining the projected unmet patient days of upcoming years.

**Table 9.**

Whatcom County Unmet Hospice Admits to find Unmet patient days, 2019-2021					
2019 Admits (Unmet)	2020 Admits (Unmet)	2021 Admits (Unmet)	2019 Patient Days (Unmet)	2020 Patient Days (Unmet)	2021 Patient Days (Unmet)
111	150	185	6,681	9,016	11,111

Source: DOH 2019-2020 Hospice Need Methodology

Step 7.

WAC246-310-290(8)(g) Divide the unmet patient days from step 6 by 365 to determine the unmet need ADC (Average Daily Census)

**Table 10.**

Whatcom County Unmet Patient days & Unmet ADC, 2019-2021					
2019 Patient Days (Unmet)	2020 Patient Days (Unmet)	2021 Patient Days (Unmet)	2019 ADC (Unmet)	2020 ADC (Unmet)	2021 ADC (Unmet)
6,681	9,016	11,111	18	25	30

Source: DOH 2019-2020 Hospice Need Methodology

Step 8.

WAC246-310-290(8)(h) Determine the number of hospice agencies in the planning area that could support the unmet need with an ADC of 35.

We will apply a logical reasoning method to the Unmet ADC to determine if the county has a need greater than 1. To do this, we divide the Unmet ADC in 2021 by 35, the resulting number is the number of agencies needed in that county, which is 0.86 agencies needed in Whatcom County.

**Table 11.**

Whatcom County Numeric Need	
2021 ADC (Unmet)	Number of Agencies needed in 2021
30	0.86

Source: DOH 2019-2020 Hospice Need Methodology

**b. Identify the negative impact and consequences of unmet hospice needs and deficiencies**

The Department of Washington's own methodology indicates **185 people** in Whatcom County or **11,111 patient days** without hospice services are projected for 2021. While the methodology doesn't show a current need of one agency, we would make the case in this area the methodology is flawed based on objective data, community feedback, and home health operations experience in Whatcom county. In Table 12 we present bundled patient data that shows 49% of patients that died in Whatcom County died without hospice between 2016-2018. Of those deaths the majority happened in skilled nursing or hospital settings. You could extrapolate several things from this data. First, patients are dying and not being identified for hospice services soon enough. Second, hospice services were likely not available due to high volume and only one provider available to meet the need. Third, with only one hospice provider in the county, patients are not afforded their right to choose a provider. Having a choice for a provider is a fundamental right.

On January 20, 2020 a community forum held by the Whatcom League of Women outlined concerns the community has regarding the availability of hospice services. Primary concerns included, unmet needs of hospice patients due to delays in care and a waitlist for care.

Signature Healthcare at Home has observed firsthand with our home health and skilled buildings the delays and lack of access to hospice services in Whatcom County. The negative impacts on patients and families without access to hospice include but are not limited to caregiver burnout, lost days at work for caregivers, uncontrolled symptoms, ER visits, increased financial burden for out of pocket costs for prescriptions, DME and institutional or fragmented respite and medical death.

Hospice continues to be the ideal venue for patients and families to benefit and have a shepherd through end of life care and a holistic palliative approach to terminal illness.

Adding an additional hospice agency to Whatcom County will only hope to benefit it and its patients and families that are experiencing end of life care.

Signature Healthcare at Home caregivers continue to experience first-hand delays in hospice care. Over the weekend of January 24, 2020, a current home health patient with Signature was sent to the hospital and then discharged to the home with hospice orders. Due to the delay in hospice care and the patient's severe COPD, Signature Healthcare at Home was asked to resume home health care until hospice care is available. Due to the patient's symptoms and disease, this could cause immeasurable suffering to the patient and family.

**Table 12.**

Bellingham Episode Information – Deaths within a Certain Type of Episode, With and Without Hospice.

Time frame: 10/01/2016 – 09/30/2018

Episode Initiator Name	Facility Type	# Died During Episode	Death with Hospice	Death WITHOUT Hospice	% of Deaths without Hospice
PEACEHEALTH ST JOSEPH MEDICAL CENTER	Hospital	1,011	548	463	46%
ALDERWOOD PARK HEALTH AND REHABI	SNF	18	6	12	67%
AVAMERE BELLINGHAM HEALTH CARE &	SNF	8	3	5	63%
CHRISTIAN HEALTH CARE CENTER	SNF	37	16	21	57%
MT BAKER CARE CENTER	SNF	41	13	28	68%
NORTH CASCADES HEALTH AND REHABI	SNF	38	12	26	68%
SHUKSAN HEALTHCARE CENTER	SNF	26	10	16	62%
ST FRANCIS OF BELLINGHAM	SNF	29	14	15	52%
STAFHOLT GOOD SAMARITAN CENTER	SNF	12	3	9	75%
EDEN HOME HEALTH	Home Health	107	48	59	55%
SIGNATURE HOME HEALTH	Home Health	31	15	16	52%
<b>TOTAL</b>		<b>1,358</b>	<b>688</b>	<b>670</b>	<b>49%</b>

Data Source: CMS Claims Data for Bundled Payment (Limited Data Set) for the year 2016-2018

2. **Define the types of patients that are expected to be served by the project.** The types of patients expected to be served can be defined according to specific needs and circumstances of patients (i.e., culturally diverse, limited English speaking, etc.) or by the number of persons who prefer to receive the services of a recognized school or theory of medical care.

Signature Hospice Bellingham, LLC will serve all patients eligible for hospice services under the requirements for eligibility without discrimination. This will include patients of all ages regardless of a payor source or living situation. Hospice services are “palliative” and not curative. Patients certified terminally ill and electing the hospice benefit do increase with age, with about 64.2% of Medicare hospice patients being over 80 years old, as seen in **Exhibit 10**.

In addition, we do provide 24/7 medical interpretive services for patient care in over 200 different languages and use this service while providing care for all limited English-speaking patients and their caregivers. Our approach to hospice care is patient-centered holistic care

incorporating patient goals for comfort, companionship, relief, peace, and resolution of burdensome symptoms at the end-of-life.

3. **For existing facilities, include a patient origin analysis for at least the most recent three-month period, if such data is maintained, or provide patient origin data from the last statewide patient origin study. Patient origin is to be indicated by zip code. Zip codes are to be grouped by city and county and include a zip code map illustrating the service area.**

Signature Hospice Bellingham, LLC is not an existing agency, so this question is not applicable.

4. **Please provide utilization forecasts for the following, for each county proposing to serve:**
  - a. **total number of unduplicated hospice patients served per year for the first three years;**
  - b. **average length of stay (days) per patient per year for the first three years;**
  - c. **median length of stay; and**
  - c. **average daily census per year for the first three years.**

Table 13 outlines the projected admissions, patient days, average length of stay, and ADC for the next three years for Signature Hospice Bellingham, LLC.

**Table 13.**

Projected Patient Data for Signature Hospice Bellingham, 2021-2023

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Admissions (unduplicated)	80	123	161
Average Length of Stay	60.13	60.13	60.13
Median Length of Stay	27	27	27
Average Daily Census	11.51	20.48	26.38
Patient Days (ALOS 60.13)	4200.03	7476.03	9628.53

\*median length of stay is based on applicants own Median LOS from 2019, year to date.

The average length of stay of 60.13 is based on the Department of Health's definition of ALOS, listed in **Exhibit 9**.

**5. Please provide a forecasted breakdown of patient diagnoses.**

The table below shows the national average of diagnoses for hospice patients in 2017. The diagnoses and percentages were published in July of 2018 by the National Hospice & Palliative Care Organization. <sup>1</sup>

**Table 14.**

Diagnosis	Estimated Percent
Cancer	30.1%
Circulatory/Heart	17.6%
Dementia	15.6 %
Other	13.9%
Respiratory	11.0%
Stroke	9.4%
Chronic Kidney Disease	2.3%
<b>Total</b>	<b>100.0%</b>

**6. Provide the complete step-by-step quantitative methodology used to construct each utilization forecast. All assumptions related to use rate, market share, intensity of service, and others must be provided.**

In response to the earlier question, the WA Certificate of Need program surveys all existing hospice providers in the state, then applies the survey data to the hospice need methodology in WAC 246-310-290. For Whatcom County, the projected unmet ADC is 30 by 2021. With the needed number of agencies being 0.86 to address this unmet ADC, we would assume that the state of Washington will approve one agency for the Certificate of Need.

However, we took a slightly different approach to our Census projections in Table 14. We based our first-year census growth on previous, similar sized Signature startups in other states and combined that with a logical reading of the census growth based on the Department of Health’s Methodology. Therefore, we arrived at our projected ADC of 11 for 2021, 20 for 2022, and 26 for 2023.

This may be conservative based on the relatively smaller population size of the service area and the projected ADC; however, we did not want to get overly aggressive as rapid growth could compromise patient care. Our focus is to provide quality and compassionate care wherever the patient calls home.

The additional projections from Table 13 and how they were obtained is below:

ALOS – Assumes the Washington State ALOS of 60.13 days

Patient Days – ALOS x Admits

Average Daily Census (ADC) – Average of Projected patient days / 365

Median LOS – Based on Signature Hospice Oregon agencies.

<sup>1</sup> National Hospice & Palliative Care Organization – 2018 Facts and Figures, pg. 12  
[https://39k5cm1a9u1968hg74aj3x51-wpengine.netdna-ssl.com/wpcontent/uploads/2019/07/2018\\_NHPCO\\_Facts\\_Figures.pdf](https://39k5cm1a9u1968hg74aj3x51-wpengine.netdna-ssl.com/wpcontent/uploads/2019/07/2018_NHPCO_Facts_Figures.pdf)

**7. Provide detailed information on the availability and accessibility of similar existing services to the defined population expected to be served. This section should concentrate on other facilities and services which "compete" with the applicant.**

- a. Identify all existing providers of services (licensed only and certified) similar to those proposed and provide utilization experience of those providers that demonstrates that existing services are not available to meet all or some portion of the forecasted utilization.**

There is only one existing Whatcom County provider, Whatcom Hospice (PeaceHealth).

While Whatcom Hospice has good quality scores on Medicare Compare, timeliness of care is *below* the national average at 73% compared to the national average of 78%, as reported by patients and/or family members surveyed on CHAPS<sup>2</sup>.

Washington continues to show low utilization of hospice services with an ALOS of 60.13 days in comparison to the national average of 74.1 as outlined in the National Hospice & Palliative Care Association (NHPCO) 2018 facts and figures data<sup>3</sup>.

**See attached Exhibit 11** for an exert of the citation above that shows in detail the percentage of people who receive Medicare in all 50 states, paying special attention to Washington.

In addition, Table 15 below supports the information in **Exhibit 11**, showing us that Washington’s use of hospice is lower than the national percentage.

**Table 15.**

National Vs State of Washington: Deaths With and Without Hospice  
BCPI Diagnostic Groupings Only.

Time frame: 10/01/2016 – 09/30/2018

*\*no data was included for those initiators with fewer than 11 patients.*

Episode Initiator Type	Number of Deaths		Number of Deaths with Hospice				Number of Deaths WITHOUT Hospice			
	National	Washington	National	Washington	% National	% Washington	National	Washington	% National	% Washington
Hospital	832,949	14,911	492,313	8,168	59%	55%	340,636	6,743	41%	45%
SNF	340,463	5,508	139,744	1,887	41%	34%	200,719	3,621	59%	66%
Home Health	163,730	2,586	85,567	1,280	52%	49%	78,163	1,306	48%	51%

*Data Source: CMS Claims Data for Bundled Payment (Limited Data Set) for the year 2016-2018*

<sup>2</sup> Medicare Hospice Compare – Whatcom County

<https://www.medicare.gov/hospicecompare/#profile&type=ZIP&pid=501537&loc=98226&lat=48.7959658&lng=-122.4523385&previousPages=results>

<sup>3</sup> National Hospice & Palliative Care Organization – 2018 Facts and Figures [https://39k5cm1a9u1968hg74aj3x51-wpengine.netdna-ssl.com/wp-content/uploads/2019/07/2018\\_NHPCO\\_Facts\\_Figures.pdf](https://39k5cm1a9u1968hg74aj3x51-wpengine.netdna-ssl.com/wp-content/uploads/2019/07/2018_NHPCO_Facts_Figures.pdf)



- b. If existing services are available, demonstrate that such services are not accessible. Unusual time and distance factors, among other things, are to be analyzed in this section.**

The current existing provider is not able to meet the needs of all the patients that require hospice services as outlined in the statistics of the Department of Health's Needs Methodology, **attached in Exhibit 9**. While the need does not meet the requirements of the state by being at an ADC of 35 for 2021, there is still a need of 30 ADC in Whatcom county by year 2021. The statistics and methodology indicate that the reach of current providers and hospice services has not kept pace with the growth of aging population in addition to the growth of need for county residents and hospice service

Patients and families also note a problem with timely care and access to services. Signature Hospice Bellingham, LLC hopes to bridge that gap by providing care in areas that are harder to reach for other providers in Whatcom county.

Currently, Signature Healthcare at Home services remote areas of Whatcom county, including Lummi Island and Lummi Reservation. Lummi Island and Reservation are harder to reach areas due to Lummi Island only being accessible by ferry and limited roadways to access Lummi Reservation. The majority of the Reservation population has Medicaid and the Tribal Insurance, Signature Healthcare at Home continues to accept and see these patients on a monthly basis, averaging about 3-4 new referrals per month. Eden Home Health and Signature Healthcare at Home are the only providers in Whatcom that service Lummi Reservation, while Signature is the only Home Health provider that services Lummi Island. As part of our services to Lummi Island and other patients in all of Whatcom county, we also provide telemedicine which monitors vital signs and alerts clinicians of any changes in their status. This advanced technology allows Signature Healthcare at Home to care for patients even when not physically present.

As part of Signature Hospice Bellingham, LLC we would be devoted to serving these harder to reach areas to ensure that all patients, regardless of address, are taken care of.

- c. If existing services are available and accessible, justify why the proposed project does not constitute an unnecessary duplication of services.**

As documented above in the Department of Health's own 2021 Whatcom County need, the proposed project is not unnecessary duplication as it is a response to unmet needs of 30 average daily patients in 2021.

In addition, the ability for a patient to choose their hospice provider is a right that all patients have. In Whatcom county, choice is not currently a luxury of the patients that are terminally ill, depriving them of their right of chose in their care.

- 8. Document the manner in which low-income persons, racial and ethnic minorities, women, people with disabilities, and other under-served groups will have access to the services proposed.**

Signature Hospice Bellingham, LLC will acquire Medicare & Medicaid certification, and is committed to charity care. Whether a private residence, Assisted Living Facility, Adult Foster Home, Skilled Nursing Facility, apartment, or homeless shelter, Signature Hospice Bellingham, LLC will provide care wherever the patient's call home. Once a referral for hospice is received, the intake process is started to evaluate for eligibility and to begin hospice care if patient is deemed terminally ill and elects to establish benefit. Signature Hospice Bellingham, LLC and all related entities offer care without regard to race, color, religion, age, gender, sexual orientation, disability (mental or physical), communicable disease, or place of national origin. Every referral is processed, and admissions and charity policy outline our full intent to service every patient and family in need of hospice care provided the requirements for Hospice eligibility are met.

**9. Please provide copies (draft is acceptable) of the following documents:**

**a. Admissions policy; and**

See attached Hospice 2-023 Admission Criteria and Process Policy (*Exhibit 12a*)

**b. Charity care policy; and**

See attached Hospice 4-027 Charity Care Policy (*Exhibit 12b*)

**c. Patient referral policy, if not addressed in admissions policy.**

See attached Hospice 2-022 Intake Process Policy (*Exhibit 12c*)

**10. As applicable, substantiate the following special needs and circumstances that the proposed project is to serve.**

**a. The special needs and circumstances of entities such as medical and other health professions' schools, multi-disciplinary clinics, and specialty centers that provide a substantial portion of their services, resources, or both, to individuals not residing in the health services areas in which the entities are located or in adjacent health services areas.**

Not applicable to the proposed project.

**b. The special needs and circumstances of biomedical and behavioral research projects which are designed to meet a national need and for which local conditions offer special advantages.**

Not applicable to the proposed project.

**c. The special needs and circumstances of osteopathic hospitals and non-allopathic services with which the proposed facility/service would be affiliated.**

Not applicable to the proposed project.

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

WAC 246-310-990(2) defines “total capital expenditure” to mean the total project costs to be capitalized according to generally accepted accounting principles. These costs include, but are not limited to, the following: legal fees; feasibility studies; site development; soil survey and investigation; consulting fees; interest expenses during construction; temporary relocation; architect and engineering fees; construction, renovation, or alteration; total costs of leases of capital assets; labor; materials; fixed or movable equipment; sales taxes; equipment delivery; and equipment installation.

**1. Provide the proposed capital expenditures for the project. These expenditures should be broken out in detail and account for at least the following:**

- Land acquisition;
- Site survey, tests, inspections;
- Construction contract;
- Financial feasibility studies, architectural fees/engineering fees/consulting fees;
- Fixed equipment (not in construction contract);
- Movable equipment;
- Freight and delivery charges;
- Sales tax;
- Cost of tuning up and trial runs;
- Reconditioning costs (in case of used asset);
- Cost of title investigations, legal fees, brokerage commissions;
- Other activities essential to the acquisition, improvement, expansion, or replacement of plant and equipment due to the project; and
- Financing costs, including interim interest expense, reserve account, interest expense, and other financing costs.

The proposed project does not include land acquisition or construction. Equipment expenditures are listed below:

**Table 16**

<b>Equipment</b>	<b>Cost</b>
Furniture	\$5,000
Phones	\$2,000 hardware / setup
IT – Computers, monitor, docks, equipment	\$2,500
Printer / Copier + Deliver	\$3,500
Tablets (\$200 per tablet)	\$1,200
Miscellaneous (Marketing, Signage)	\$13,832
<b>TOTAL</b>	<b>\$28,032</b>

**2. Explain in detail the methods and sources used for estimated capital expenditures.**

Capital expenditures were formulated based on the applicants experience in establishing new agencies. In 2019 the related entity to applicant, Signature Healthcare at Home,

established two new home health agencies in Oregon. The cost estimates above are based on costs from both internal IT as well as external vendors.

**3. Document the project impact on (a) capital costs; and (b) operating costs and charges for health services.**

- a. The project impact on capital costs are stated above (Table 16). Signature Hospice Bellingham is anticipating \$50,000 startup costs including equipment and application review fee. This expenditure is being funded from cash on hand and will not impact charges for health services.
- b. The operating costs of startup will also be absorbed through current cash flow, cash on hand and intercompany transfers if needed and will not impact charges for health services.

**4. Provide the total estimated operating revenue and expenses for the first three years of operation (*please show each year separately*) for the following, as applicable. Include all formulas and calculations used to arrive at totals on a separate page.**

**Revenue**

- Medicare
- Medicare Managed Care
- Medicaid
- Healthy Options [BHP]
- Private Pay
- Third Party Insurance
- Other [CHAMPUS, Veterans, etc.]
- Non-operating Revenue [United Way, etc.]
  
- Deductions from Revenue:
- (Charity)
- (Provision for Bad Debt)
- (Contractual Allowances)

**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
- Purchased Services (utilities, other)
- Rental/Lease
- Repairs and Maintenance
- Salaries and Wages (DNS, RN, OT, clerical, etc.)
- Supplies
- Telephone/Pagers
- Travel (patient care, other)

**See attached Exhibit 13** for proforma revenue and expense for the first three years of operation beginning in 2021. Also included in **Exhibit 13** are the calculations and assumptions considered.

- 5. Identify the source(s) of financing (*loan, grant, gifts, etc.*) for the proposed project. Provide all financing costs, including reserve account, interest expense, and other financing costs. If acquisition of the asset is to be by lease, copies of any lease agreements, and/or maintenance repair contracts should be provided. The proposed lease should be capitalized with interest expense and principal separated. For debt amortization, provide a repayment schedule showing interest and principal amount for each year over which the debt will be amortized.**

Signature Hospice Bellingham, LLC and related entities currently have the capacity to fund this project without the utilization of long-term financing. Capital expenditures at startup and operating costs in the first year of operations can be funded by cash on hand and if needed intercompany transfers.

- 6. Provide documentation that the funding is, or will be, available and the level of commitment for this project.**

A letter from Key Bank was obtained that shows sufficient funds held in the account of Northwest Hospice, LLC for capital expenditures.

***See Exhibit 14 for Key Bank Letter.***

In addition, a letter of commitment from Ron Odermott, Chief Financial Officer, is included to show the level of commitment the company has invested into the establishment and continued operations and success of a Hospice in Whatcom County.

***See Exhibit 15 for Letter of Commitment.***

- 7. Provide a cost comparison analysis of the following alternative financing methods: purchase, lease, board-designated reserves, and interfund loan or bank loan. Provide the rationale for choosing the financing method selected.**

With a project of this size management has elected to fund this project with available cash. Ownership did not consider any internal or external financing options for this project.

- 8. Provide a pro forma (projected) balance sheet and expense and revenue statements for the first three years of operation.**

***See Attached Exhibit 16*** for the projected pro forma balance sheet, expenses, and revenue for the years 2021-2023.

- 9. Provide a capital expenditure budget through the project completion and for three years following completion of the project.**

Signature Hospice Bellingham, LLC has identified the capital expenditures through project completion. In the first 3 years of operations we have budgeted an additional \$10,000 in year 2 and \$5,000 in years 3 and 4. The capital expenditures will be focused in computers and tablets to accommodate the additional staff needed to meet growth.

10. Identify the expected sources of revenue for the applicant's total operations (e.g., Medicare, Medicare Managed Care, Medicaid, Healthy Options, Blue Cross, Labor and Industries, etc.) for the first three years of operation, with anticipated percentage of revenue from each source. Estimate the percentage of change per year for each payer source.

**Table 17. Signature Hospice Bellingham, LLC Projected Payor Mix by Percentage**

<b>Payor</b>	<b>Percent</b>
Medicare	97%
Managed Medicare	0%
Medicaid	2%
Commercial	1%

The above table reflects the payor mix from the Signature Hospice Bellingham Proforma Revenue and Expense (**Exhibit 13**). This information was derived from current experience in other Hospice markets in Oregon, Idaho and Utah.

11. If applicant is an existing provider of health care services, provide expense and revenue statements for the last three full years.

*See attached Exhibit 17* for the Consolidated Financial Statements for Avamere Group, LLC.

12. If applicant is an existing provider of health care services, provide cash flow statements for the last three full years.

*See attached Exhibit 17* for the Consolidated Financial Statements for Avamere Group, LLC.

13. If applicant is an existing provider of health care services, provide balance sheets detailing the assets, liabilities, and net worth of facility for the last three full *fiscal* years.

*See attached Exhibit 17* for the Consolidated Financial Statements for Avamere Group, LLC.

14. For existing providers, provide actual costs and charges per visit broken down by discipline (i.e., RN/LPN, OT, PT, social worker, etc.) and by payer source for each county proposing to serve.

This question is not applicable as Signature Hospice Bellingham, LLC will be paid according to Medicare reimbursement rates and therefore will be paid a daily rate, not a per visit rate.

- 15. Provide anticipated costs and charges per visit broken down by discipline (i.e., RN/LPN, OT, PT, social worker, etc.) and by payer source for each county proposing to serve.**

This question is not applicable as Signature Hospice Bellingham, LLC will be paid according to Medicare reimbursement rates and therefore will be paid a daily rate, not a per visit rate. Costs and charges for a per visit model are not calculated by Medicare / Medicaid certified hospice providers.

- 16. Indicate the addition or reduction of FTEs with the salaries, wages, employee benefits for each FTE affected, for the first three years of operation. Please list each discipline separately.**

*See Exhibit 18 for Staffing Detail.*

- 17. Please describe how the project will cover the costs of operation until Medicare reimbursement is received. Provide documentation of sufficient reserves.**

The project will be funded by Northwest Hospice, LLC until Signature Hospice Bellingham, LLC is fully functional and able to bill for service. Attached in **Exhibit 14** is a copy of the bank letter which shows Northwest Hospice, LLC has sufficient funds to support this project as well as **Exhibit 15** letter from the CFO Ron Odermott.

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

- 1. Please provide the current and projected number of employees for the proposed project, using the following:**

Signature Hospice Bellingham, LLC has no current employees. However, we have provided the projected number of FTE's in Table 18 based on our census model and included the average salary for that role in the Whatcom market.

**Table 18. Projected Staffing Assumptions for Signature Hospice Bellingham, LLC**

Staffing Assumptions	Hourly Rate	Annual Salary	FTE Count	FTE Count	FTE Count
			2021	2022	2023
RN	\$ 37.00	\$ 76,960.00	1.27	2.05	2.64
LPN & LVN	\$ 29.00	\$ 60,320.00	0.09	0.31	0.66
Clinical Manager	\$ 40.00	\$ 83,200.00	0.50	0.50	0.53
HHA (CCNA's)	\$ 17.50	\$ 36,400.00	0.77	1.37	1.76
Medical Director	\$ 150.00	\$ 312,000.00	0.10	0.10	0.13
Spiritual Counseling	\$ 25.00	\$ 52,000.00	0.12	0.41	0.88
Volunteer Coordinator	\$ 26.00	\$ 54,080.00	0.07	0.25	0.53
Medical Social Worker (MSW)	\$ 34.00	\$ 70,720.00	0.55	0.68	0.88
Administrator	\$ 57.00	\$ 118,560.00	0.50	1.00	1.00
Business Office Manager	\$ 26.00	\$ 54,080.00	0.50	1.00	2.00
Intake/Scheduler	\$ 20.00	\$ 41,600.00	0.17	0.58	1.00
Community Outreach Specialist	\$ 36.00	\$ 74,880.00	1.00	2.00	2.00
<b>Total</b>			<b>5.63</b>	<b>10.26</b>	<b>14.01</b>

**2. Please provide your staff to patient ratio.**

**Table 19. Staff to Patient Ratio**

Type of Staff	Staff / Patient Ratio
Skilled Nursing (RN)	1:10
Physical Therapist	Contract
Occupational Therapist	Contract
Medical Social Worker	1:30
Spiritual Care Coordinator	1:30
Speech Therapist	Contract
Home Health / Hospice Aide	1:10
Other (list)	Contract Music Therapy, Pet Therapy, Massage Therapy,
<b>Total</b>	

**3. Explain how this ratio compares with other national or state standards of care and existing providers for similar services in the proposed service area.**

Signature is confident in our projected ratios based on quality outcomes and industry benchmarks as outlined by ACHC, NHPCO and HPNA. Further we compared our proposed staffing ratios with current and past Certificate of Need applicants in Washington, and in each case found our proposed ratios comparable to those approved projects.



- 4. Identify and document the availability of enough numbers of qualified health manpower and management personnel. If the staff availability is a problem, describe the manner in which the problem will be addressed.**

Signature Healthcare at Home owns 29 locations in home health and hospice in four states. We have a strong and proven track record for recruiting and retaining staff. We offer competitive wages, generous benefit package, professional development and clinical ladder opportunities for continuing education and higher education opportunities with financial assistance. Signature Healthcare at Home utilizes a variety of digital strategies and platforms like LinkedIn, Glassdoor, Indeed, Monster, Facebook, Career website & twitter to both actively network and recruit top talent.

Due to the nursing shortage we focus on partnering with academic institutions to build a pipeline and opportunities for preceptorship and clinical rotations.

We have a focus on retention and clinical safety which requires onboarding and ongoing competencies to ensure quality staff are prepared and knowledgeable. Signature Hospice Bellingham expects no problems finding qualified health manpower and management personnel. In addition, Signature Hospice Bellingham will have access to the recruiting department of Signature Healthcare at Home who brings experience and creative solutions to staffing.

***Please see attached Exhibit 19*** for details on recruitment and incentive programs.

- 5. Please identify the number of providers and specialties represented on the interdisciplinary team.**

Signature Hospice Bellingham, LLC will staff in accordance with the Medicare Hospice Conditions of Participation. This interdisciplinary team must include the following qualified staff: A Doctor of Medicine or osteopathy who is an employee or under contract, a registered nurse, a social worker, and pastoral or other counselor. Therapy services must also be available to include physical, speech language and occupational.

***Staffing mix is outlined in Tables 18 & 19.***

- 6. Please identify and provide copies of (if applicable) the in-service training plan for staff. (Components of the training plan should include continuing education, home health aide training to meet Medicare criteria, etc.).**

***See attached Exhibit 20*** for 2020 Training Plan for Staff.

- 7. Describe your methods for assessing customer satisfaction and quality improvement.**

Signature Hospice Bellingham, LLC will utilize Pinnacle Quality Insight to obtain customer satisfaction survey information via phone call post discharge. In addition, we will utilize Strategic Healthcare Programs (SHP) to monitor the Hospice Item Set (HIS) quality metrics.

- 8. Identify your intended hours of operation. In addition, please explain how patients will have access to services outside the intended hours of operation.**

Signature Hospice Bellingham, LLC will intend to operate a business office from 8am-5pm Monday-Friday. There will be access to a physician, and nurse 24/7 for all patients and families.

- 9. Identify and document the relationship of ancillary and support services to proposed services, and the capability of ancillary and support services to meet the service demands of the proposed project.**

Signature Hospice Bellingham anticipates using many of the same support services as our sister companies, Avamere Bellingham Healthcare and Rehab and St. Francis of Bellingham (both Avamere Group Facilities) and Signature Home Health in Bellingham currently utilize. Upon Certificate of Need approval Signature Hospice Bellingham will enter into new contracts with vendors to include, Physical, Occupational, Speech, dietary, pharmacy, inpatient, respite in addition to pet, massage or art therapy etc. In addition, Signature Hospice Bellingham will utilize the Avamere Health services management company for Legal, IT, HR & accounting, and revenue cycle support.

- 10. Explain the specific means by which the proposed project will promote continuity in the provision of health care to the defined population and avoid unwarranted fragmentation of services. This section should include the identification of existing and proposed formal working relationships with hospitals, nursing homes, and other health service resources serving your primary service area. This description should include recent, current, and pending cooperative planning activities, shared services agreements, and transfer agreements. Copies of relevant agreements and other documents should be included.**

In addition to our sister companies as noted above we will seek out preferred partnerships with local hospitals, physician groups, skilled nursing, memory care and community-based care (assisted living), and senior communities. We will look for respite, GIP and continuous care partners to ensure timely and seamless care transitions for ease and comfort for patients and families when necessary.

- 11. Fully describe any history of the applicant entity and principles in Washington with respect to criminal convictions, denial or revocation of license to operate a health care facility, revocation of license to practice a health profession, or decertification as a provider of services in the Medicare or Medicaid program. If there is such history, provide clear, cogent, and convincing evidence that the proposed project**

**will be operated in a manner that ensures safe and adequate care to the public to be served and in conformance with applicable federal and state requirements.**

Northwest Hospice, LLC and Avamere Home Health Care, LLC dba Signature Healthcare at Home does not have any history of criminal convictions or denial or revocation of license to operate a healthcare facility or decertification of a Medicare or Medicaid service program.

However, per our Legal Counsel, in March 2010 a related party of Avamere Group, LLC, called Belair Rehab, LLC, had its skilled nursing facility license terminated in Tacoma. The facility, which contained a ventilator unit operated by a third party, ALS, was unable to clear surveys related to the operations and compliance of the vent unit. Since that time, the State has licensed both a memory care and several SNFs to be operated by Avamere Group.

**12. List the licenses and/or credentials held by the applicant(s) and principles in Washington, as well as other states, if applicable. Include any applicable license numbers.**

**See attached Exhibit 21** for a list of all locations, license numbers, and credentials with Medicare and Medicaid.

**13. Provide the background experience and qualifications of the applicant(s).**

Northwest Hospice, LLC currently and successfully operates twelve hospice locations across Oregon, Utah, and Idaho. Signature Healthcare at Home has over 15 years of experience owning and operating home health and hospice agencies. To ensure quality oversight and efficiency, Avamere Group will serve as a resource for shared services and support of Compliance, Legal, IT, Human Resources and Accounting. As such, the experience that the key stakeholders have in the hospice industry will play a significant role in the success of the project. Adding a hospice agency in the state of Washington will allow us to bring our high level of care and expertise to the unmet patient need in Whatcom County.

**See Attached Exhibit 22** for more detail on the history, experience and qualifications of the related entity, Signature Healthcare at Home.

**14. For existing agencies, provide copies of the last three licensure surveys as appropriate evidence that services will be provided (a) in a manner that ensures safe and adequate care, and (b) in accordance with applicable federal and state laws, rules, and regulations.**

This question is not applicable as Signature Hospice Bellingham, LLC and Northwest Hospice, LLC does not currently operate any hospice agencies in the state of Washington.

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

1. Identify the exploration of alternatives to the project you have chosen to pursue, including postponing action, shared service arrangements, joint ventures, subcontracting, merger, contract services, and different methods of service provision, including different spacial configurations you have evaluated and rejected. Each alternative should be analyzed by application of the following:
  - Decision making criteria (*cost limits, availability, quality of care, legal restriction, etc.*):
  - Advantages and disadvantages, and whether the sum of either the advantages or the disadvantages outweigh each other by application of the decision-making criteria;
  - Capital costs;
  - Staffing impact.

Signature Healthcare at Home chose to pursue a hospice agency in Whatcom County based on lack of choice, unmet need that we saw in the Department of Health's Methodology and delays, and negative impact on patients and families we've seen in the industry with our current home health and skilled buildings populations. Having an existing home health agency offers us the ability for scaling savings with current vendors in addition to sharing locations, efficiencies with administrative oversight and EMR optimization for system of care coordination. Due to the identified need for hospice services in Whatcom County, potential cost savings with affiliated companies, the ability to share administrative support and services with related entities, Signature Hospice Bellingham did not consider any alternatives to the proposed project.

Signature owns over 29 home health and hospice agencies and has extensive experience in co locating to achieve cost savings for patients and families.

2. Describe how the proposal will comply with the Medicare conditions of participation, without exceeding the costs caps.

The current cap amount for the cap year ending in 2020 is \$29,964.78. We are estimating average net reimbursement per admission at \$13,608.07 by year 3; which is more than 55% below the cap. This complemented with our operational procedures we implement to monitor beneficiaries and continual evaluation of terminal illness ensures our compliance with CAP.

3. Describe the specific ways in which the project will promote staff or system efficiency or productivity.

Despite healthcare reform our system continues to be fragmented and access to the needed skilled resources for our aging population and at the end of life continues to be challenging. Data has shown that palliative care, the central philosophy of care behind hospice services, prolongs survival and enhances quality. The New England Journal of medicine published a landmark study in palliative care in August 19<sup>th</sup>, 2010 that found among patients with non-small-cell lung cancer, those who received palliative care lived, on average, almost two months longer (11.6 months) than those who received standard care (8.9 months). Researchers also found that the patients receiving palliative care reported a higher quality of life scores through the final course of their illness. Signature Healthcare at Home staff recognizes that many patients and families need access to timely and skilled hospice and palliative care critical for quality outcomes but also to decrease costs attributed to increased out of pocket expenses, unnecessary hospitalizations, increased Emergency Department visits and clinic visits. Signature Healthcare at Home establishing hospice services will ensure timely and efficiently care can be delivered, and patients eligible and choosing the benefit of hospice will have the choice and access available at the time they need it.

- 4. If applicable, in the case of construction, renovation, or expansion, capital cost reductions achieved by architectural planning and engineering methods and methods of building design and construction. Include an inventory of net and gross square feet for each service and estimated capital cost for each proposed service. Reference appropriate recognized space planning guidelines you have employed in your space allocation activities.**

Not applicable as the project does not involve any construction.

- 5. If applicable, in the case of construction, renovation or expansion, an analysis of the capital and operating costs of alternative methods of energy consumption, including the rationale for choosing any method other than the least costly. For energy-related projects, document any efforts to obtain a grant under the National Energy Conservation Act.**

Not applicable as the project does not involve any construction.

**APPENDIX:**

**Exhibit 1. Washington Secretary of State Certificate of Formation –  
Signature Hospice Bellingham, LLC**

UNITED STATES OF AMERICA

The State of  Washington

Secretary of State

I, **KIM WYMAN**, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

**CERTIFICATE OF FORMATION**

to

**SIGNATURE HOSPICE BELLINGHAM, LLC**

A **WA LIMITED LIABILITY COMPANY**, effective on the date indicated below.

Effective Date: 08/22/2019

UBI Number: 604 498 004



Given under my hand and the Seal of the State  
of Washington at Olympia, the State Capital



Kim Wyman, Secretary of State

Date Issued: 08/22/2019



Office of the Secretary of State  
Corporations & Charities Division

(360) 725 - 0377 | www.sos.wa.gov/corps  
801 Capitol Way S, Olympia, WA 98504-0234

FILED

Secretary of State  
State of Washington  
Date Filed: 08/22/2019  
Effective Date: 08/22/2019  
UBI No: 604 498 004

This Box For Office Use Only

- Filing Fee \$180
- Filing Fee with Expedited Service \$230

**Certificate of Formation  
Limited Liability Company  
RCW 25.15**

Do you already have a UBI Number? (Check one)  Yes  No If Yes, provide UBI # \_\_\_\_\_

If No, a new UBI# will be issued to you upon successful completion of the filing.

If you have previously filed with another state agency (for example, the Department of Revenue, the Department of Labor and Industries, or the Employment Security Department), you may already have a 9 digit UBI Number that you can enter above. Please do not enter the UBI Number of a Sole Proprietorship or General Partnership. If you do not have a UBI Number, please select "no" above and continue with the filing.

**ENTITY NAME :**

Does the entity have a name reserved? (Check one)  Yes  No

If Yes, provide the Name Reservation Number and Name If No, provide only the name

Reservation Number: n/a

Name: Signature Hospice Bellingham, LLC

**For name requirements review the following RCW(s): Limited Liability Company - RCW 23.95.305 (5)**

**PERIOD OF DURATION :** Please check ONE of the following

This Company shall have a perpetual duration (default)  This Company shall have a duration of \_\_\_\_\_ years.

This Company shall expire on \_\_\_\_\_

**EFFECTIVE DATE:** Please check ONE of the following:

Date of filing  Specify a Date \_\_\_\_\_ cannot be more than 90 days following received date



**REGISTERED AGENT:**

Is the Registered Agent a Commercial Registered Agent?  Yes  No

If Yes, provide the name of the Commercial Registered Agent: National Registered Agents, Inc.

A Commercial Registered Agent is an entity or individual that is registered with the Office of the Secretary of State to receive legal documents on behalf of a corporation. A Commercial Registered Agent has the entities/individual's address on record with the office.

A Registered Agent consent is still required for a Commercial Registered Agent located below.

If No, please continue below

Please complete ONE type of Registered Agent below, be sure to include the name below the checked box. Then continue to provide the required street address. Mailing address if needed.

<input type="checkbox"/> Individual	<input type="checkbox"/> Entity	<input type="checkbox"/> Office or Position
_____ First and last name of a Non-commercial Registered Agent. (Any person not registered as a Commercial Registered Agent.)	_____ Name of a Non-commercial Registered Agent. (Any business not registered as a Commercial Registered Agent.)	_____ List the Office or Position serves as agent. (Only if using the specific office or position as the registered agent, no matter who holds the position like: Secretary, Member or Treasurer.)

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**Registered Agent Street Address (required)**  
(Must be a physical address No PO Box or PMB)

Country: United States State: Washington

Address : \_\_\_\_\_

Zip: \_\_\_\_\_ City: \_\_\_\_\_

**Registered Agent Mailing Address (optional)**  
 Check if mailing address is the same as street address


Country: United States State: Washington

Address : \_\_\_\_\_

Zip: \_\_\_\_\_ City: \_\_\_\_\_

**CONSENT TO SERVE AS REGISTERED AGENT - REQUIRED FOR ALL TYPES**

I hereby consent to serve as Registered Agent in the State of Washington for the named entity. I understand it will be my responsibility to accept service of process, notices, and demands on behalf of the entity; to forward mail to the entity; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.

<u></u>	<u>Corinne Games- Assistant Secretary</u>	<u>08/22/2019</u>
Signature of Registered Agent	Printed Name/Title	Date

<p align="center"><b>Principal Office Street Address</b> (Must be a physical address; No PO Box or PMB)</p> <p>Address: <u>25117 SW Parkway, Suite F</u></p> <hr/> <p>Zip: <u>97070</u>      City: <u>Wilsonville</u></p> <p>State: <u>OR</u>      Country: <u>USA</u></p>	<p align="center"><b>Mailing Address (optional)</b></p> <p><input checked="" type="checkbox"/> Check if mailing address is the same as street address.</p> <p>Address: _____</p> <hr/> <p>Zip: _____      City: _____</p> <p>State: _____      Country: _____</p>
--	---

Phone: (optional) \_\_\_\_\_ Email: (optional) \_\_\_\_\_

**RETURN ADDRESS FOR THIS FILING:** *(Optional)*

This address will be sent document(s) regarding this specific filing in addition to document(s) being sent to the Registered Agent's street/ mailing address.

Attention to: Lawrence Lopardo

Email: lawlopardo@avamere.com

Address: 25117 Parkway, Suite F

City Wilsonville      State OR      Zip 97070

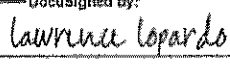
**EXECUTOR INFORMATION:**

Name, address, and signature required. Attach additional sheets if necessary.

This record is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.

Address: 25117 SW Parkway, Suite F

City Wilsonville      State OR      Zip 97070

<small>DocuSigned by:</small>  <small>A447894051E9482</small>	Lawrence Lopardo, Chief Legal Officer	8/21/2019
Signature of Executor	Printed Name/Title	Date



Office of the Secretary of State  
Corporations & Charities Division

James M. Dolliver Building  
801 Capitol Way South • PO Box 40234  
Olympia, WA 98504-0234  
Tel: 360.725.0377  
[www.sos.wa.gov/corps](http://www.sos.wa.gov/corps)

Congratulations:

You have completed the initial filing to create a new business entity. **The next step in opening your new business is to complete a Business License Application.** You may have completed this step already. The Business License Application can be completed online or downloaded at:  
<http://www.bis.dof.wa.gov/>.

If you have any questions about the Business License Application, or would like a Business License Application package mailed to you, please call the Department of Revenue at 1-800-451-7985.

If you have questions about annual reports or registered agent requirements, please contact the Corporations Division at 360-725-0377 or visit our website at: <http://www.sos.wa.gov/corps>.

### IMPORTANT

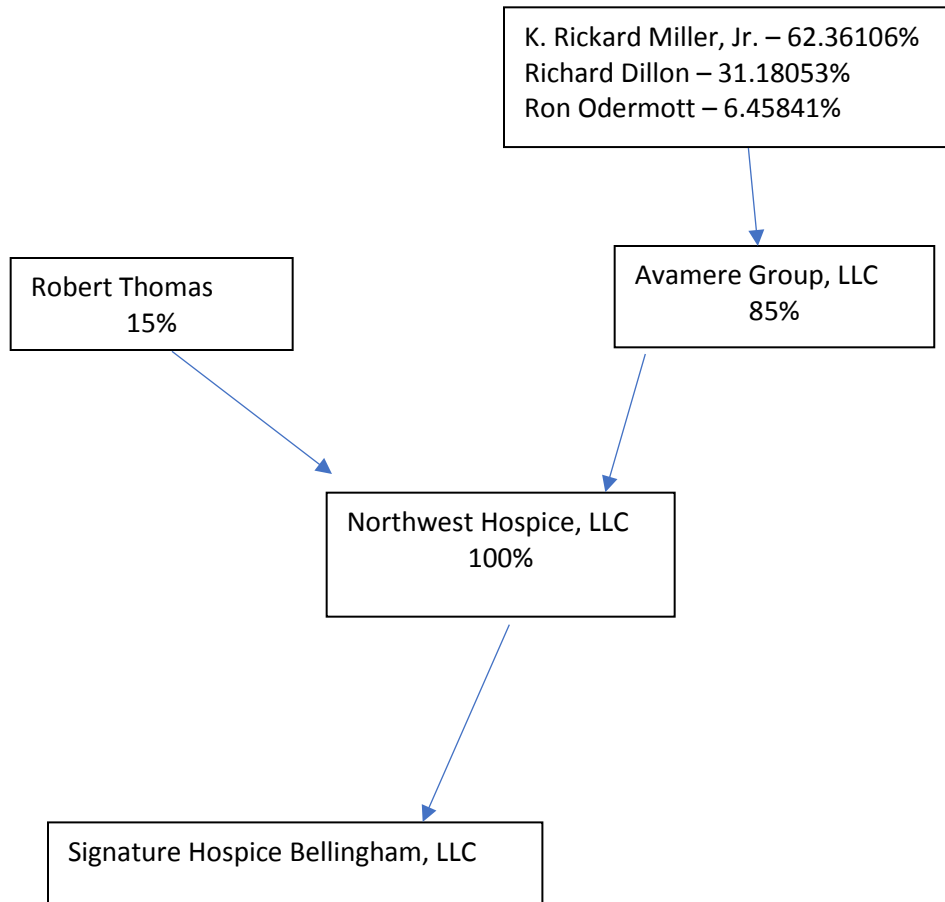
To keep your filing status active and avoid administrative dissolution, you must:

1. **File an Initial Report** within 120 days of the date your corporation or limited liability company (LLC) was filed. The date of filing is stated on your certificate. Please go online to file your initial report at [www.sos.wa.gov/ccfs](http://www.sos.wa.gov/ccfs).
2. **File an Annual Report** each year before the anniversary of the filing date for the entity. The registered agent will be sent notice of the Annual Report requirement. It is the corporation or LLC's responsibility to file the report on time even if no notice is received.
3. **Maintain a Registered Agent** and registered office in this state. You must file a statement of change or designation of registered agent if there are any changes in your registered agent, agent's address, or registered office address. Failure to file changes with the Corporations Division will result in misrouted mail, and possibly lead to administrative dissolution.

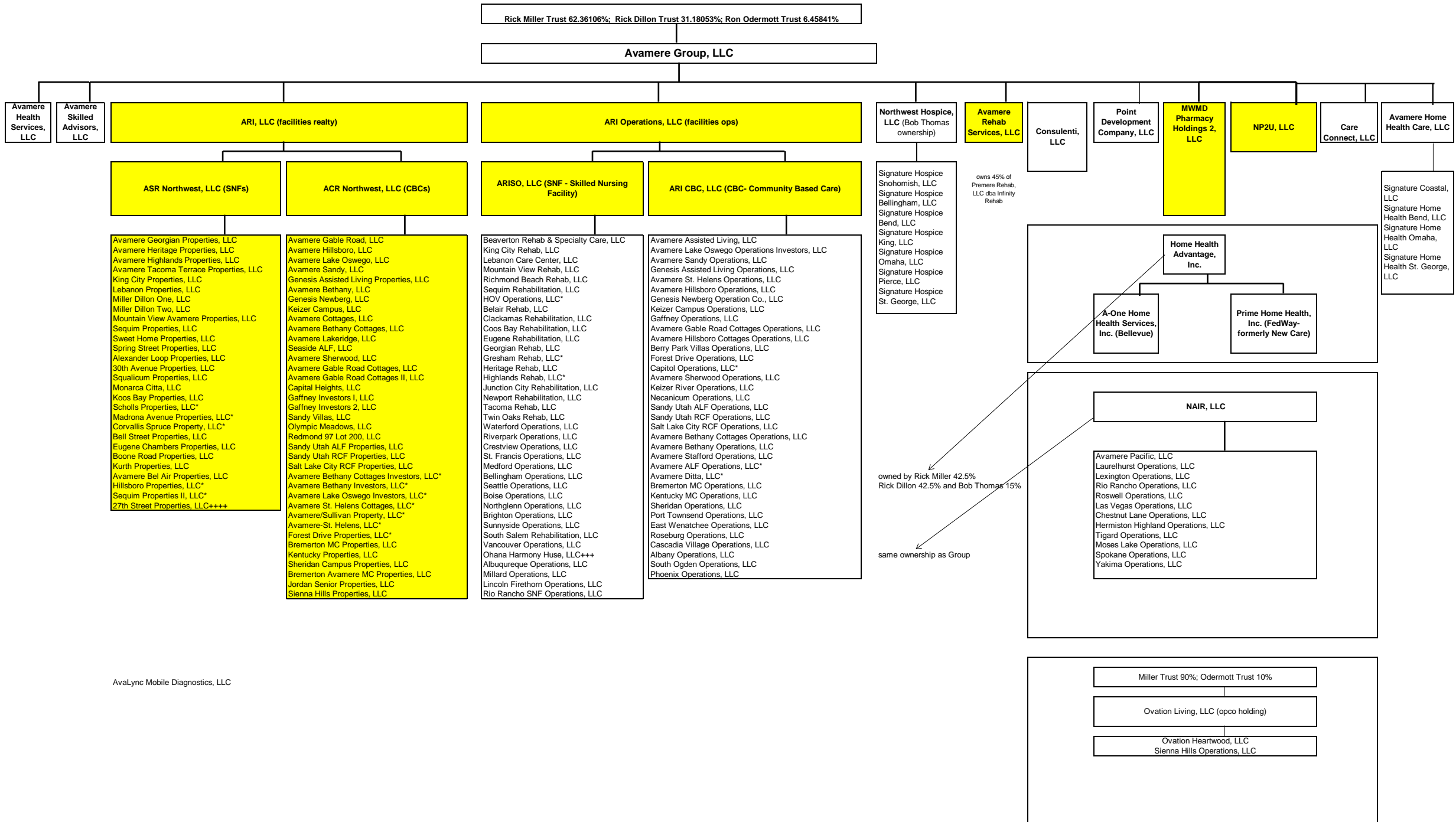
If you have questions please contact our office at: [corps@sos.wa.gov](mailto:corps@sos.wa.gov), 360-725-0377, or visit our website [www.sos.wa.gov/corps](http://www.sos.wa.gov/corps).

NATIONAL REGISTERED AGENTS, INC.  
711 CAPITOL WAY S STE 204  
OLYMPIA WA 98501-1267

**Exhibit 2. Organizational Structure - Signature Hospice Bellingham, LLC**



**Exhibit 3. Avamere Group, LLC Organizational Chart**



## **Exhibit 4. Signature Locations List**



# Signature Healthcare at Home current Home Health and Hospice Locations

## OREGON

### EUGENE

2620 River Road  
Eugene, OR 97404

**Home Health:** 541-461-0325

**Hospice:** 541-689-3508

**Home Care:** 541-246-1550

### MEDFORD

834 South Front St  
Medford, OR 97502

**Home Health:** 541-664-7400

**Hospice:** 541-664-7400

**Home Care:** 541-664-9684

### SALEM

1220 20th St SE  
Salem, OR 97302

**Home Health:** 503-364-0347

**Hospice:** 503-364-0347

### PORTLAND

7632 SW Durham Road  
Tigard, OR 97224

**Home Health:** 503-783-2470

**Hospice:** 1-800-936-4756

## **OREGON COAST**

1547 North Coast Hwy  
Newport, OR 97365

**Home Health:** 541-264-7823

## **ALBANY**

317 W 1st Ave, Suite 301 Albany, OR 97321 Albany, OR 97321

**Home Health:** 541-812-5254

## **WASHINGTON**

### **BELLEVUE/SEATTLE**

1510 140th Avenue NE  
Bellevue, WA 98005

**Home Health:** 425-747-774

### **BELLINGHAM**

459 Stuart Avenue  
Bellingham, WA 98226

**Home Health:** 360-671-5872

### **FEDERAL WAY**

909 S 336th Street  
Federal Way, WA 98003

**Home Health:** 253-661-5166

## UTAH

### LOGAN

74 W 100 N  
Logan, UT 84321

**Home Health:** 435-755-6599

**Hospice:** 435-755-6599

**House Calls:** 888-261-8442

### OGDEN

4933 S 1500 W  
Ogden, UT 84405

**Home Health:** 801-475-7500

**Hospice:** 801-475-7500

**House Calls:** 888-261-8442

### GREATER SALT LAKE CITY

5965 South 900 East  
Murray , UT 84121

**Home Health:** 801-463-2478

**Hospice:** 801-463-2478

**House Calls:** 801-746-7434

## IDAHO

### BOISE-NAMPA

3904 E. Flamingo Ave  
Nampa, ID 83687

Home Health, Hospice & Housecalls: 208-465-7121

## PAYETTE

1000 S 16th St.  
Payette, ID 83661

Home Health, Hospice & Housecalls: 208-642-9222

## POCATELLO

240 W Burnside Avenue  
Chubbuck, ID 83202

Home Health: 208-637-2273

Hospice: 208-637-2273

House Calls: 208-244-2469

## IDAHO FALLS

3767 Professional Way Idaho Falls, ID 83402

Home Health: 208-785-2003

Hospice: 208-785-2003

House Calls: 208-244-2469

## PRESTON

307 S. 100 E.  
Preston, ID 83263

Home Health: 208-852-1699

Hospice: 208-852-1699 and

House Calls: 208-244-2469

**CORPORATE OFFICE**

25117 SW Parkway, Suite F Wilsonville, OR 97070 | 971-224-2829

## **Exhibit 5. Avamere Facility List**

# CBC Buildings

Updated as of  
10/14/19

Avamere Family of Companies		COMMUNITY BASED CARE FACILITIES (CBC)	PH: 503-570-3405 FX: 503-570-3315
25115 SW Parkway Suite B Wilsonville, OR 97070			
<b>3701</b> <b>CBC</b>	<b>Suzanne Elise Assisted Living Community</b> 101 Forest Drive Seaside, OR 97138	<b>ED:</b> Pamela Baldrige <b>DHS:</b> Gina Verley <b>HR/Payroll:</b> Debora Wukawitz	<b>PH:</b> 503-738-0307 <b>FX:</b> 503-717-8102
<b>3481</b> <b>CBC</b>	<b>Avamere Living at Berry Park</b> 13669 S Gaffney Lane Oregon City, OR 97045	<b>ED:</b> Wendy Wood <b>HR/Payroll:</b> Michelle Goddard	<b>PH:</b> 503-656-7614 <b>FX:</b> 503-722-2353
<b>3321</b> <b>CBC</b>	<b>Avamere at Sandy</b> 17727 SE Langensand Rd Sandy, OR 97055	<b>ED:</b> Alex Vinokurov <b>DHS:</b> Denise Ralls <b>HR/Payroll:</b> Mary Cross-Law	<b>PH:</b> 503-668-4199 <b>FX:</b> 503-668-7758
<b>3711</b> <b>CBC</b>	<b>Avamere at Seaside</b> 2500 S. Roosevelt Drive Seaside, OR 97138	<b>ED:</b> Sarah McBride <b>DHS:</b> Sheri Slonecker <b>HR/Payroll:</b> Judith Fattori	<b>PH:</b> 503-738-0900 <b>FX:</b> 503-783-0903
<b>3911</b> <b>CBC</b>	<b>Avamere at Cascadia Village</b> 39495 Cascadia Village Dr. Sandy, OR 97055	<b>ED:</b> <b>DHS:</b> Rae Rodgers <b>HR/Payroll:</b> Jennifer Southard	<b>PH:</b> 503 668-0300 <b>FX:</b>
<b>3931</b> <b>CBC</b>	<b>Avamere at Oak Park</b> 1400 NE Rocky Ridge Dr. Roseburg, OR 97470	<b>ED:</b> Tricia Radford <b>DHS:</b> Rosemary Geier <b>HR/Payroll:</b> Allison "Allie" Gilmore	<b>PH:</b> 541-464-5656 <b>FX:</b>
<b>3901</b> <b>CBC</b>	<b>Avamere at Albany</b> 2800 14th Ave SE. Albany, OR 97322	<b>ED:</b> Allison Barton <b>DHS:</b> Bobbi Marugg <b>HR/Payroll:</b> Sarah Solus	<b>PH:</b> (541) 928-9494 <b>FX:</b> 503-783-0903
<b>711</b> <b>CBC</b>	<b>Avamere at Chestnut Lane</b> 1219 NE 6th Street Gresham, OR 97030	<b>ED:</b> Renee Vairova <b>DHS:</b> <b>HR/Payroll:</b> Kellee Haddan	<b>PH:</b> (503) 674-0364 <b>FX:</b>
<b>713</b> <b>CBC</b>	<b>Avamere at Park Place</b> 8445 SW Hemlock St. Tigard, OR 97223	<b>ED:</b> Mark Bruhns <b>DHS:</b> <b>HR/Payroll:</b> Kristi Crandall	<b>PH:</b> (503) 245-8985 <b>FX:</b>
<b>3941</b> <b>CBC</b>	<b>Avamere at Port Townsend</b> 1201 Hancock St. Port Townsend, WA 98368	<b>ED:</b> Jason Segar <b>DHS:</b> Natasha McLeron <b>HR/Payroll:</b> Danielle Hayward (Dintelmann)	<b>PH:</b> 360-379-9376 <b>FX:</b>
<b>3921</b> <b>CBC</b>	<b>Avamere at Wenatchee</b> 1550 Cherry St. Wenatchee, WA 98801	<b>ED:</b> Jessica Riches <b>DHS:</b> Alissa Molver <b>HR/Payroll:</b> Lily Gaede-Passmore	<b>PH:</b> 509-662-8646 <b>FX:</b>
<b>3501</b> <b>MC</b>	<b>The Arbor at Bremerton</b> 3510 9th Street Bremerton, WA 98312	<b>Amin:</b> Brock Crosby <b>DHS:</b> Christopher Chin <b>HR/Payroll:</b> Melinda Hulin	<b>PH:</b> (360) 525-9000 <b>FX:</b> (360) 826-5950
<b>718</b> <b>CBC</b>	<b>Avamere at Moses Lake</b> 8425 Aspi Blvd. NE Moses Lake, WA 98837	<b>ED:</b> Jodi Montoya <b>DHS:</b> Lisa Tellefson <b>HR/Payroll:</b> Laura Bruns	<b>PH:</b> (509) 762-9115 <b>FX:</b>
<b>719</b> <b>CBC</b>	<b>Avamere at South Hill</b> 3708 East 57th Ave. Spokane, WA 99223	<b>ED:</b> Ken Alexander <b>DHS:</b> Michelle Klein-Phay <b>HR/Payroll:</b> Heidi Conley	<b>PH:</b> (509) 443-0401 <b>FX:</b>
<b>720</b> <b>CBC</b>	<b>Avamere at Englewood Heights</b> 3710 Kern Road Yakima, WA 98902	<b>ED:</b> Samantha Schwartzkopf <b>DHS:</b> Kathy Kelly/Robin Rainville <b>HR/Payroll:</b> Lisa Gamache	<b>PH:</b> (509) 452-5822 <b>FX:</b>
<b>3261</b> <b>MC</b>	<b>The Arbor at Avamere Court</b> 450 Clagget Court N Keizer, OR 97303	<b>Admin:</b> Cathi Coffman <b>DNS:</b> Aja Jensen <b>HR/Payroll:</b> Wendy Ulmer	<b>PH:</b> 503-856-7440 <b>FX:</b> 503-390-1271
<b>3311</b> <b>CBC</b>	<b>Avamere at Sherwood</b> 16500 Century Drive Sherwood, OR 97140	<b>ED:</b> Bryan Johnson <b>DHS:</b> Michelle Ramsdell <b>HR/Payroll:</b> Kristina Hampton	<b>PH:</b> 503-626-7333 <b>FX:</b> 503-325-6565
<b>3351</b> <b>CBC</b>	<b>Avamere at Bethany</b> 16360 NW Avamere Court Portland, OR 97229	<b>ED:</b> Martin "Marty" Ruybalid <b>DHS:</b> Heather Baker <b>HR/Payroll:</b> Alexia "Lexi" Worley-Stevens	<b>PH:</b> 503-690-2402 <b>FX:</b> 503-690-2134
<b>3341</b> <b>CBC</b>	<b>Avamere at St. Helens</b> 2400 Gable Rd. St. Helens, OR 97051	<b>ED:</b> Kristal Coleman <b>DHS:</b> Kathrynne Robbins <b>HR/Payroll:</b> Justin Brady	<b>PH:</b> 503-366-8070 <b>FX:</b> 503-366-8088
<b>3331</b> <b>CBC</b>	<b>Avamere at Hillsboro</b> 2000 SE 30th Ave. Hillsboro, OR 97123	<b>ED:</b> Charlene Torrey <b>DHS:</b> Debbie Vandyne (as of 1/28) <b>HR/Payroll:</b> Rachael Peters	<b>PH:</b> 503-693-9944 <b>FX:</b> 503-640-6654
<b>2651</b> <b>CBC</b>	<b>The Stafford</b> 1200 Overlook Drive Lake Oswego, OR 97034	<b>ED:</b> Jessica Houk <b>DHS:</b> Cara Hall <b>HR/Payroll:</b> Taelyn Bigelow	<b>PH:</b> 503-636-4589 <b>FX:</b> 503-636-4583
<b>3301</b> <b>CBC</b>	<b>Avamere at Newberg</b> 730 Foothills Drive Newberg, OR 97132	<b>ED:</b> Angela Newsom <b>DHS:</b> Maria Elena Auvil <b>HR/Payroll:</b> Kalisa Brown	<b>PH:</b> 503-554-0767 <b>FX:</b> 503-554-0436
<b>712</b> <b>CBC</b>	<b>Avamere at Hermiston</b> 980 W. Highland Ave. Hermiston, OR 97838	<b>ED:</b> Lori Scheel <b>DHS:</b> Megan Wilson <b>HR/Payroll:</b> Hope Colpitts	<b>PH:</b> (541) 567-3141 <b>FX:</b>
<b>MC</b>	<b>Table Rock Memory Care</b> 2636 Table Rock Road Medford, OR 97501	<b>Amin:</b> Dianna Mote <b>DHS:</b> Lori Brockbank <b>HR/Payroll:</b> Kathy Stewart	<b>PH:</b> (541) 779-3368 <b>FX:</b>

# CBC Buildings

Updated as of  
10/14/19

Avamere Family of Companies		COMMUNITY BASED CARE FACILITIES (CBC)	PH: 503-570-3405 FX: 503-570-3315
25115 SW Parkway Suite B Wilsonville, OR 97070			
<b>717 CBC</b>	<b>Avamere at Cheyenne</b> 6031 W. Cheyenne Ave. Las Vegas, NV 89108	<b>ED:</b> Sara Sutherland (interim) <b>DHS:</b> Dawne Henry <b>HR/Payroll:</b> Deanna Howlett	<b>PH:</b> (702) 658-5882 <b>FX:</b> (702) 658-5842
<b>715 CBC</b>	<b>Avamere at Rio Rancho</b> 1000 Riverview Dr. S.E. Rio Rancho, NM 87124	<b>ED:</b> Nora Lucero <b>DHS:</b> Katheryn Koester <b>HR/Payroll:</b> Darlenis Schubert	<b>PH: (505) 892-8400</b> <b>FX:</b>
<b>746 MC</b>	<b>Avamere at Roswell</b> 2801 N. Kentucky Ave.	<b>ED:</b> Jennifer Griffith <b>HR/Payroll:</b> Carol Smith	<b>PH:</b> (575) 622-1656 <b>FX:</b>
<b>716 CBC</b>	2725 N. Pennsylvania Ave. Roswell, NM 88201	<b>ED:</b> Jennifer Griffith <b>HR/Payroll:</b> Carol Smith <b>DHS:</b> Daniel Sullivan	<b>PH:</b> (575) 625-8426 <b>FX:</b>
<b>374 CBC</b>	<b>Avamere at Mountain Ridge</b> 1885 East Skyline Drive South Ogden, UT 84403	<b>ED:</b> John DelVecchio <b>DHS:</b> <b>HR/Payroll:</b> Patience Martin	<b>PH:</b> (801) 452-7133 <b>FX:</b>
<b>714 CBC</b>	<b>Avamere at Lexington</b> 1811 Ridgeway Drive Lexington, NE 68850	<b>ED:</b> Maria Barajas <b>DHS:</b> Sarah Hernandez <b>HR/Payroll:</b>	<b>PH:</b> (308) 324-5490 <b>FX:</b>
<b>373 CBC</b>	<b>Avamere at The Stratford</b> 1739 W. Myrtle Ave. Phoenix, AZ 85021	<b>ED:</b> Mike Kearney <b>DHS:</b> <b>HR/Payroll:</b> Kacy Carter	<b>PH:</b> (602) 841-2500 <b>FX:</b>



# SNF Buildings

Updated as of  
9/30/19

Avamere Family of Companies		SKILLED NURSING FACILITIES (SNF)	PH: 503-570-3405 FX: 503-570-3315
25115 SW Parkway Suite B Wilsonville, OR 97070			
<b>0051</b> SNF	<b>Avamere Rehabilitation of Clackamas</b> 220 E. Hereford Gladstone, OR 97027	Admin: Tyler Macphee DNS: Bobbie Loomis HR/Payroll: Stacie Heiberg	PH: 503-656-0393 FX: 541-557-1543
<b>0091</b> SNF	<b>Avamere Rehabilitation of Oregon City</b> 1400 Division Street Oregon City, OR 97045	Admin: Jenni Carlson DNS: Peter Jones HR/Payroll: Kara Snyder	PH: 503-656-0367 FX: 503-650-8136
<b>0101</b> SNF	<b>Avamere Rehabilitation of King City</b> 16485 SW Pacific Hwy Tigard, OR 97224	Admin: Robb Melcher DNS: Janice Nezbeda Payroll: Peggy Dalzell HR: Shayna O'Doran	PH: 503-620-5141 FX: 971-223-0410
<b>0171</b> SNF	<b>Avamere Rehabilitation of Beaverton</b> 11850 SW Allen Blvd Beaverton, OR 97005	Admin: Tonia Clark DNS: Amber Gray HR/Payroll: Jake Wolff	PH: 503-646-7164 FX: 503-646-5105
<b>0611</b> SNF	<b>Avamere Crestview of Portland</b> 6530 SW 30th Ave Portland, OR 97239	Admin: Joseph Garibay DNS: Christine Easley HR: Tristin Threet Payroll/HR: Shelley Harpine	PH: 503-244-7533 FX: 503-244-2396
<b>0281</b> SNF	<b>Avamere Rehabilitation of Hillsboro</b> 650 Oak Street Hillsboro, OR 97123	Admin: Duffy Dezember DNS: Patti Galbraith HR/Payroll: Heather Mars	PH: 503-648-8588 FX: 503-640-2810
<b>2261</b> SNF CBC	<b>Avamere Court at Keizer</b> 5210 RiverRoad N Keizer, OR 97303	Admin: Skyler Schmitt RCF/ILF ED: Rebecca Thusty SNF DNS: Shannon Buccerra HR/Payroll: Cathy Sikich	PH: 503-393-3624 FX: 503-393-0108
<b>0031</b> SNF	<b>Salem Transitional Care</b> 3445 Boone Road S.E. Salem, OR 97317	Admin: Cheryl Anderson DNS: Keith McMillin HR: Kelly Bacheller (Janet Cook-backup)	PH: 503-576-3000 FX: 503-585-8046/381-4827
<b>0021</b> SNF	<b>Avamere Transitional Care at Sunnyside</b> 4515 Sunnyside Road SE Salem, OR 97302	Admin: Kandi Hanson DNS: Michelle Farrington HR/Paroll: Angela "Ella" Anderson	PH: 503-370-8284 FX: 503-375-3535
<b>7311</b> SNF	<b>Harmony House/Bend Transitional Care</b> 900 NE 27th Bend, OR 97701	Admin: Ashley Noble DNS: Nicole Rowlett HR/Payroll: Monica Carpoff	PH: 541-382-0479 FX: 541-389-7054
<b>0081</b> SNF	<b>Avamere Rehabilitation of Lebanon</b> 350 S 8th Lebanon, OR 97355	Admin: Jon Ramey DNS: Alice Baskin HR/Payroll: Nancy Stratman	PH: 541-259-1221 FX: 541-258-6288
<b>0151</b> SNF	<b>Avamere Rehabilitation of Newport</b> 835 SW 11th Avenue Newport, OR 97365	Admin: Bob Swinea DNS: Cherye Macarone HR/Payroll: Stacy Seubert	PH: 541-265-5356 FX: 541-574-0092
<b>0041</b> SNF	<b>Avamere Rehabilitation of Coos Bay</b> 2625 Coos Bay Blvd. Coos Bay, OR 97420	Admin: Noel "Steve" Chadick DNS: Michael Johnson (interim) HR/Payroll: Megan Richardson	PH: 541-267-2161 FX: 541-267-0543
<b>0061</b> SNF	<b>Avamere Rehabilitation of Junction City</b> 530 Birch Street Junction City, OR 97448	Admin: Robert Barry DNS: Misty Bigham HR/Payroll: Melody Sloan	PH: 541-998-2395 FX: 541-998-3950
<b>0621</b> SNF	<b>Avamere Riverpark of Eugene</b> 425 Alexander Loop Eugene, OR 97401	Admin: Stacy Jones DNS: Debra Scott HR/Payroll: Norma Adams	PH: 541-345-6199 FX: 541-345-6721
<b>0011</b> SNF	<b>Avamere Rehabilitation of Eugene</b> 2360 Chambers Street Eugene, OR 97405	Admin: Damien Haskins DNS: Margaret Silebi HR/Payroll: Mercedes Slaughter-Wright	PH: 541-687-1310 FX: 541-687-6913/687-1360
<b>2631</b> SNF CBC	<b>Avamere at Three Fountains/Waterford</b> 835 Crater Lake Ave. Medford, OR 97504	Admin: Rod Howe (interim) ALF ED: Michelle Pippa SNF DNS: Kelly Erickson ALF DHS: Sarah Blount HR/Payroll: Lori Hardgrave	PH: 541-773-7717 FX: 541-857-5139
<b>0711</b> SNF	<b>Avamere Rehabilitation of Rogue Valley</b> 625 Stevens Street Medford, OR 97504	Admin: Tyler Bolin DNS: Kristin Harris HR/Payroll: Luisa Dominguez	PH: 541-779-3551 FX: 877-818-6727
<b>1701</b> SNF	<b>Avamere TC &amp; Rehab- Boise</b> 1001 South Hilton St Boise, ID 83705	Admin: Josh Smith DNS: Michael High HR/Payroll: Cathy Gast	PH: 208-345-4464 FX: 208-345-2998
<b>1121</b> SNF	<b>Avamere Rehabilitation of Cascade Park</b> 801 SE Park Crest Avenue Vancouver, WA 98683	Admin: Ryan Rose DNS: Jodi Stewart HR/Payroll: Nicole Olson	PH: 360-260-2200 FX: 360-713-3969
<b>1521</b> SNF	<b>Avamere Heritage Rehab of Tacoma</b> 7411 Pacific Avenue Tacoma, WA 98408	Admin: Christine Miller DNS: Catherine Johnson HR/Payroll: Teresa Sheppard	PH: 253-474-8456 FX: 253-471-2076
<b>1541</b> SNF	<b>Avamere Skilled Nursing of Tacoma (Pacific Ridge)</b> 3625 East B Street Tacoma, WA 98404	Admin: Jessie Wheatley DNS: Maria Gilbert HR: Mary Haggart Payroll: LeAnne Smith	PH: 253-475-2507 FX: 253-473-9087
<b>1511</b> SNF	<b>Avamere Transitional Care of Puget Sound</b> 630 South Pearl Tacoma, WA 98465	Admin: Ally Jenkins DNS: Leslie Aronson HR/Payroll: Brenda Lickert	PH: 253-671-7300 FX: 253-671-7301
<b>1191</b> SNF	<b>Avamere Olympic Rehabilitation of Sequim</b> 1000 S. 5th Ave Sequim, WA 98382	Admin: Heather Jeffers DNS: HR/Payroll: Danielle DeMetz	PH: 360-582-3900 FX: 360-582-3903

# SNF Buildings

Updated as of  
9/30/19

Avamere Family of Companies 25115 SW Parkway Suite B Wilsonville, OR 97070		SKILLED NURSING FACILITIES (SNF)	PH: 503-570-3405 FX: 503-570-3315
<b>1551</b> SNF	<b>Avamere Bellingham HC &amp; Rehab Services</b> 1200 Birchwood Bellingham, WA 98225	<b>Admin:</b> Jack "JD" Harrison <b>DNS:</b> Dawn Hubbard <b>HR/Payroll:</b> Tami Livingston	<b>PH:</b> 360-734-9295 <b>FX:</b> 360-671-4368
<b>1561</b> SNF	<b>Avamere TC &amp; Rehabilitation-Queen Anne</b> 2717 Dexter Ave North Seattle, WA 98109	<b>Admin:</b> Erin Doss <b>DNS:</b> Kristi Lott <b>HR/Payroll:</b> Carol Gartman	<b>PH:</b> 206-284-7012 <b>FX:</b> 206-283-3936
<b>1711</b> SNF	<b>Avamere TC &amp; Rehabilitation- Malley</b> 401 Malley Drive Northglen, CO 80233	<b>Admin:</b> Mike Schnabel <b>DNS:</b> Daniella Johnson <b>HR/Payroll:</b> Laurie Desroches	<b>PH:</b> 303-452-4700 <b>FX:</b> 303-451-5450
<b>1721</b> SNF	<b>Avamere TC &amp; Rehabilitation- Brighton</b> 2025 E Egbert St Brighton, CO 80601	<b>Admin:</b> Anthony Geiser <b>DNS:</b> Rachel Rodriguez <b>HR/Payroll:</b> Theresa "Tree" Garcia	<b>PH:</b> 303-659-4580 <b>FX:</b> 303-659-9249
<b>1201</b> SNF	<b>Richmond Beach Rehab</b> 19235 15th Ave. NW Shoreline, WA 98177	<b>Admin:</b> Rosie Velasco-Fortune <b>DNS:</b> Mary Pierce (interim) <b>HR/Payroll:</b> Nicole Johnson	<b>PH:</b> 206-546-2666 <b>FX:</b> 206-542-1164
<b>1641</b> SNF	<b>St. Francis of Bellingham</b> 3121 Squalicum Pkwy Bellingham, WA 98225	<b>Admin:</b> Andrew Heishman <b>DNS:</b> Sherri Cope <b>HR/Payroll:</b> Nikki Stewart	<b>PH:</b> 360-734-6760 <b>FX:</b> 360-734-7607
<b>2271</b> SNF MC	<b>The Pearl at Kruse Way</b> 4550 Carmen Drive Lake Oswego, OR 97035	<b>Admin:</b> Ryan Lockwood <b>RCF ED:</b> Rachel Erickson <b>SNF DNS:</b> Angie Cain <b>ALF DHS:</b> Julie Hubbard <b>HR/Payroll:</b> Tonya Ammons	<b>PH:</b> 503-675-6055 <b>FX:</b> 503-675-6077
<b>7101</b> SNF	<b>Laurelhurst Village</b> 3060 SE Stark St. Portland, OR 97124	<b>Admin:</b> Troy Perry <b>DNS:</b> Leuma "Helena" Misili <b>HR/Payroll:</b> Chris Madewell	<b>PH:</b> 503-535-4700 <b>FX:</b> 503-797-6702
<b>0173</b> SNF	<b>Avamere Rehabilitation at Fiesta Park</b> 8820 Horizon Blvd. Albuquerque, NM 87113	<b>Admin:</b> Rick Samuelson <b>DNS:</b> <b>HR/Payroll:</b> Julie Johnson	<b>PH:</b> 505-998-1551 <b>FX:</b>

## **Exhibit 6. Dr.Jodhvir Sarai Curriculum Vitae & License**

**PROFESSIONAL EXPERIENCE**

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**Swenson Healthcare, Tacoma, Washington**  
**Regional Medical Director**

**Mar 2019 - Present**

- Specialization in post acute care and transitional care
- Assist in developing and improving post acute facility care and transitions.
- Develop relationships with insurers, ACO groups, community physicians and hospitals to ensure appropriate transition of care for patients.
- Supervise team of physicians and mid level providers.
- Education provider team as well as nursing staff and facility staff to improve quality of care, increase patient satisfaction and improve outcomes.
- Ongoing care for a diverse adult population across the state of Washington.

**Technology Safety Council of the United States**  
**Chief Medical Officer**

**Sept 2018 – Present**

- Responsible for reviewing data and forming an opinion on the safety of technology.
- Review medical literature as it pertains to technology safety and its impacts of society.
- Specialization in telecommunications and optical technologies.
- Work to help corporations develop and launch safe technology, in addition to raising awareness to the potential ill effects of technologies.

**Utah Regional Hospitalist, Salt Lake City, Utah**

**Jan 2018 – July 2019**

**Medical Director of Post-Acute Care Programs / Regional Director**

- Medical director of the URH post-acute care program for the state of Utah
- Oversee and manage 20 facilities, 8 physicians and 10 nurse practitioners.
- Lead contract negotiation and building acquisitions.
- Management of bundled payments, quality improvement and chronic care.
- BPCI and BPCIA organization and protocol creation.
- Design acute and post-acute care protocols for all facilities.
- Establish and maintain relationship with hospital case management, senior leadership and physician groups.

**Utah Regional Hospitalists, Salt Lake City, Utah**

**Jul 2016- July 2019**

**Internist and Intensivist**

- Hospitalist and Intensivist for general and critical care admissions to the hospital
- Manage and streamline admission and visit process at three post-acute care facilities with the same group of physicians.

**Northwest Hospital, Tucson, Arizona**

**Mar 2015- Jun 2016**

**Internist and Intensivist**

- Hospitalist and Intensivist for general and critical care admissions to the hospital.

**TM Technologies, Tucson, Arizona**

**Jun 2014 – Present**

**Director**

- One of four directors on the board of directors for this telecommunications and wireless communications.
- VP operations role involves ensuring streamline approach to research and development, product roll out. Responsible for managing a team of 10 engineers all with >25 years of experience.
- Managing relations with end clients and shareholders.

- Customer engagement and business strategy and development, direct involvement with the CEO.

**TM Technologies, Tucson, Arizona**  
**VP Operations**

**June 2014 – July 2016**

- Ensuring streamline approach to research and development, product roll out.
- Responsible for managing a team of 10 engineers all with >25 years of experience.
- Managing relations with end clients and shareholders.
- Customer engagement and business strategy and development, direct involvement with the CEO.

**Carondelet Hospital Network, Tucson, Arizona**  
**Chief Medical Informatics Officer**

**Apr 2014 – Mar 2015**

- Responsible for the design, implementation, and use of healthcare technology.
- Approval of all order sets which will be integrated into the electronic medical record (EMR), across all medical disciplines. Ensure appropriate workflow for respective medical specialties.
- Work with different departments within the hospital to streamline the EMR and computer physician order entry (CPOE) systems.
- Attend national meetings to help streamline and implement products across a network of hospitals.
- Work with the CIO, CMO and CEO to manage resources and the implementation of product lines as they relate to medical information technology.

**Carondelet Hospital Network, Tucson, Arizona**  
**Chair of the of Medicine Clinical Core Teams**

**Dec 2013 – Mar 2015**

- Work with multiple hospital disciplines to ensure patient safety and quality of health care delivery
- Successfully implemented changes to improve physician and nursing interactions and experiences.
- Approval of medicine order sets

**Carondelet Hospital Network, Tucson, Arizona**  
**Information Technology Consultant**

**Sept 2013 – April 2014**

- Created the final version of the medicine order set used by 3 hospitals in the Carondelet network.
- Designed the EMR note templates.
- CPOE super user and successfully implemented CPOE “go-live” at St. Mary’s and St. Joseph’s hospital.

**Cogent Health Care, Tucson, Arizona**  
**Hospitalist**

**July 2013 – Mar 2015**

- Work as a practicing physician within a group of 18 other physicians.
- Managed patients in step-down units, CCU, ICU, and observation units.

**Jalandhar Higher Purchase Finance Company**  
**Director**

**Sept 2009 – Jan 2018**

- Responsible for overall management and operational goals
- Direct involvement in expansion efforts.
- Company’s mandate is to issue small to medium sized loans to local agriculture and transport companies in Punjab India.
- Attend quarterly meetings mainly via teleconference.
- Largest equity stake in the company belongs to the Sarai family.

**University of Pittsburgh, Pittsburgh, Pennsylvania**  
**Resident Physician**

**July 2010- June 2013**

- Practice medicine in a university environment.
- Performing quality improvement projects, teaching junior physicians and medical students, creating lectures and noon conferences.

## **EDUCATION**

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### **Medical University of the Americas, Nevis, West Indies**

**Jan 2006 – Jan 2010**

*Medical Student and Bachelor in Health Science*

- 4 year MD program, and 1 semester of pre-med.
- Achieved honors, and Dean's list, graduated with a BSc and MD.

### **University of British Columbia**

**Sept 2003 – Dec 2005**

- Completed 3 years of a bachelor's degree and premedical requirements.

## **MEDICAL LICENCES AND CERTIFICATIONS**

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American Board of Internal Medicine Certified (Lic No. 330454, 2013 – Present)

ACLS

BLS

Physician Licenses

- Pennsylvania (Lic No. MT198001, 2010-2013)
- Arizona (Lic No. 47801, Jun 2013 – Present)
- Utah (Lic No. 9730774-1205, Mar 2016 – Present)
- Wyoming (Lic No. 10996A, Apr 2016 – Jun 2018)
- Alabama (Lic No. MD.35999, May 2017 – Dec 2017)

## **SKILLS**

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- Business management and development
- Technology review and implementation
- Patient care and advocacy
- Health care administration and medical practice administration
- Protocol design and implementation
- Group management
- Contract negotiation
- Fluent in Punjabi, Hindi, Urdu, and English.
- Advanced level skier and ice hockey player
- Fundraising



STATE OF WASHINGTON  
 DEPARTMENT OF HEALTH  
*Olympia, Washington 98504*

1/28/2020

Subject: Credential Verification

To Whom It May Concern:

This verifies the status of the Physician And Surgeon License for Sarai, Jodhvir Singh.

This site is a Primary Source for Verification of Credentials.

<b>Credential Number:</b>	MD60919220
<b>Credential Type:</b>	Physician And Surgeon License
<b>First Credential Date:</b>	01/23/2019
<b>Last Renewal Date:</b>	01/23/2019
<b>Credential Status:</b>	ACTIVE
<b>Current Expiration Date:</b>	03/06/2020
<b>Enforcement Action:</b>	No

The Washington Department of Health presents this information as a service to the public.

The absence or presence of information in this system does not imply any recommendation, endorsement, or guarantee of competence of any health care professional, the mere presence of such information does not imply a practitioner is not competent or qualified.

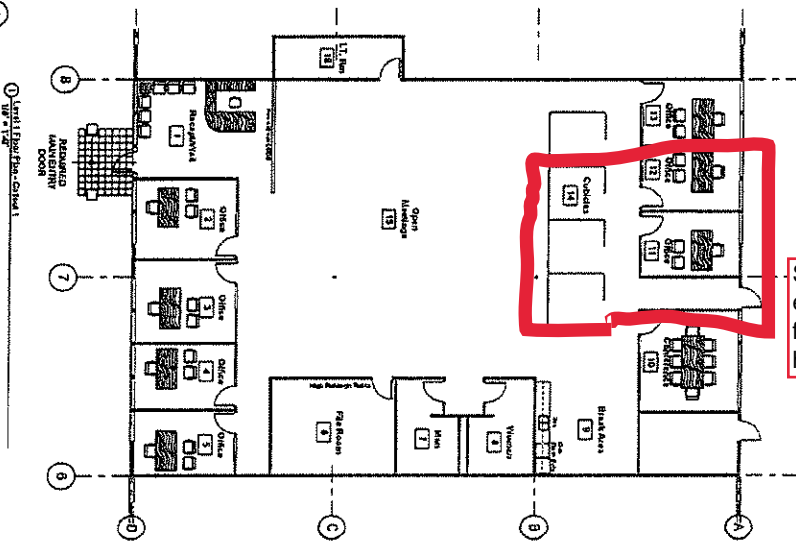
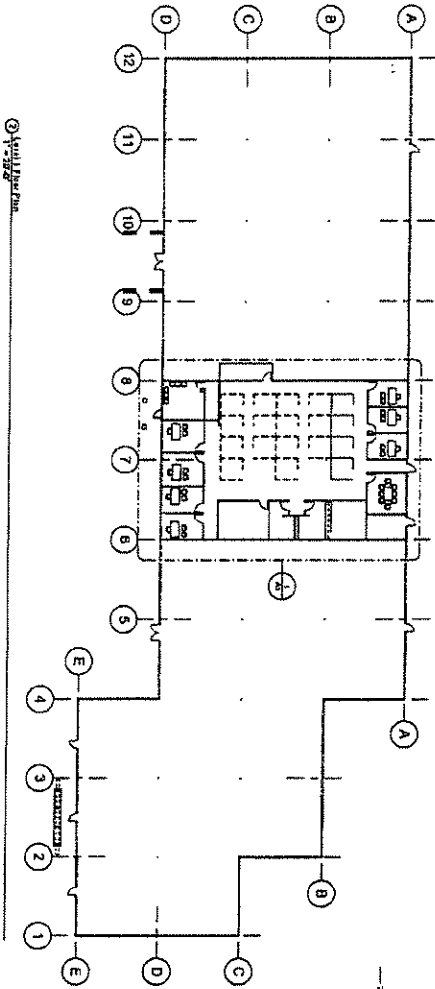
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## **Exhibit 7: Bellingham Line Drawing**



Exhibit A



Separate entrance for hospice

*Handwritten signature/initials*

Scale: 1/4" = 1'-0"

Signature Home Health Office 2100 North Marcus M. Johnson Executive Director 1000 North 1000 North 1000 North	
Date: _____ Time: _____ Room: _____ A1	Signature Home Health Office 2100 North Marcus M. Johnson Executive Director 1000 North 1000 North 1000 North

## **Exhibit 8: Bellingham Lease**



**LEASE AGREEMENT**  
(Multi-Tenant Triple Net (NNN) Lease)

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of June, 2015 (date), between Foxglove LLC ("Landlord"), and Avamere Home Health Care, LLC (Tenant). Landlord and Tenant agree as follows:

**1. LEASE SUMMARY.**

a. **Leased Premises.** The leased commercial real estate i) consists of an agreed area of 5,200 rentable square feet and is outlined on the floor plan attached as Exhibit A (the "Premises"); ii) is located on the land legally described on attached Exhibit B; and iii) is commonly known as 459 Stuart Road (suite number and address).

The Premises do not include, and Landlord reserves, the exterior walls and roof of the building in which the Premises are located (the "Building"), the land beneath the Building, the pipes and ducts, conduits, wires, fixtures, and equipment above the suspended ceiling; and the structural elements of the Building. The Building, the land upon which it is situated, all other improvements located on such land, and all common areas appurtenant to the Building are referred to as the "Property." The Building and all other buildings on the Property as of the date of this Lease consist of an agreed area of 29,000 rentable square feet.

b. **Lease Commencement Date.** The term of this Lease shall be for a period of 60 months and shall commence on September 1, 2015 or such earlier or later date as provided in Section 3 (the "Commencement Date").

c. **Lease Termination Date.** The term of this Lease shall terminate at midnight on August 31, 2020 or such earlier or later date as provided in Section 3 (the "Termination Date"). Tenant shall have no right or option to extend this Lease, unless otherwise set forth in a rider attached to this Lease (e.g., Option to Extend Rider, CBA Form OR).

d. **Base Rent.** The base monthly rent shall be (check one):  \$ \_\_\_\_\_, or  according to the Rent Rider attached hereto ("Base Rent"). Rent shall be payable at Landlord's address shown in Section 1(h) below, or such other place designated in writing by Landlord.

e. **Prepaid Rent.** Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$ 4,500.00 as prepaid rent, to be applied to the Rent due for months 1 through \_\_\_\_\_ of the Lease.

f. **Security Deposit.** Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$ 4,500.00 to be held as a security deposit pursuant to Section 5 below. The security deposit shall be in the form of (check one):  cash, or  letter of credit according to the Letter of Credit Rider (CBA Form LCR) attached hereto.

g. **Permitted Use.** The Premises shall be used only for For conducting professional services within ordinary course of business.

and for no other purpose without the prior written consent of Landlord (the "Permitted Use").



**LEASE AGREEMENT**  
(Multi-Tenant Triple Net (NNN) Lease)  
(Continued)

**h. Notice and Payment Addresses.**

Landlord: Foxglove LLC  
c/o Saratoga Commercial Real Estate  
PO Box 2794, Bellingham, WA 98227  
Fax No.: 360-733-8008  
Email: \_\_\_\_\_  
Tenant: Avamere Home Health Care, LLC  
25117 SW Parkway, Suite F  
Wilsonville, OR 97070  
Fax No.: \_\_\_\_\_  
Email: \_\_\_\_\_

- i. **Tenant's Pro Rata Share.** Landlord and Tenant agree that Tenant's Pro Rata Share is 17.9 %, based on the ratio of the agreed rentable area of the Premises to the agreed rentable area of the Building and all other buildings on the Property as of the date of this Lease. Any adjustment to the Premises' or Building's rentable floor area measurements will be reflected in an adjustment to Tenant's Base Rent or Pro Rata Share.

**2. PREMISES.**

- a. **Lease of Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises upon the terms specified in this Lease.
- b. **Acceptance of Premises.** Except as specified elsewhere in this Lease, Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises or the condition of all mechanical, electrical, and other systems on the Premises. Except for any tenant improvements to be completed by Landlord as described on attached Exhibit C (the "Landlord's Work"), Tenant shall be responsible for performing any work necessary to bring the Premises into a condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had an adequate opportunity to investigate the Premises; acknowledges responsibility for making any corrections, alterations and repairs to the Premises (other than the Landlord's Work); and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.
- c. **Tenant Improvements.** Attached Exhibit C sets forth all Landlord's Work, if any, and all tenant improvements to be completed by Tenant (the "Tenant's Work"), if any, that will be performed on the Premises. Responsibility for design, payment and performance of all such work shall be as set forth on attached Exhibit C. If Tenant fails to notify Landlord of any defects in the Landlord's Work within thirty (30) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for the Permitted Use, Tenant shall notify Landlord and the Commencement Date shall be delayed until after Landlord has notified Tenant that Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for the Permitted Use. Tenant shall prepare a punch list of all minor defects in Landlord's Work and provide the punch list to Landlord, which Landlord shall promptly correct.



**LEASE AGREEMENT**  
(Multi-Tenant Triple Net (NNN) Lease)  
(Continued)

3. **TERM.** The term of this Lease shall commence on the Commencement Date specified in Section 1, or on such earlier or later date as may be specified by notice delivered by Landlord to Tenant advising Tenant that the Premises are ready for possession and specifying the Commencement Date, which shall not be less than 30 days (thirty (30) days if not filled in) following the date of such notice.

a. **Early Possession.** ~~If Landlord permits Tenant to possess and occupy the Premises prior to the Commencement Date specified in Section 1, then such early occupancy shall not advance the Commencement Date or the Termination Date set forth in Section 1, but otherwise all terms and conditions of this Lease shall nevertheless apply during the period of early occupancy before the Commencement Date.~~

b. **Delayed Possession.** Landlord shall act diligently to make the Premises available to Tenant; provided, however, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. If possession is delayed, the Commencement Date set forth in Section 1 shall also be delayed. In addition, the Termination Date set forth in Section 1 shall be modified so that the length of the Lease term remains the same. If Landlord does not deliver possession of the Premises to Tenant within 60 days (sixty (60) days if not filled in) after the Commencement Date specified in Section 1, Tenant may elect to cancel this Lease by giving written notice to Landlord within ten (10) days after such time period ends. If Tenant gives such notice of cancellation, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease year" shall commence on the Commencement Date and shall end on the date which is twelve (12) months from the end of the month in which the Commencement Date occurs. Each successive Lease year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease year. To the extent that the tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence on the Commencement Date set forth in Section 1.

4. **RENT.**

a. **Payment of Rent.** Tenant shall pay Landlord without notice, demand, deduction or offset, in lawful money of the United States, the monthly Base Rent stated in Section 1 in advance on or before the first day of each month during the Lease term beginning on (check one):  the Commencement Date, or  NA (if no date specified, then on the Commencement Date), and shall also pay any other additional payments due to Landlord ("Additional Rent"), including Operating Costs (collectively the "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay rent.

b. **Triple Net Lease.** This Lease is what is commonly called a "Net, Net, Net" or "triple-net" Lease, which means that, except as otherwise expressly provided herein, Landlord shall receive all Base Rent free and clear of any and all other impositions, taxes, liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. In addition to Base Rent, Tenant shall pay to the parties respectively entitled thereto, or satisfy directly, all Additional Rent and other impositions, insurance premiums, repair and maintenance charges, and any other charges, costs, obligations, liabilities, requirements, and expenses, including without limitation the Operating Costs described in Section 8, which arise with regard to the Premises or may be contemplated under any other provision of the Lease during its term, except for costs and expenses expressly made the obligation of Landlord in this Lease.



**LEASE AGREEMENT**  
**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

- c. ~~Late Charges; Default Interest. If any sums payable by Tenant to Landlord under this Lease are not received within five (5) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.~~
- d. **Less Than Full Payment.** Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section 4.
5. **SECURITY DEPOSIT.** Upon execution of this Lease, Tenant shall deliver to Landlord the security deposit specified in Section 1 above. Landlord's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Landlord may commingle the security deposit with its other funds. If Tenant breaches any covenant or condition of this Lease, including but not limited to the payment of Rent, Landlord may apply all or any part of the security deposit to the payment of any sum in default and any damage suffered by Landlord as a result of Tenant's breach. Tenant acknowledges, however, that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant, and any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for Tenant's default. If Landlord applies the security deposit as contemplated by this Section, Tenant shall, within five (5) days after written demand therefore by Landlord, deposit with Landlord the amount so applied. If Tenant complies with all of the covenants and conditions of this Lease throughout the Lease term, the security deposit shall be repaid to Tenant without interest within thirty (30) days after the surrender of the Premises by Tenant in the condition required hereunder by Section 13 of this Lease.
6. **USES.** The Premises shall be used only for the Permitted Use specified in Section 1 above, and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises, the Building, or the Property, or cause the cancellation of any insurance on the Premises, the Building, or the Property. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance. Tenant shall not do or permit anything to be done on the Premises, the Building, or the Property which will obstruct or interfere with the rights of other tenants or occupants of the Property, or their employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees or to injure or annoy such persons.
7. **COMPLIANCE WITH LAWS.** Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, as of the Commencement Date, to Landlord's knowledge, but without duty of investigation, and with the exception of any Tenant's Work, the Premises comply with all applicable laws, rules, regulations, or orders, including without limitation, the Americans With Disabilities Act, if applicable, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Tenant shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for Tenant's Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Landlord shall make changes and alterations at its expense.

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**8. OPERATING COSTS.**

- a. **Definition.** As used herein, "Operating Costs" shall mean all costs of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to, real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Landlord and (to the extent used) deductibles for insurance applicable to the Property; water, sewer and all other utility charges (other than utilities separately metered and paid directly by Tenant or other tenants); janitorial and all other cleaning services; refuse and trash removal; supplies, materials, ~~tools, and equipment~~ used in the operation, repair, and maintenance of the Property; refurbishing and repainting; carpet replacement; to the extent serving areas other than just the Premises, heating, ventilation and air conditioning ("HVAC") service and repair and replacement of HVAC when necessary; elevator service and repair and replacement of elevators when necessary; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; repair, maintenance, and, where reasonably required, replacement of signage; amortization of capital improvements as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by Landlord); costs of legal services (except those incurred directly relating to a particular occupant of the Building); and accounting services, labor, supplies, materials and tools. Landlord and Tenant agree that if the Building is not ninety percent (90%) occupied during any calendar year (including the Base Year, if applicable), on a monthly average, then those portions of the Operating Costs that are driven by occupancy rates, as reasonably determined by Landlord, shall be increased to reflect the Operating Costs of the Building as though it were ninety percent (90%) occupied and Tenant's Pro Rata Share of Operating Costs shall be based upon Operating Costs as so adjusted. Operating Costs shall not include: Landlord's income tax or general corporate overhead; depreciation on the Building or equipment therein; loan payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (i.e., the Building structure, exterior walls, roof, and structural floors and foundations), except as described above; or any costs regarding the operation, maintenance and repair of the Premises, the Building, or the Property paid directly by Tenant or other tenants in the Building, or otherwise reimbursed to Landlord. ~~If Tenant is renting a pad separate from any other structures on the Property for which Landlord separately furnishes the services described in this paragraph, then the term "Operating Costs" shall not include those costs of operating, repairing, and maintaining the enclosed mall which can be separately allocated to the tenants of the other structures. Operating Costs which cannot be separately allocated to the tenants of other structures may include but are not limited to: insurance premiums, taxes and assessments, management (fees and/or personnel costs), exterior lighting, parking lot, road, sidewalk and driveway patching, resurfacing and maintenance, snow and ice removal, and costs of legal services and accounting services.~~ (2)

- b. **Type of Payment.** Options one and two below address the manner in which Operating Costs are paid under this Lease. To select the pure triple net option, check option 1. To select the base year option, check option 2.

**OPTION ONE: TRIPLE NET.** As additional Rent, Tenant shall pay to Landlord on the first of each month with payment of Tenant's base Rent one-twelfth of Tenant's Pro Rata Share of Operating Costs.

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**OPTION TWO: BASE YEAR.** The Base Rent paid by Tenant under this Lease includes Tenant's Pro Rata Share of Operating Costs for the calendar year in which the Commencement Date occurs (the "Base Year"). As additional Rent, Tenant shall pay to Landlord on the first day of each month commencing on the first day of the first year after the Commencement Date, with Tenant's payment of Base Rent, one-twelfth of the amount, if any, by which Tenant's Pro Rata Share of Operating Costs exceeds Tenant's annualized Pro Rata Share of Operating Costs for the Base Year.

- c. **Method of Payment.** Tenant shall pay to Landlord Operating Costs pursuant to the following procedure:
- (i) Landlord shall provide to Tenant, at or before the Commencement Date, a good faith estimate of annual Operating Costs for the calendar year in which the Commencement Date occurs. Landlord shall also provide to Tenant, as soon as possible following the first day of each succeeding calendar year, a good faith estimate of Tenant's annual Pro Rata Share of Operating Costs for the then-current year.
  - (ii) Each estimate of Tenant's annual Pro Rata Share of Operating Costs determined by Landlord, as described above, shall be divided into twelve (12) equal monthly installments. If Tenant pays Operating Costs under Option One, Tenant shall pay to Landlord such monthly installment of Operating Costs with each monthly payment of Base Rent. If Tenant pays Operating Costs under Option Two, Tenant shall pay to Landlord with each monthly payment of Base Rent the amount, if any, by which such monthly installments of Operating Costs exceed one twelfth of Tenant's annualized Pro Rata Share of Operating Costs for the Base Year. In the event the estimated amount of Tenant's Pro Rata Share of Operating Costs has not yet been determined for any calendar year, Tenant shall pay the monthly installment in the estimated amount determined for the preceding calendar year until the estimate for the current calendar year has been provided to Tenant. When the estimate for the current calendar year is received, Tenant shall then pay any shortfall or receive a credit for any surplus for the preceding months of the current calendar year and shall, thereafter, make the monthly installment payments in accordance with the current estimate.
  - (iii) As soon as reasonably possible following the end of each calendar year of the Lease term, Landlord shall determine and provide to Tenant a statement (the "Operating Costs Statement") setting forth the amount of Operating Costs actually incurred and the amount of Tenant's Pro Rata Share of Operating Costs actually payable by Tenant with respect to such calendar year. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following receipt of the Operating Costs Statement. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, the excess shall be refunded to Tenant within thirty (30) days after delivery of such Operating Costs Statement.
  - (iv) Should Tenant dispute any amount shown on the Operating Costs Statement, Tenant may audit Landlord's books and records for the calendar year covered by such Operating Costs Statement upon written notice to Landlord given within ninety (90) days after Tenant's receipt of such Operating Costs Statement. If Tenant fail to provide notice of dispute within such ninety (90) day period, the Operating Costs Statement shall be final and conclusive. Any audit conducted by Tenant shall be completed within sixty (60) days after Tenant's request therefor. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such





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calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following completion of the audit. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, the excess shall be refunded to Tenant within thirty (30) days after completion of the audit. Landlord and Tenant shall cooperate as may be reasonably necessary in order to facilitate the timely completion of any audit. Nothing in this section shall in any manner modify Tenant's obligations to make payments as and when provided under this Lease. <sup>(3)</sup>

9. **UTILITIES AND SERVICES.** Landlord shall provide the Premises the following services, the cost of which shall be included in the Operating Costs, to the extent not separately metered to the Premises: water and electricity for the Premises seven (7) days per week, twenty-four (24) hours per day, and HVAC from 12:00 a.m. to 11:59 p.m. Monday through Friday; 12:00 a.m. to 11:59 p.m. on Saturday; and 12:00 a.m. to 11:59 p.m. on Sunday. ~~Landlord shall provide janitorial service to the Premises and Building five (5) nights each week, exclusive of holidays, the cost of which shall also be included in Operating Costs. HVAC services will also be provided by Landlord to the Premises during additional hours on reasonable notice to Landlord, at Tenant's sole cost and expense, at an hourly rate reasonably established by Landlord from time to time and payable by Tenant, as and when billed, as Additional Rent.~~ Notwithstanding the foregoing, if Tenant's use of the Premises incurs utility service charges which are above those usual and customary for the Permitted Use, Landlord reserves the right to require Tenant to pay a reasonable additional charge for such usage. Landlord shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of utilities due to any cause whatsoever, and Rent shall not abate as a result thereof.

Tenant shall furnish all other utilities (including, but not limited to, telephone, Internet, and cable service if available) and other services which Tenant requires with respect to the Premises, and shall pay, at Tenant's sole expense, the cost of all utilities separately metered to the Premises, and of all other utilities and other services which Tenant requires with respect to the Premises, except those to be provided by Landlord and included in Operating Expenses as described above. <sup>(4)</sup>

10. **TAXES.** Tenant shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises. Landlord shall pay all taxes and assessments with respect to the Property, including any taxes resulting from a reassessment of the Building or the Property due to a change of ownership or otherwise, all of which shall be included in Operating Costs and subject to partial reimbursement by Tenant as set forth in Section 8.

11. **COMMON AREAS.**

- a. **Definition.** The term "Common Areas" means all areas, facilities and building systems that are provided and designated from time to time by Landlord for the general non-exclusive use and convenience of Tenant with other tenants and which are not leased or held for the exclusive use of a particular tenant. To the extent that such areas and facilities exist within the Property, Common Areas include hallways, entryways, stairs, elevators, driveways, walkways, terraces, docks, loading areas, restrooms, trash facilities, parking areas and garages, roadways, pedestrian sidewalks, landscaped areas, security areas, lobby or mall areas, common heating, ventilating and air conditioning systems, common electrical service, equipment and facilities, and common mechanical systems, equipment and facilities. Tenant shall comply

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with reasonable rules and regulations concerning the use of the Common Areas adopted by Landlord from time to time. Without advance notice to Tenant and without any liability to Tenant, Landlord may change the size, use, or nature of any Common Areas, erect improvements on the Common Areas or convert any portion of the Common Areas to the exclusive use of Landlord or selected tenants, so long as Tenant is not thereby deprived of the substantial benefit of the Premises. Landlord reserves the use of exterior walls and the roof, and the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires leading through the Premises in areas which will not materially interfere with Tenant's use thereof.

- b. **Use of the Common Areas.** Tenant shall have the non-exclusive right, in common with such other tenants to whom Landlord has granted or may grant such rights, to use the Common Areas. Tenant shall abide by rules and regulations adopted by Landlord from time to time and shall use its best efforts to cause its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees to comply with those rules and regulations, and not interfere with the use of Common Areas by others.
- c. **Maintenance of Common Areas.** Landlord shall maintain the Common Areas in good order, condition and repair. This maintenance cost shall be an Operating Cost chargeable to Tenant pursuant to Section 8. In performing such maintenance, Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises.

**12. ALTERATIONS.** Tenant may make alterations, additions or improvements to the Premises, including any Tenant Work identified on attached Exhibit C (the "Alterations"), only with the prior written consent of Landlord, which, with respect to Alterations not affecting the structural components of the Premises or utility systems therein, shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have thirty (30) days in which to respond to Tenant's request for any Alterations so long as such request includes the name of Tenant's contractors and reasonably detailed plans and specifications therefor. The term "Alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures that may be performed without damaging existing improvements or the structural integrity of the Premises, the Building, or the Property, and Landlord's consent shall not be required for Tenant's installation or removal of those items. Tenant shall perform all work at Tenant's expense and in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Landlord, using contractors approved by Landlord, and in a manner so as not to unreasonably interfere with other tenants. Tenant shall pay, when due, or furnish a bond for payment (as set forth in Section 20) all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or the Property or any interest therein. Tenant shall remove all Alterations at the end of the Lease term unless Landlord conditioned its consent upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration, and it shall become Landlord's property. Tenant shall immediately repair any damage to the Premises caused by removal of Alterations.

**13. REPAIRS AND MAINTENANCE; SURRENDER.** Tenant shall, at its sole expense, maintain the entire Premises in good condition and promptly make all non-structural repairs and replacements necessary to keep the Premises safe and in good condition, including all HVAC components and other utilities and systems to the extent exclusively serving the Premises. Landlord shall maintain and repair the Building structure, foundation, subfloor, exterior walls, roof structure and surface, and HVAC components and other utilities and systems serving more than just the Premises, and the Common Areas, the costs of which shall be included as an Operating Cost. Tenant shall not damage any demising wall or disturb the structural integrity of the Premises, the Building, or the Property and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary,

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Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth in Section 4 shall be due and payable as additional rent to Landlord together with Tenant's next installment of Base Rent. Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.

**14. ACCESS AND RIGHT OF ENTRY.** After twenty-four (24) hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term; and (b) posting "for lease" signs within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term.

**15. SIGNAGE.** Tenant shall obtain Landlord's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

**16. DESTRUCTION OR CONDEMNATION.**

a. **Damage and Repair.** If the Premises or the portion of the Building or the Property necessary for Tenant's occupancy are partially damaged but not rendered untenable, by fire or other insured casualty, then Landlord shall diligently restore the Premises and the portion of the Property necessary for Tenant's occupancy to the extent required below and this Lease shall not terminate. Tenant may, however, terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event by giving twenty (20) days written notice of termination.

The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas are damaged. If insurance proceeds are not available or are not sufficient to pay the entire cost of restoring the Premises, or if Landlord's lender does not permit all or any part of the insurance proceeds to be applied toward restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or fifty percent (50%) or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Tenant's occupancy to their previous condition to the extent required below; provided, however, if such casualty event occurs during the last six (6) months of the Lease term (after considering any option to extend the

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term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within sixty (60) days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises or the portion of the Property necessary for Tenant's occupancy untenable, Landlord fails to notify Tenant of its election to restore those areas, or if Landlord is unable to restore those areas within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon twenty (20) days' notice to Landlord unless Landlord, within such twenty (20) day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

If Landlord restores the Premises or the Property under this Section, Landlord shall proceed with reasonable diligence to complete the work, and the Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises, provided that there shall be a Rent abatement only if the damage or destruction of the Premises or the Property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Premises or the Property. Landlord shall have no obligation to carry insurance of any kind for the protection of Tenant; any alterations or improvements paid for by Tenant; any Tenant's Work identified in Exhibit C (regardless of who may have completed them); Tenant's furniture; or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

- b. **Condemnation.** If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or 50% or more of the rentable area of the Property are made untenable by eminent domain, or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the Property taken by the condemning authority. All Rents and other payments shall be paid to that date.

If the condemning authority takes a portion of the Premises or of the Building or the Property necessary for Tenant's occupancy that does not render them untenable, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas are condemned. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building or the Property and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant may terminate the Lease under this Section, provided that in no event shall Tenant's claim reduce Landlord's award.

**17. INSURANCE.**

- a. **Tenant's Liability Insurance.** During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord, its property manager (if any), and other parties designated by Landlord as additional insureds using an endorsement form acceptable to Landlord, and shall insure Tenant's activities

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and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's Permitted Use, liquor liability insurance and/or warehouseman's coverage.

- b. **Tenant's Property Insurance.** During the Lease term, Tenant shall pay for and maintain special form clauses of loss coverage property insurance (with coverage for earthquake if required by Landlord's lender and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures and equipment in the amount of their full replacement value, with a deductible of not more than \$10,000.
- c. **Miscellaneous.** Tenant's insurance required under this Section shall be with companies rated A-/VII or better in Best's Insurance Guide, and which are admitted in the State in which the Premises are located. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, and such failure continues for three (3) days after notice from Landlord, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and Tenant shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder.
- d. **Landlord's Insurance.** Landlord shall carry special form clauses of loss coverage property insurance of the Building shell and core in the amount of their full replacement value, liability insurance with respect to the Common Areas, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate. The cost of any such insurance shall be included in the Operating Costs, and if such insurance is provided by a "blanket policy" insuring other parties or locations in addition to the Building, then only the portion of the premiums allocable to the Building and Property shall be included in the Operating Costs.
- e. **Waiver of Subrogation.** Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective property insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.

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**18. INDEMNIFICATION.**

- a. **Indemnification by Tenant.** Tenant shall defend, indemnify, and hold Landlord and its property manager (if any) harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.
- b. **Indemnification by Landlord.** Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.
- c. **Waiver of Immunity.** Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.
- d. **Exemption of Landlord from Liability.** Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises or the Property.
- e. **Survival.** The provisions of this Section 18 shall survive expiration or termination of this Lease.

**19. ASSIGNMENT AND SUBLETTING.** ~~Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay the reasonable cost of processing same, including attorneys' fees, upon demand of Landlord, up to a maximum of \$1,250.~~

~~If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.~~

~~As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption agreement or documents.~~

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**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

20. **LIENS.** Tenant shall not subject the Landlord's assets to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.

21. **DEFAULT.** The following occurrences shall each constitute a default by Tenant (an "Event of Default"):

- a. **Failure To Pay.** Failure by Tenant to pay any sum, including Rent, due under this Lease following five (5) days' notice from Landlord of the failure to pay.
- b. **Vacation/Abandonment.** Vacation by Tenant of the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.
- c. **Insolvency.** Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within sixty (60) days after its institution or commencement.
- d. **Levy or Execution.** The taking of Tenant's interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within fifteen (15) days after being levied.
- e. **Other Non-Monetary Defaults.** The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of thirty (30) days after notice by Landlord to Tenant of the breach.
- f. **Failure to Take Possession.** Failure by Tenant to take possession of the Premises on the Commencement Date or failure by Tenant to commence any Tenant Improvement in a timely fashion.

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.



**LEASE AGREEMENT**  
(Multi-Tenant Triple Net (NNN) Lease)  
(Continued)

22. **REMEDIES.** Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.
- a. **Termination of Lease.** Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described below.
  - b. **Re-Entry and Reletting.** Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord all Reletting Expenses (defined below); second, to pay any indebtedness of Tenant to Landlord other than rent; third, to the rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises and after deducting Landlord's Reletting Expenses. "Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.
  - c. **Waiver of Redemption Rights.** Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term, or any extension thereof.



**LEASE AGREEMENT**  
**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

- d. **Nonpayment of Additional Rent.** All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.
- e. **Failure to Remove Property.** If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.
- 23. MORTGAGE SUBORDINATION AND ATTORNMENT.** This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided the acquiring party assumes the obligations of Landlord under this Lease. Tenant shall promptly and in no event later than fifteen (15) days after request execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncured Event of Default by Tenant exists.
- 24. NON-WAIVER.** Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.
- 25. HOLDOVER.** If Tenant shall, without the written consent of Landlord, remain in possession of the Premises and fail to return them to Landlord after the expiration or termination of this Lease, the tenancy shall be a holdover tenancy and shall be on a month-to-month basis, which may be terminated according to Washington law. During such tenancy, Tenant agrees to pay to Landlord 150% of the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain in effect. Tenant acknowledges and agrees that this Section does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.
- 26. NOTICES.** All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1; or (iii) upon confirmed transmission by facsimile to the other party at the facsimile numbers set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.

**LEASE AGREEMENT**  
(Multi-Tenant Triple Net (NNN) Lease)  
(Continued)

- 27. COSTS AND ATTORNEYS' FEES.** If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.
- 28. ESTOPPEL CERTIFICATES.** Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Lease term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (viii) the amount of Rent, if any, that Tenant paid in advance; (ix) the amount of security that Tenant deposited with Landlord; (x) if Tenant has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom; (xi) if Tenant has any option to extend the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Tenant acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fail to respond within ten (10) days to Landlord's request for the statement required by this Section, Landlord may provide the statement and Tenant shall be deemed to have admitted the accuracy of the information provided by Landlord.
- 29. TRANSFER OF LANDLORD'S INTEREST.** This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for collateral purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be liable, and Tenant shall attorn to the transferee.
- 30. LANDLORD'S LIABILITY.** Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.
- 31. RIGHT TO PERFORM.** If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any such other act on Tenant's behalf. Tenant shall, within ten (10) days of demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of Rent.

**LEASE AGREEMENT**  
(Multi-Tenant Triple Net (NNN) Lease)  
(Continued)

**32. HAZARDOUS MATERIAL.** As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such contamination.

Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Landlord's prior consent and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises or the Property; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises or the Property; and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Lease term. These indemnifications by Landlord and Tenant include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Tenant shall immediately notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Materials on the Premises or the Property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or the Property to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion. The provisions of this Section 32 shall survive expiration or termination of this Lease.

- 33. QUIET ENJOYMENT.** So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under Landlord.
- 34. MERGER.** The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

**LEASE AGREEMENT**  
**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

**35. GENERAL.**

- a. **Heirs and Assigns.** This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.
- b. **Brokers' Fees.** Tenant represents and warrants to Landlord that except for Tenant's Broker, if any, described and disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant that except for Landlord's Broker, if any, described and disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.
- c. **Entire Agreement.** This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understandings pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended except in writing, signed by Landlord and Tenant.
- d. **Severability.** Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.
- e. **Force Majeure.** Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.
- f. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Washington.
- g. **Memorandum of Lease.** Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landlord's prior consent.
- h. **Submission of Lease Form Not an Offer.** One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both of them.
- i. **No Light, Air or View Easement.** Tenant has not been granted an easement or other right for light, air or view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Building shall in no way effect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.
- j. **Authority of Parties.** Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery, this Lease shall be binding upon and enforceable against the party on signing.
- k. **Time.** "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.

**LEASE AGREEMENT**  
**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

**36. EXHIBITS AND RIDERS.** The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

- Exhibit A Floor Plan/Outline of the Premises
- Exhibit B Legal Description of the Property
- Exhibit C Tenant Improvement Schedule

CHECK THE BOX FOR ANY OF THE FOLLOWING THAT WILL APPLY. CAPITALIZED TERMS USED IN THE RIDERS SHALL HAVE THE MEANING GIVEN TO THEM IN THE LEASE.

- Rent Rider
- Arbitration Rider
- Letter of Credit Rider
- Guaranty of Tenant's Lease Obligations Rider
- Parking Rider
- Option to Extend Rider
- Rules and Regulations

**37. AGENCY DISCLOSURE.** At the signing of this Lease, Landlord is represented by

Saratoga Commercial Real/Ken Reinschmidt Estate as Dual Agent

(insert both the name of the Broker and the Firm as licensed) (the "Landlord's Broker"), and Tenant is represented by

Windermere Commercial/Bill Henshaw

(insert both the name of the Broker and the Firm as licensed) (the "Tenant's Broker").

This Agency Disclosure creates an agency relationship between Landlord, Landlord's Broker (if any such person is disclosed), and any managing brokers who supervise Landlord's Broker's performance (collectively the "Supervising Brokers"). In addition, this Agency Disclosure creates an agency relationship between Tenant, Tenant's Broker (if any such person is disclosed), and any managing brokers who supervise Tenant's Broker's performance (also collectively the "Supervising Brokers"). If Tenant's Broker and Landlord's Broker are different real estate licensees affiliated with the same Firm, then both Tenant and Landlord confirm their consent to that Firm and both Tenant's and Landlord's Supervising Brokers acting as dual agents. If Tenant's Broker and Landlord's Broker are the same real estate licensee who represents both parties, then both Landlord and Tenant acknowledge that the Broker, his or her Supervising Brokers, and his or her Firm are acting as dual agents and hereby consent to such dual agency. If Tenant's Broker, Landlord's Broker, their Supervising Brokers, or their Firm are dual agents, Landlord and Tenant consent to Tenant's Broker, Landlord's Broker and their Firm being compensated based on a percentage of the rent or as otherwise disclosed on the attached addendum. Neither Tenant's Broker, Landlord's Broker nor either of their Firms are receiving compensation from more than one party to this transaction unless otherwise disclosed on an attached addendum, in which case Landlord and Tenant consent to such compensation. Landlord and Tenant confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

**38. COMMISSION AGREEMENT.** If Landlord has not entered into a listing agreement (or other compensation agreement with Landlord's Broker), Landlord agrees to pay a commission to Landlord's Broker (as identified in the Agency Disclosure paragraph above) as follows:

- \$ \_\_\_\_\_
- 5.0 % of the gross rent payable pursuant to the Lease
- \$ \_\_\_\_\_ per square foot of the Premises
- Other \_\_\_\_\_



**LEASE AGREEMENT**  
**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

Landlord's Broker  shall  shall not (shall not if not filled in) be entitled to a commission upon the extension by Tenant of the Lease term pursuant to any right reserved to Tenant under the Lease calculated  as provided above or  as follows 2.5% of gross value of renewal

(if no box is checked, as provided above). Landlord's Broker  shall  shall not (shall not if not filled in) be entitled to a commission upon any expansion of the Premises pursuant to any right reserved to Tenant under the Lease, calculated  as provided above or  as follows \_\_\_\_\_ (if no box is checked, as provided above).

Any commission shall be earned upon execution of this Lease, and paid one-half upon execution of the Lease and one-half upon occupancy of the Premises by Tenant. Landlord's Broker shall pay to Tenant's Broker (as identified in the Agency Disclosure paragraph above) the amount stated in a separate agreement between them or, if there is no agreement, \$ NA or 50 % (complete only one) of any commission paid to Landlord's Broker, within five (5) days after receipt by Landlord's Broker.

If any other lease or sale is entered into between Landlord and Tenant pursuant to a right reserved to Tenant under the Lease, Landlord  shall  shall not (shall not if not filled in) pay an additional commission according to any commission agreement or, in the absence of one, according to the commission schedule of Landlord's Broker in effect as of the execution of this Lease. Landlord's successor shall be obligated to pay any unpaid commissions upon any transfer of this Lease and any such transfer shall not release the transferor from liability to pay such commissions.

**38. BROKER PROVISIONS.**

LANDLORD'S BROKER, TENANT'S BROKER AND THEIR FIRMS HAVE MADE NO REPRESENTATIONS OR WARRANTIES CONCERNING THE PREMISES; THE MEANING OF THE TERMS AND CONDITIONS OF THIS LEASE; LANDLORD'S OR TENANT'S FINANCIAL STANDING; ZONING OR COMPLIANCE OF THE PREMISES WITH APPLICABLE LAWS; SERVICE OR CAPACITY OF UTILITIES; OPERATING COSTS; OR HAZARDOUS MATERIALS. LANDLORD AND TENANT ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL ADVICE ON THESE AND OTHER MATTERS ARISING UNDER THIS LEASE.

IN WITNESS WHEREOF, this Lease has been executed the date and year first above written.

\_\_\_\_\_  
LANDLORD

\_\_\_\_\_  
TENANT

\_\_\_\_\_  
LANDLORD Foxglove LLC

\_\_\_\_\_  
TENANT Avamere Home Health Care, LLC

  
BY Jonathan Syre

  
BY

ITS: Managing Member

ITS: President

**LEASE AGREEMENT**  
(Multi-Tenant Triple Net (NNN) Lease)  
(Continued)

STATE OF WASHINGTON

COUNTY OF Whatcom

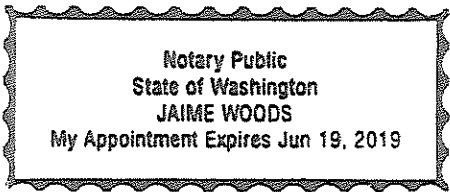
ss.

I certify that I know or have satisfactory evidence that Jonathan Syre is the person who appeared before me and said person acknowledged that He signed this instrument, on oath stated that He was authorized to execute the instrument and acknowledged it as the Managing Member of FOXGLOVE LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 14th day of July, 2015.

[Signature]  
(Signature of Notary)

Jaime Woods  
(Legibly Print or Stamp Name of Notary)



Notary public in and for the state of Washington  
Residing at Bellingham, wa

My appointment expires June 19th 2019

Oregon  
STATE OF WASHINGTON 3/17/16

COUNTY OF Clackamas

ss.

I certify that I know or have satisfactory evidence that Robert Thomas is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Avanere Home Health Care LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 17th day of March, 2016.

[Signature]  
(Signature of Notary)

Lynnette Marie Faber  
(Legibly Print or Stamp Name of Notary)



Notary public in and for the state of Washington Oregon  
Residing at 1920 SW River Dr  
Portland, OR

My appointment expires Oct. 28, 2016

AM-7  
3/17/16



**LEASE AGREEMENT**  
**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

STATE OF WASHINGTON

COUNTY OF \_\_\_\_\_

ss.

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me and said person acknowledged that \_\_\_\_\_ signed this instrument, on oath stated that \_\_\_\_\_ was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of \_\_\_\_\_ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(Signature of Notary)

\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington

Residing at \_\_\_\_\_

My appointment expires \_\_\_\_\_

STATE OF WASHINGTON

COUNTY OF \_\_\_\_\_

ss.

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me and said person acknowledged that \_\_\_\_\_ signed this instrument, on oath stated that \_\_\_\_\_ was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of \_\_\_\_\_ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(Signature of Notary)

\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)

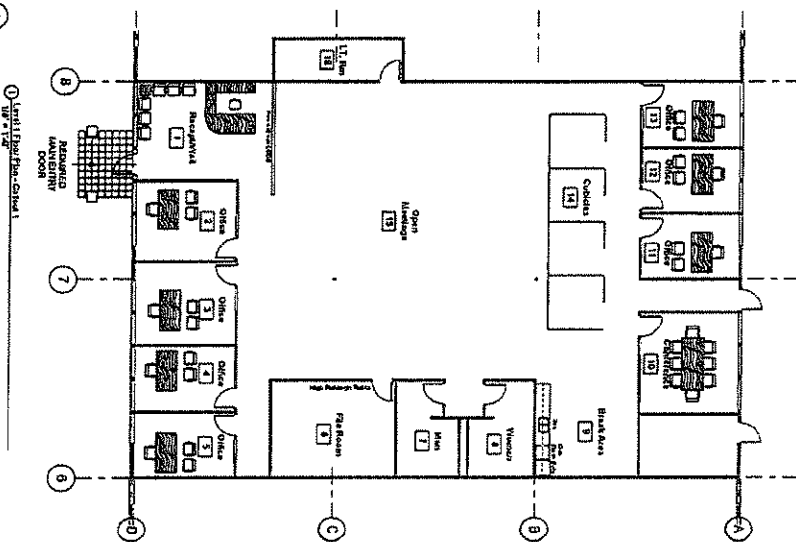
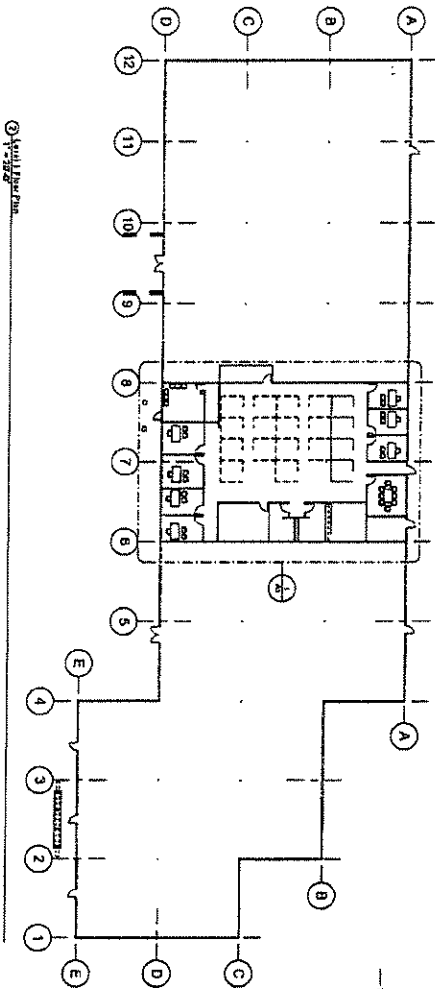
Notary public in and for the state of Washington

Residing at \_\_\_\_\_

My appointment expires \_\_\_\_\_



# Exhibit A



*Handwritten signature/initials*

*Vertical text: 1st Floor Plan*

Signature Home Health Office 2100 <b>Marcus M. Johnson</b> Director, Maryland Department of Health and Mental Hygiene 1000 2000 2000	
DATE: _____ TIME: _____ BY: _____	A1



**LEASE AGREEMENT**  
**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

**EXHIBIT B**  
**[Legal Description of the Property]**

***LOT 1, as delineated on Specific Binding Site Plan No. 22 Cordata, According to the Plat thereof, recorded under Auditor's File No. 1980604083, records of Whatcom County, Washington.***

***Situate in Whatcom County, Washington***

**EXHIBIT B**

**LEASE AGREEMENT**  
**(Multi-Tenant Triple Net (NNN) Lease)**  
**(Continued)**

**EXHIBIT C**  
**[Tenant Improvement Schedule]**

**1. Tenant Improvements to be Completed by Landlord**

*Build new entry doors and reception as shown on attached plan.*

*Build walls and breakroom counter as shown on attached plan.*

**2. Tenant Improvements to be Completed by Tenant**

*As-Is.*

*Tenant may modify the space by submitting plans for Landlords approval. Landlords approval shall not be unreasonably withheld.*

**EXHIBIT C**

**ADDENDUM**

Property Address: 459 Stuart Road

**1) 4. c. Late Charges; Default Interest**

*If any sums payable by Tenant to Landlord under this Lease are not received within ten (10) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or ten percent (10%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within ten (10) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.*

*This Late charge does not apply to sums payable by Tenant to Landlord as a result of NNN reconciliation by Landlord as described in Section 8. C. iii. and terms of 8. C. iii shall prevail, and in addition, if the Tenant owes Landlord a difference greater than 10% of the budgeted operating costs, Tenant shall have the option to pay the difference in the form of twelve (12) equal monthly payments.*

*This Late charge also does not apply to sums payable by Tenant to Landlord as resulte of an operating cost audit as described in Section 8. C. iv and terms of 8. C. iv shall prevail, and in addition, if the Tenant owes Landlord a difference of greater than 10% of the budgeted operating cost, Tenant shall have the option to pay the difference in the form of twelve (12) equal monthly payments.*

**2) Operating Costs**

*HVAC system is warranteed by Landlord for the first 12 months of the lease. Landlord will pay for repairs and replacement unless sytem is damaged by misconduct of Tenant. Cost of repair or replacement charged to the tenant thereafter will be in proportion to Tenant's share of use of the systems operating life..*

**3) NNN Reconciliation**

*If the difference of actual annual NNN expenses and Budgeted NNN expenses exceed 10% of the annual expense budget, Reimbursement to either Tenant or Landlord will be made by paying monthly amortized payments over the following calendar year.*

**4) Utilities**

*Electricity is separately metered to the space and Tenant shall place electricity service in their name.*

*Gas service is shared with neighboring tenant. Landlord shall submit gas re-billing invoice to Tenant as*

INITIALS JA DATE 7/14/15  
INITIALS \_\_\_\_\_ DATE \_\_\_\_\_

INITIALS RT DATE 6/25/15  
INITIALS BT DATE 6/25/15

**ADDENDUM**

Property Address: 459 Stuart Road

*line item on monthly invoice. Gas re-billing shall be divided amongst the two tenants on a pro-rata share basis.*

**5) 31. Right to Perform**

***Landlord must give Tenant written notice and must give Tenant 30 days to begin cure of default before Landlord may make such payment or perform any such other act on Tenant's behalf.***

INITIALS JA DATE 7/14/15  
INITIALS \_\_\_\_\_ DATE \_\_\_\_\_

INITIALS RT DATE 6/25/15  
INITIALS \_\_\_\_\_ DATE \_\_\_\_\_



**RENT RIDER**

This Rent Rider ("Rider") is made part of the Lease Agreement dated June, 2015, (the "Lease") between Foxglove LLC ("Landlord") and Avamere Home Health Care, LLC ("Tenant") concerning the space commonly known as \_\_\_\_\_ (the "Premises"), located at the property commonly known as 459 Stuart Road (the "Property").

1. **BASE MONTHLY RENT SCHEDULE.** Tenant shall pay Landlord base monthly rent during the Lease Term according to the following schedule:

Lease Year (Stated in Years or Months)	Base Monthly Rent Amount
<u>September 1, 2015 through August 31, 2016</u>	<u>\$ 4,500 + NNN</u>
<u>September 1, 2016 through August 31, 2017</u>	<u>\$ 4,590 + NNN</u>
<u>September 1, 2017 through August 31, 2018</u>	<u>\$ 4,775 + NNN</u>
<u>September 1, 2018 through August 31, 2019</u>	<u>\$ 4,870 + NNN</u>
<u>September 1, 2019 through August 31, 2020</u>	<u>\$ 4,968 + NNN</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

2. **CONSUMER PRICE INDEX ADJUSTMENT ON BASE MONTHLY RENT.** The base monthly rent shall be increased on the first day of the second year of the Lease and on the first day of each year of the Lease thereafter (each, an "Adjustment Date") during the term of this Lease (but not during any extension term(s) unless specifically set forth elsewhere in the Lease or another Rider attached thereto). The increase shall be determined in accordance with the increase in the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (all items for the geographical statistical area in which the Premises is located on the basis of 1982-1984 equals 100) (the "Index"). The base monthly rent payable immediately prior to the applicable adjustment date shall be increased by the percentage that the Index published for the date nearest preceding the applicable Adjustment Date has increased over the Index published for the date nearest preceding the first day of the Lease Year from which the adjustment is being measured. Upon the calculation of each increase, Landlord shall notify Tenant of the new base monthly rent payable hereunder. Within twenty (20) days of the date of Landlord's notice, Tenant shall pay to Landlord the amount of any deficiency in Rent paid by Tenant for the period following the subject Adjustment Date, and shall thereafter pay the increased Rent until receiving the next notice of increase from Landlord. If the components of the Index are materially changed after the Commencement Date, or if the Index is discontinued during the Lease term, Landlord shall notify Tenant of a substitute published index which, in Landlord's reasonable discretion, approximates the Index, and shall use the substitute index to make subsequent adjustments in base monthly rent. In no event shall base monthly rent be decreased pursuant to this Rider.

INITIALS: LANDLORD JA DATE 7/14/15 TENANT RT DATE 6/25/15  
 LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT \_\_\_\_\_ DATE \_\_\_\_\_



### PARKING RIDER

This Parking Rider (the "Rider") is made part of the lease agreement dated June, 2015,  
(the "Lease") between Foxglove LLC ("Landlord")  
and Avamere Home Health Care, LLC ("Tenant") concerning  
the leased space commonly known as \_\_\_\_\_  
(the "Premises"), located at the property commonly known as 459 Stuart Road  
\_\_\_\_\_ (the "Property").

1. **Tenant's Parking Rights.** Tenant's right to park on the Property shall be as follows (check one):

- Tenant shall be entitled to use parking stalls on the Property or other designated parking area on a (check one)  reserved  unreserved (unreserved, if neither box checked) basis at the prevailing monthly rate established by Landlord from time to time. Tenant shall comply with the reasonable rules and regulations which Landlord or its parking operator may adopt from time to time for the safe and orderly operation of the parking areas.
- Free Parking.** Tenant shall be entitled to share parking with Landlord's other tenants in the designated parking areas at no charge. Tenant shall be responsible for ensuring compliance with the terms of the Lease, this Rider, and any reasonable rules and regulations adopted by Landlord from time to time for the safe and orderly sharing of parking.
- No Parking.** The Lease does not include parking on the Property, and Tenant shall park off the Property at Tenant's own expense.

2. **Tenant.** For purpose of this Rider only, the term "Tenant" shall include Tenant and Tenant's employees, officers, contractors, licensees, agents, and invitees, except as follows:

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INITIALS: LANDLORD [Signature] DATE 7/14/15 TENANT RT DATE 6/25/15  
 LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT \_\_\_\_\_ DATE \_\_\_\_\_



**OPTION TO EXTEND RIDER**

This Option to Extend Rider ("Rider") is made part of the lease agreement dated June, 2015,  
(the "Lease") between Foxglove LLC ("Landlord") and  
Avamere Home Health Care, LLC ("Tenant") concerning the leased space commonly  
known as 455 Stuart Road (the "Premises"), located  
at the property commonly known as 459 Stuart Road  
(the "Property").

1. **Extension of Lease.** Provided Tenant is not in default of any provision of the Lease at the time that Tenant exercises the right to extend the Lease or at the time the new term begins, Tenant shall have 2 (zero if not completed) successive options to extend the term of the Lease for 5 years each. The term of the Lease shall be extended on the same terms, conditions and covenants set forth in the Lease, except that (i) the amount of the Base Rent stated in the Lease shall be adjusted as set forth below (provided, however, that Base Rent shall not be decreased); (ii) there shall be no free or abated rent periods, tenant improvement allowances or other concessions that may have been granted to Tenant at the beginning of the initial term hereof; and (iii) after exercise of Tenant's final extension term option, there shall be no further extension or renewal term options.
2. **Notice.** To extend the Lease, Tenant shall deliver written notice to Landlord not less than one hundred eighty (180) days prior to the expiration of the then-current Lease term. Time is of the essence of this Rider.
3. **Monthly Rent.** Landlord and Tenant shall make a good faith effort to determine and agree on the fair market value of rent for the Premises for the next term of the Lease.
  - a. **Failure to Agree on Rent.** If Landlord and Tenant are unable to agree on the fair market rental value for the Premises within thirty (30) days after Tenant gives notice to extend, they shall then have ten (10) days to select or appoint one real estate appraiser to determine the fair market value of rent for the Premises. All appraisers selected or appointed pursuant to this Rider shall be a Member of the American Institute of Real Estate Appraisers ("M.A.I.") with at least ten (10) years experience appraising commercial properties in the commercial leasing market in which the Premises are located, or equivalent. The appraiser appointed shall determine the fair market rental value for the Premises within twenty (20) days of appointment, which determination shall be final, conclusive, and binding upon both Landlord and Tenant, and Base Rent shall be adjusted accordingly for the new term. The appraiser's fees and expenses shall be shared equally between the parties.
  - b. **Failure to Appoint One Appraiser.** If Landlord and Tenant cannot mutually agree upon an appraiser, then either party may give the other party written notice that it has selected and appointed an M.A.I. appraiser, complete with the name, address, and other identifying information about the appraiser. The party receiving such notice shall then have ten (10) days to select and appoint its own M.A.I. appraiser and respond by giving written notice to the other party, complete with the name, address, and other identifying information about the appraiser. If, however, the responding party fails to select and appoint an appraiser and give notice to the other party within ten (10) days, the determination of the appraiser first appointed shall be final, conclusive and binding upon both parties, and Base Rent shall be adjusted accordingly for the new term. The appraiser's fees and expenses shall be shared equally between the parties.

INITIALS: LANDLORD JA DATE 7/14/15 TENANT RT DATE 6/25/15  
 LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT \_\_\_\_\_ DATE \_\_\_\_\_



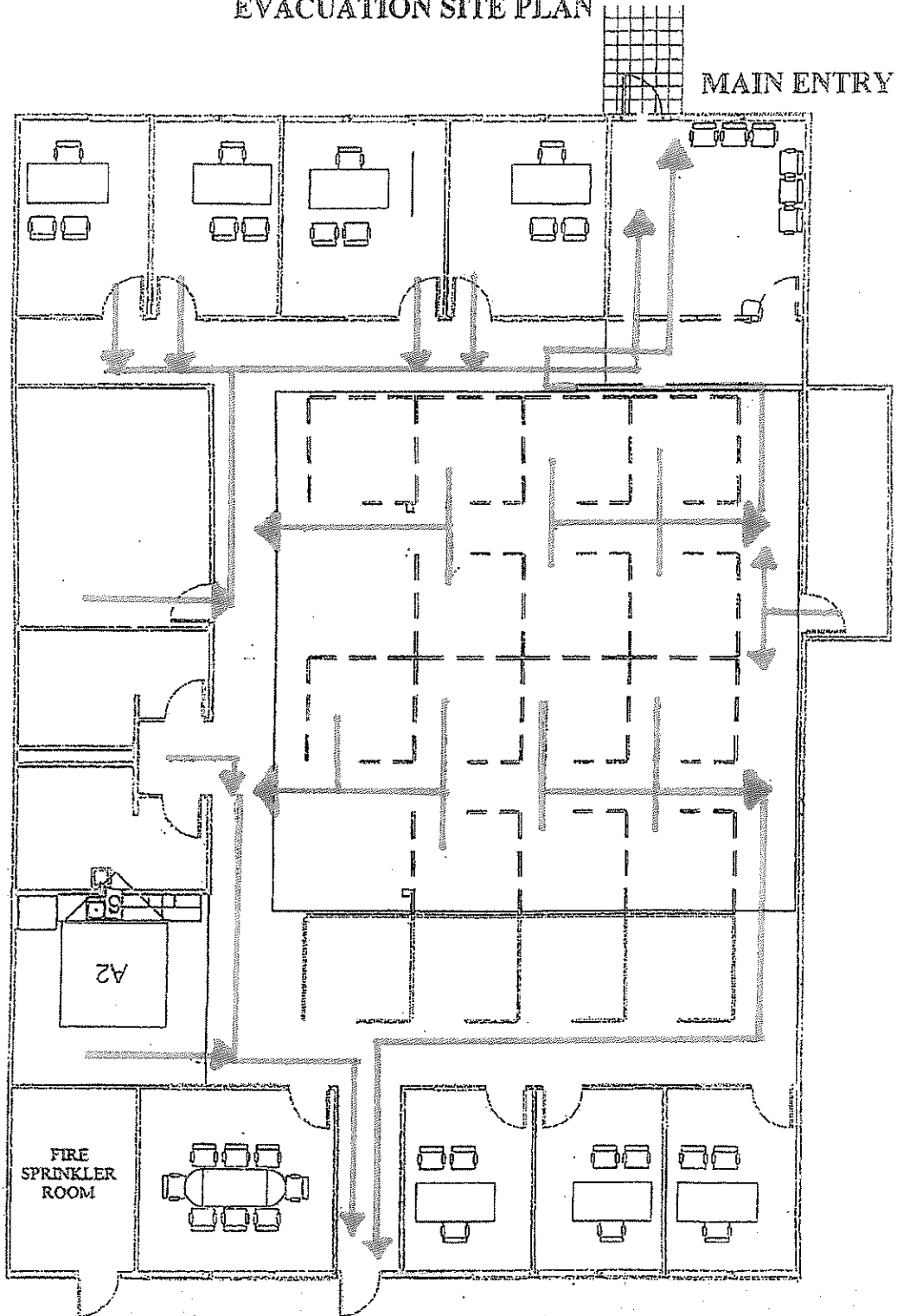


**OPTION TO EXTEND RIDER**  
(Continued)

c. **Method of Determining Rent.** The appraisers appointed shall proceed to determine fair market rental value within twenty (20) days following their appointment. The conclusion shall be final, conclusive and binding upon both Landlord and Tenant. If the appraisers should fail to agree, but the difference in their conclusions as to fair market rental value is ten percent (10%) or less of the lower of the two appraisals, then the fair market rental value shall be deemed to be the average of the two, and Base Rent shall be adjusted accordingly for the new term. If the two appraisers should fail to agree on the fair market rental value, and the difference between the two appraisals exceeds ten percent (10%) of the lower of the two appraisals, then the two appraisers shall appoint a third M.A.I.-qualified appraiser. If they fail to agree on a third appraiser within ten (10) days after their individual determination of the fair market rental value, either party may apply to the courts for the county in which the Premises are located, requesting the appointment of a third M.A.I.-qualified appraiser. The third appraiser shall promptly determine the fair market rental value of the Premises. The parties shall then take the average of the two appraisals that are closest in value, which shall then constitute the fair market value; shall be final, conclusive and binding upon both parties; and Base Rent shall be adjusted accordingly for the new term. Each party shall pay the fees and expenses for its own appraiser. In the event a third appraiser must be appointed, his or her fees and expenses shall be borne equally by Landlord and Tenant.

INITIALS: LANDLORD JA DATE 7/14/15 TENANT RT DATE 6/25/15  
LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT \_\_\_\_\_ DATE \_\_\_\_\_

FOXGLOVE - STUART  
459 W. STUART ROAD  
EVACUATION SITE PLAN



459 W. STUART  
BACK DOOR

# Saratoga

commercial real estate

December 8, 2015

Signature Home Health  
459 Stuart Rd.  
Bellingham, WA 98226

Dear Signature Home Health,

**Re: 2016 Operations Budget**

Enclosed please find the 2016 operations budget for the Foxglove, LLC Building, as well as the budget notes. The budget totals \$73,387.

Your new lease payment for 2016 is shown below:

	<u>Jan – Aug</u>	<u>Sept - Dec</u>
Rent:	\$ 4,500.00	\$ 4,590.00
Operations share (36.21%):	\$ 1,094.69	\$ 1,094.69
<b>Total monthly share:</b>	<b>\$ 5,594.69</b>	<b>\$ 5,684.69</b>

This new amount will take effect on **January 1, 2016**.

If you have any questions, please feel free to contact me.

Sincerely,



DANNY LEWIS  
Asset Manager

SARATOGA COMMERCIAL REAL ESTATE

228 E. Champion St. Suite 102 – P.O. Box 2794 – Bellingham WA 98227  
360/676/4866 ~ FAX 360/733/8008 ~ info@saratogacom.com ~ www.saratogacom.com

Foxglove - Stuart  
 c/o Saratoga Commercial Real Estate  
 PO Box 2794  
 Bellingham WA 98227

October 31, 2015

Signature Home Health  
 459 Stuart Rd  
 Bellingham, WA 98226

Budget for 2016 Common Area Expenses
--------------------------------------

	Budget 2016	Pro-Rata Share	Budgeted Amount
Annual Assessment	560.00	17.90%	100.24
Bldg Repairs & Maintenance	3,000.00	17.90%	537.00
Fire Testing/Monitoring	1,845.00	17.90%	330.26
Garbage	1,200.00	17.90%	214.80
Window Cleaning	720.00	17.90%	128.88
HVAC	2,900.00	17.90%	519.10
Insurance	5,900.00	17.90%	1,056.10
Landscaping	3,828.00	17.90%	685.21
Parking Lot	1,056.00	17.90%	189.02
Pest Control	780.00	17.90%	139.62
Power - parking lot	1,560.00	17.90%	279.24
Professional Fees	15,910.00	17.90%	2,847.89
Property Taxes	28,600.00	17.90%	5,119.40
Water / Sewer / Storm	<u>5,528.00</u>	17.90%	<u>989.51</u>
 NNN Total	 73,387.00		 13,136.27
 Monthly NNN Expenses			 <u>1,094.69</u>

**Foxglove – Stuart Rd Building  
NOTES TO BUDGET REPORT  
January through December 2016**

**Expenses**

**Common Area Maintenance:**

**Association Assessment:** \$560/yr. (Apr)

**Building Repairs & Maintenance:** \$250/mo misc. repairs

**Fire/Sprinkler:** \$120 Winterization (Nov); \$180/quarter monitoring; \$800/yr. annual backflow, confidence & fire alarm testing (Jul). Annual Fee \$125 (Apr) plus \$100 for fire extinguisher service (Jan)

**Garbage:** \$100/mo

**HVAC:** \$1700 service annually; \$100/mo. misc. repairs

**Insurance:** \$5,800.50/yr. (Nov)

**Landscaping:** \$304/mo. per contract; \$15/mo for misc. repairs

**Parking Lot:** \$86 every other month for parking lot sweeping; \$270/mo. snow removal (Jan, Feb)  
\$200 lot light repairs

**Pest Control:** \$130 every other month

**Power:** \$130/mo.

**Professional Fees:**

**Accounting:** \$17.50/mo. for reconciliations (outside audit); \$100/yr. (Jan) 1099/1096

**Management Fee:** \$1,300/mo.

**Property Taxes:** \$14,300 twice a year (Apr/Oct) estimated w/ 2% increased based off of 2014 actuals

**Water/Sewer/Storm:** \$344 every other month water, plus \$350/mo irrigation (May-Aug)

**Window Washing:** \$300 (May) \$420 (Oct)

**Reimbursable Gas Expense:** \$5,250/yr

## **Exhibit 9. 2019-2020 DOH Hospice Need Methodology**

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



**WAC246-310-290(8)(a) Step 1:**

**Calculate the following two statewide predicted hospice use rates using department of health survey and vital statistics data:**

WAC 246-310-290(8)(a)(i) The percentage of patients age sixty-five and over who will use hospice services. This percentage is calculated by dividing the average number of unduplicated admissions over the last three years for patients sixty five and over by the average number of past three years statewide total deaths age sixty-five and over.

WAC246-310-290(8)(a)(ii) The percentage of patients under sixty-five who will use hospice services. This percentage is calculated by dividing the average number of unduplicated admissions over the last three years for patients under sixty-five by the average number of past three years statewide total of deaths under sixty-five.

Hospice admissions ages 0-64	
Year	Admissions
2016	3,768
2017	3,757
2018	4,114
<b>average: 3,880</b>	

Deaths ages 0-64	
Year	Deaths
2016	13,557
2017	14,113
2018	14,055
<b>average: 13,908</b>	

Use Rates	
0-64	27.89%
65+	61.56%

Hospice admissions ages 65+	
Year	Admissions
2016	24,738
2017	26,365
2018	26,951
<b>average: 26,018</b>	

Deaths ages 65+	
Year	Deaths
2016	41,104
2017	42,918
2018	42,773
<b>average: 42,265</b>	

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



**WAC246-310-290(8)(b) Step 2:**

Calculate the average number of total resident deaths over the last three years for each planning area by age cohort.

0-64				
County	2016	2017	2018	2016-2018 Average Deaths
Adams	34	38	28	33
Asotin	50	49	52	50
Benton	352	385	331	356
Chelan	123	124	130	126
Clallam	172	180	191	181
Clark	781	883	874	846
Columbia	12	19	6	12
Cowlitz	290	351	300	314
Douglas	56	71	51	59
Ferry	20	30	28	26
Franklin	115	133	145	131
Garfield	4	6	5	5
Grant	191	203	195	196
Grays Harbor	233	238	227	233
Island	134	166	135	145
Jefferson	69	69	64	67
King	3,204	3,256	3,264	3,241
Kitsap	518	485	515	506
Kittitas	59	91	68	73
Klickitat	50	63	58	57
Lewis	194	210	227	210
Lincoln	26	20	25	24
Mason	164	169	158	164
Okanogan	110	119	103	111
Pacific	59	88	64	70
Pend Oreille	35	34	43	37
Pierce	1,883	1,936	1,964	1,928
San Juan	36	18	19	24
Skagit	248	271	231	250
Skamania	39	16	27	27
Snohomish	1,440	1,483	1,533	1,485
Spokane	1,168	1,147	1,177	1,164
Stevens	103	96	113	104
Thurston	485	530	554	523
Wahkiakum	10	3	13	9
Walla Walla	123	123	110	119
Whatcom	365	367	360	364
Whitman	42	57	66	55
Yakima	560	586	601	582

65+				
County	2016	2017	2018	2016-2018 Average Deaths
Adams	92	78	72	81
Asotin	192	190	214	199
Benton	1,075	1,081	1,125	1,094
Chelan	535	556	573	555
Clallam	762	842	871	825
Clark	2,589	2,579	2,767	2,645
Columbia	48	116	43	69
Cowlitz	863	917	840	873
Douglas	227	232	255	238
Ferry	64	60	55	60
Franklin	242	284	278	268
Garfield	20	17	30	22
Grant	479	509	524	504
Grays Harbor	606	622	647	625
Island	565	630	675	623
Jefferson	293	308	336	312
King	9,766	10,039	9,917	9,907
Kitsap	1,704	1,780	1,713	1,732
Kittitas	243	237	239	240
Klickitat	145	151	158	151
Lewis	676	721	730	709
Lincoln	102	105	94	100
Mason	494	550	526	523
Okanogan	303	350	332	328
Pacific	222	262	279	254
Pend Oreille	120	133	130	128
Pierce	4,751	5,019	4,926	4,899
San Juan	126	115	114	118
Skagit	979	1,007	1,001	996
Skamania	64	65	56	62
Snohomish	3,857	4,118	4,055	4,010
Spokane	3,356	3,527	3,556	3,480
Stevens	336	376	373	362
Thurston	1,661	1,768	1,823	1,751
Wahkiakum	39	37	33	36
Walla Walla	485	501	445	477
Whatcom	1,353	1,329	1,252	1,311
Whitman	212	236	199	216
Yakima	1,458	1,471	1,517	1,482



**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



**WAC246-310-290(8)(c) Step 3.**

Multiply each hospice use rate determined in Step 1 by the planning areas' average total resident deaths determined in Step 2, separated by age cohort.

0-64		
County	2016-2018 Average Deaths	Projected Patients: 27.90% of Deaths
Adams	33	9
Asotin	50	14
Benton	356	99
Chelan	126	35
Clallam	181	50
Clark	846	236
Columbia	12	3
Cowlitz	314	87
Douglas	59	17
Ferry	26	7
Franklin	131	37
Garfield	5	1
Grant	196	55
Grays Harbor	233	65
Island	145	40
Jefferson	67	19
King	3,241	904
Kitsap	506	141
Kittitas	73	20
Klickitat	57	16
Lewis	210	59
Lincoln	24	7
Mason	164	46
Okanogan	111	31
Pacific	70	20
Pend Oreille	37	10
Pierce	1,928	538
San Juan	24	7
Skagit	250	70
Skamania	27	8
Snohomish	1,485	414
Spokane	1,164	325
Stevens	104	29
Thurston	523	146
Wahkiakum	9	2
Walla Walla	119	33
Whatcom	364	102
Whitman	55	15
Yakima	582	162

65+		
County	2016-2018 Average Deaths	Projected Patients: 61.56% of Deaths
Adams	81	50
Asotin	199	122
Benton	1,094	673
Chelan	555	341
Clallam	825	508
Clark	2,645	1,628
Columbia	69	42
Cowlitz	873	538
Douglas	238	147
Ferry	60	37
Franklin	268	165
Garfield	22	14
Grant	504	310
Grays Harbor	625	385
Island	623	384
Jefferson	312	192
King	9,907	6,099
Kitsap	1,732	1,066
Kittitas	240	148
Klickitat	151	93
Lewis	709	436
Lincoln	100	62
Mason	523	322
Okanogan	328	202
Pacific	254	157
Pend Oreille	128	79
Pierce	4,899	3,016
San Juan	118	73
Skagit	996	613
Skamania	62	38
Snohomish	4,010	2,469
Spokane	3,480	2,142
Stevens	362	223
Thurston	1,751	1,078
Wahkiakum	36	22
Walla Walla	477	294
Whatcom	1,311	807
Whitman	216	133
Yakima	1,482	912

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



**WAC246-310-290(8)(d) Step 4:**

Using the projected patients calculated in Step 3, calculate a use rate by dividing projected patients by the three-year historical average population by county. Use this rate to determine the potential volume of hospice use by the projected population by age cohort using Office of Financial Management (OFM) data.

<b>0-64</b>								
<b>County</b>	<b>Projected Patients</b>	<b>2016-2018 Average Population</b>	<b>2019 projected population</b>	<b>2020 projected population</b>	<b>2021 projected population</b>	<b>2019 potential volume</b>	<b>2020 potential volume</b>	<b>2021 potential volume</b>
Adams	9	17,899	18,160	18,291	18,456	9	10	10
Asotin	14	16,842	16,715	16,652	16,596	14	14	14
Benton	99	165,123	167,984	169,415	171,026	101	102	103
Chelan	35	61,755	62,227	62,463	62,512	35	35	35
Clallam	50	52,605	52,494	52,439	52,233	50	50	50
Clark	236	399,287	411,278	417,273	421,901	243	247	249
Columbia	3	2,905	2,822	2,780	2,745	3	3	3
Cowlitz	87	85,617	85,817	85,917	85,843	88	88	88
Douglas	17	34,335	35,130	35,527	35,803	17	17	17
Ferry	7	5,731	5,628	5,577	5,541	7	7	7
Franklin	37	83,832	88,012	90,102	92,443	38	39	40
Garfield	1	1,623	1,581	1,560	1,541	1	1	1
Grant	55	83,784	86,033	87,158	88,240	56	57	58
Grays Harbor	65	58,246	57,387	56,958	56,679	64	63	63
Island	40	62,814	63,114	63,264	63,280	41	41	41
Jefferson	19	20,670	20,705	20,722	20,636	19	19	19
King	904	1,841,848	1,885,115	1,906,749	1,918,470	925	936	942
Kitsap	141	215,543	218,538	220,035	220,614	143	144	144
Kittitas	20	37,330	38,453	39,015	39,286	21	21	21
Klickitat	16	15,955	15,702	15,575	15,439	16	16	15
Lewis	59	62,097	62,700	63,001	63,164	59	60	60
Lincoln	7	7,982	7,864	7,805	7,751	7	6	6
Mason	46	49,652	50,632	51,122	51,397	47	47	47
Okanogan	31	32,726	32,364	32,183	32,087	31	30	30
Pacific	20	14,830	14,545	14,403	14,322	19	19	19
Pend Oreille	10	9,952	9,859	9,812	9,769	10	10	10
Pierce	538	738,738	756,339	765,139	769,918	551	557	560
San Juan	7	11,084	10,863	10,753	10,730	7	7	7
Skagit	70	99,346	100,807	101,537	101,887	71	71	72
Skamania	8	9,260	9,248	9,242	9,223	8	8	8
Snohomish	414	683,800	705,787	716,781	721,527	428	434	437
Spokane	325	418,875	423,256	425,447	426,740	328	330	331
Stevens	29	34,343	34,109	33,992	33,917	29	29	29
Thurston	146	231,571	238,190	241,500	243,867	150	152	154
Wahkiakum	2	2,612	2,498	2,441	2,405	2	2	2
Walla Walla	33	50,328	50,763	50,981	51,028	33	34	34
Whatcom	102	180,629	185,418	187,812	189,267	104	106	106
Whitman	15	43,051	43,222	43,308	43,315	15	15	15
Yakima	162	219,328	222,774	224,497	225,822	165	166	167

**Source:**  
 Self-Report Provider Utilization Surveys for Years 2016-2018  
 Vital Statistics Death Data for Year 2016-2018  
 Prepared by DOH Program Staff

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



**WAC246-310-290(8)(d) Step 4:**

Using the projected patients calculated in Step 3, calculate a use rate by dividing projected patients by the three-year historical average population by county. Use this rate to determine the potential volume of hospice use by the projected population by age cohort using Office of Financial Management (OFM) data.

65+								
County	Projected Patients	2016-2018 Average Population	2019 projected population	2020 projected population	2021 projected population	2019 potential volume	2020 potential volume	2021 potential volume
Adams	50	2,000	2,227	2,341	2,383	55	58	59
Asotin	122	5,426	5,812	6,005	6,175	131	135	139
Benton	673	28,657	30,986	32,150	33,373	728	755	784
Chelan	341	14,811	15,876	16,408	17,052	366	378	393
Clallam	508	20,867	21,800	22,267	22,901	531	542	557
Clark	1628	71,564	78,605	82,125	85,686	1,788	1,869	1,950
Columbia	42	1,169	1,236	1,269	1,287	45	46	47
Cowlitz	538	20,505	22,148	22,969	23,719	581	602	622
Douglas	147	7,213	7,976	8,358	8,666	162	170	176
Ferry	37	2,022	2,168	2,241	2,289	39	41	42
Franklin	165	8,343	9,188	9,610	10,083	182	190	199
Garfield	14	620	645	658	669	14	15	15
Grant	310	13,628	14,861	15,477	16,071	338	352	366
Grays Harbor	385	15,064	16,123	16,653	17,133	412	425	438
Island	384	19,163	20,239	20,777	21,412	405	416	429
Jefferson	192	10,916	11,588	11,924	12,323	204	210	217
King	6099	282,395	310,572	324,660	337,771	6,707	7,012	7,295
Kitsap	1066	49,743	53,833	55,878	58,185	1,154	1,198	1,247
Kittitas	148	7,055	7,647	7,943	8,266	160	166	173
Klickitat	93	5,310	5,829	6,088	6,268	102	107	110
Lewis	436	15,987	16,808	17,219	17,697	459	470	483
Lincoln	62	2,755	2,891	2,959	3,039	65	66	68
Mason	322	14,717	15,905	16,499	17,167	348	361	376
Okanogan	202	9,624	10,475	10,901	11,210	220	229	235
Pacific	157	6,421	6,747	6,910	7,035	165	168	172
Pend Oreille	79	3,560	3,925	4,107	4,239	87	91	94
Pierce	3016	119,836	130,688	136,114	142,422	3,289	3,425	3,584
San Juan	73	5,322	5,768	5,991	6,174	79	82	85
Skagit	613	25,308	27,881	29,168	30,314	675	706	734
Skamania	38	2,414	2,670	2,798	2,923	42	44	46
Snohomish	2469	107,560	119,333	125,219	131,978	2,739	2,874	3,029
Spokane	2142	80,834	87,852	91,361	94,670	2,328	2,421	2,509
Stevens	223	10,407	11,360	11,837	12,214	243	253	261
Thurston	1078	46,608	50,757	52,832	54,900	1,174	1,222	1,269
Wahkiakum	22	1,379	1,503	1,565	1,580	24	25	26
Walla Walla	294	10,881	11,006	11,068	11,350	297	299	306
Whatcom	807	37,426	40,902	42,640	44,217	882	920	954
Whitman	133	4,948	5,526	5,815	6,008	148	156	161
Yakima	912	35,809	37,530	38,391	39,475	956	978	1,006

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



**WAC246-310-290(8)(e) Step 5:**

Combine the two age cohorts. Subtract the average of the most recent three years hospice capacity in each planning area from the projected volumes calculated in Step 4 to determine the number of projected admissions beyond the planning area capacity.

County	2019 potential volume	2020 potential volume	2021 potential volume	Current Capacity	2019 Admits (Unmet)	2020 Admits (Unmet)	2021 Admits (Unmet)
Adams	65	68	69	35.00	30	33	34
Asotin	145	149	153	92.00	53	57	61
Benton	829	857	887	949.00	(120)	(92)	(62)
Chelan	401	414	429	374.33	27	39	54
Clallam	581	592	607	229.50	351	363	378
Clark	2,032	2,115	2,199	2,229.00	(197)	(114)	(30)
Columbia	48	49	50	20.33	28	29	30
Cowlitz	668	690	710	758.67	(90)	(69)	(49)
Douglas	179	187	193	138.33	41	49	55
Ferry	47	48	49	33.33	13	14	15
Franklin	220	229	240	149.33	71	80	90
Garfield	16	16	16	2.67	13	13	13
Grant	395	409	424	261.00	134	148	163
Grays Harbor	476	489	501	303.00	173	186	198
Island	446	457	470	337.33	109	119	132
Jefferson	223	229	236	164.00	59	65	72
King	7,633	7,948	8,237	7,597.33	35	350	639
Kitsap	1,297	1,342	1,392	1,177.00	120	165	215
Kittitas	181	187	194	143.00	38	44	51
Klickitat	118	122	125	224.00	(106)	(102)	(99)
Lewis	518	530	543	705.33	(187)	(176)	(163)
Lincoln	71	73	75	27.33	44	45	47
Mason	395	408	423	216.67	178	192	206
Okanogan	251	259	266	167.67	83	92	98
Pacific	184	188	190	107.33	76	80	83
Pend Oreille	97	101	104	63.67	33	37	40
Pierce	3,839	3,982	4,144	3,782.33	57	200	362
San Juan	86	89	91	79.67	6	9	11
Skagit	746	778	806	686.00	60	92	120
Skamania	50	52	54	32.00	18	20	22
Snohomish	3,166	3,308	3,466	2,762.50	404	546	704
Spokane	2,656	2,751	2,839	2,684.83	(29)	66	155
Stevens	272	282	290	145.67	126	136	144
Thurston	1,324	1,374	1,423	1,105.83	218	268	317
Wahkiakum	27	28	28	5.67	21	22	22
Walla Walla	330	332	340	296.67	34	36	43
Whatcom	986	1,025	1,060	875.33	111	150	185
Whitman	164	171	177	246.17	(82)	(75)	(70)
Yakima	1,121	1,144	1,173	1,163.67	(43)	(19)	9

**Source:**  
 Self-Report Provider Utilization Surveys for Years 2016-2018  
 Vital Statistics Death Data for Years 2016-2018  
 Prepared by DOH Program Staff

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



**WAC246-310-290(8)(f) Step 6:**

Multiply the unmet need from Step 5 by the statewide average length of stay as determined by CMS to determine unmet need patient days in the projection years.

County	2019 Admits (Unmet)	2020 Admits (Unmet)	2021 Admits (Unmet)	Step 6 (Admits * ALOS) = Unmet Patient Days			
				Statewide ALOS	2019 Patient Days (unmet)	2020 Patient Days (unmet)	2021 Patient Days (unmet)
Adams	30	33	34	60.13	1,788	1,962	2,029
Asotin	53	57	61	60.13	3,182	3,441	3,668
Benton	(120)	(92)	(62)	60.13	(7,216)	(5,519)	(3,733)
Chelan	27	39	54	60.13	1,622	2,368	3,262
Clallam	351	363	378	60.13	21,133	21,813	22,728
Clark	(197)	(114)	(30)	60.13	(11,876)	(6,847)	(1,811)
Columbia	28	29	30	60.13	1,679	1,749	1,785
Cowlitz	(90)	(69)	(49)	60.13	(5,429)	(4,128)	(2,949)
Douglas	41	49	55	60.13	2,442	2,920	3,304
Ferry	13	14	15	60.13	792	868	918
Franklin	71	80	90	60.13	4,252	4,809	5,433
Garfield	13	13	13	60.13	782	797	811
Grant	134	148	163	60.13	8,031	8,919	9,775
Grays Harbor	173	186	198	60.13	10,387	11,171	11,889
Island	109	119	132	60.13	6,529	7,182	7,948
Jefferson	59	65	72	60.13	3,543	3,900	4,317
King	35	350	639	60.13	2,132	21,066	38,438
Kitsap	120	165	215	60.13	7,228	9,924	12,921
Kittitas	38	44	51	60.13	2,272	2,663	3,077
Klickitat	(106)	(102)	(99)	60.13	(6,380)	(6,114)	(5,932)
Lewis	(187)	(176)	(163)	60.13	(11,257)	(10,566)	(9,773)
Lincoln	44	45	47	60.13	2,645	2,733	2,839
Mason	178	192	206	60.13	10,707	11,516	12,411
Okanogan	83	92	98	60.13	4,982	5,510	5,894
Pacific	76	80	83	60.13	4,595	4,823	4,999
Pend Oreille	33	37	40	60.13	2,002	2,241	2,414
Pierce	57	200	362	60.13	3,419	12,015	21,768
San Juan	6	9	11	60.13	357	537	687
Skagit	60	92	120	60.13	3,608	5,513	7,197
Skamania	18	20	22	60.13	1,058	1,179	1,296
Snohomish	404	546	704	60.13	24,284	32,807	42,307
Spokane	(29)	66	155	60.13	(1,727)	3,966	9,299
Stevens	126	136	144	60.13	7,587	8,194	8,676
Thurston	218	268	317	60.13	13,100	16,110	19,074
Wahkiakum	21	22	22	60.13	1,264	1,322	1,335
Walla Walla	34	36	43	60.13	2,027	2,137	2,597
Whatcom	111	150	185	60.13	6,681	9,016	11,111
Whitman	(82)	(75)	(70)	60.13	(4,961)	(4,493)	(4,181)
Yakima	(43)	(19)	9	60.13	(2,556)	(1,161)	558

**Source:**  
Self-Report Provider Utilization Surveys for Years 2016-2018  
Vital Statistics Death Data for Year 2018  
Prepared by DOH Program Staff

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



**WAC246-310-290(8)(g) Step 7:**

Divide the unmet patient days from Step 6 by 365 to determine the unmet need ADC.

County				Step 7 (Patient Days / 365) = Unmet ADC		
	2019 Patient Days (unmet)	2020 Patient Days (unmet)	2021 Patient Days (unmet)	2019 ADC (unmet)	2020 ADC (unmet)	2021 ADC (unmet)
Adams	1,788	1,962	2,029	5	5	6
Asotin	3,182	3,441	3,668	9	9	10
Benton	(7,216)	(5,519)	(3,733)	(20)	(15)	(10)
Chelan	1,622	2,368	3,262	4	6	9
Clallam	21,133	21,813	22,728	58	60	62
Clark	(11,876)	(6,847)	(1,811)	(33)	(19)	(5)
Columbia	1,679	1,749	1,785	5	5	5
Cowlitz	(5,429)	(4,128)	(2,949)	(15)	(11)	(8)
Douglas	2,442	2,920	3,304	7	8	9
Ferry	792	868	918	2	2	3
Franklin	4,252	4,809	5,433	12	13	15
Garfield	782	797	811	2	2	2
Grant	8,031	8,919	9,775	22	24	27
Grays Harbor	10,387	11,171	11,889	28	31	33
Island	6,529	7,182	7,948	18	20	22
Jefferson	3,543	3,900	4,317	10	11	12
King	2,132	21,066	38,438	6	58	105
Kitsap	7,228	9,924	12,921	20	27	35
Kittitas	2,272	2,663	3,077	6	7	8
Klickitat	(6,380)	(6,114)	(5,932)	(17)	(17)	(16)
Lewis	(11,257)	(10,566)	(9,773)	(31)	(29)	(27)
Lincoln	2,645	2,733	2,839	7	7	8
Mason	10,707	11,516	12,411	29	32	34
Okanogan	4,982	5,510	5,894	14	15	16
Pacific	4,595	4,823	4,999	13	13	14
Pend Oreille	2,002	2,241	2,414	5	6	7
Pierce	3,419	12,015	21,768	9	33	60
San Juan	357	537	687	1	1	2
Skagit	3,608	5,513	7,197	10	15	20
Skamania	1,058	1,179	1,296	3	3	4
Snohomish	24,284	32,807	42,307	67	90	116
Spokane	(1,727)	3,966	9,299	(5)	11	25
Stevens	7,587	8,194	8,676	21	22	24
Thurston	13,100	16,110	19,074	36	44	52
Wahkiakum	1,264	1,322	1,335	3	4	4
Walla Walla	2,027	2,137	2,597	6	6	7
Whatcom	6,681	9,016	11,111	18	25	30
Whitman	(4,961)	(4,493)	(4,181)	(14)	(12)	(11)
Yakima	(2,556)	(1,161)	558	(7)	(3)	2

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
*including corrections received by 10/31/19*



Highlighted counties have pending applications from the 2018 concurrent review. If you are interested in applying in one of these counties, please contact the CN program for more information.

**WAC246-310-290(8)(h) Step 8:**

Determine the number of hospice agencies in the planning area that could support the unmet need with an ADC of thirty-five.

Application Year

County	Step 7 (Patient Days / 365) = Unmet ADC			Step 8 - Numeric Need	
	2019 ADC (unmet)	2020 ADC (unmet)	2021 ADC (unmet)	Numeric Need?	Agencies Needed?
Adams	5	5	6	FALSE	FALSE
Asotin	9	9	10	FALSE	FALSE
Benton	(20)	(15)	(10)	FALSE	FALSE
Chelan	4	6	9	FALSE	FALSE
Clallam	58	60	62	TRUE	1.78
Clark	(33)	(19)	(5)	FALSE	FALSE
Columbia	5	5	5	FALSE	FALSE
Cowlitz	(15)	(11)	(8)	FALSE	FALSE
Douglas	7	8	9	FALSE	FALSE
Ferry	2	2	3	FALSE	FALSE
Franklin	12	13	15	FALSE	FALSE
Garfield	2	2	2	FALSE	FALSE
Grant	22	24	27	FALSE	FALSE
Grays Harbor	28	31	33	FALSE	FALSE
Island	18	20	22	FALSE	FALSE
Jefferson	10	11	12	FALSE	FALSE
King	6	58	105	TRUE	3.01
Kitsap	20	27	35	TRUE	1.01
Kittitas	6	7	8	FALSE	FALSE
Klickitat	(17)	(17)	(16)	FALSE	FALSE
Lewis	(31)	(29)	(27)	FALSE	FALSE
Lincoln	7	7	8	FALSE	FALSE
Mason	29	32	34	FALSE	FALSE
Okanogan	14	15	16	FALSE	FALSE
Pacific	13	13	14	FALSE	FALSE
Pend Oreille	5	6	7	FALSE	FALSE
Pierce	9	33	60	TRUE	1.70
San Juan	1	1	2	FALSE	FALSE
Skagit	10	15	20	FALSE	FALSE
Skamania	3	3	4	FALSE	FALSE
Snohomish	67	90	116	TRUE	3.31
Spokane	(5)	11	25	FALSE	FALSE
Stevens	21	22	24	FALSE	FALSE
Thurston	36	44	52	TRUE	1.49
Wahkiakum	3	4	4	FALSE	FALSE
Walla Walla	6	6	7	FALSE	FALSE
Whatcom	18	25	30	FALSE	FALSE
Whitman	(14)	(12)	(11)	FALSE	FALSE
Yakima	(7)	(3)	2	FALSE	FALSE

**Department of Health  
2019-2020 Hospice Numeric Need Methodology  
0-64 Population Projection**

County	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-2018 Average Population
Adams	17,637	17,768	17,899	18,029	18,160	18,291	18,456	18,622	18,787	18,953	19,118	17,899
Asotin	16,969	16,906	16,842	16,779	16,715	16,652	16,596	16,540	16,485	16,429	16,373	16,842
Benton	162,262	163,693	165,123	166,554	167,984	169,415	171,026	172,638	174,249	175,861	177,472	165,123
Chelan	61,284	61,520	61,755	61,991	62,227	62,463	62,512	62,562	62,611	62,661	62,710	61,755
Clallam	52,716	52,661	52,605	52,550	52,494	52,439	52,233	52,027	51,821	51,615	51,409	52,605
Clark	387,296	393,291	399,287	405,282	411,278	417,273	421,901	426,529	431,158	435,786	440,414	399,287
Columbia	2,988	2,947	2,905	2,863	2,822	2,780	2,745	2,710	2,675	2,640	2,605	2,905
Cowlitz	85,417	85,517	85,617	85,717	85,817	85,917	85,843	85,769	85,695	85,621	85,547	85,617
Douglas	33,540	33,938	34,335	34,732	35,130	35,527	35,803	36,080	36,356	36,633	36,909	34,335
Ferry	5,834	5,782	5,731	5,680	5,628	5,577	5,541	5,506	5,470	5,435	5,399	5,731
Franklin	79,651	81,742	83,832	85,922	88,012	90,102	92,443	94,784	97,124	99,465	101,806	83,832
Garfield	1,665	1,644	1,623	1,602	1,581	1,560	1,541	1,522	1,502	1,483	1,464	1,623
Grant	81,535	82,660	83,784	84,909	86,033	87,158	88,240	89,322	90,403	91,485	92,567	83,784
Grays Harbor	59,105	58,675	58,246	57,817	57,387	56,958	56,679	56,401	56,122	55,844	55,565	58,246
Island	62,514	62,664	62,814	62,964	63,114	63,264	63,280	63,296	63,312	63,328	63,344	62,814
Jefferson	20,636	20,653	20,670	20,688	20,705	20,722	20,636	20,550	20,463	20,377	20,291	20,670
King	1,798,581	1,820,215	1,841,848	1,863,482	1,885,115	1,906,749	1,918,470	1,930,192	1,941,913	1,953,635	1,965,356	1,841,848
Kitsap	212,548	214,045	215,543	217,040	218,538	220,035	220,614	221,192	221,771	222,349	222,928	215,543
Kittitas	36,206	36,768	37,330	37,892	38,453	39,015	39,286	39,556	39,827	40,097	40,368	37,330
Klickitat	16,208	16,082	15,955	15,828	15,702	15,575	15,439	15,304	15,168	15,033	14,897	15,955
Lewis	61,494	61,796	62,097	62,398	62,700	63,001	63,164	63,327	63,491	63,654	63,817	62,097
Lincoln	8,101	8,042	7,982	7,923	7,864	7,805	7,751	7,698	7,644	7,591	7,537	7,982
Mason	48,672	49,162	49,652	50,142	50,632	51,122	51,397	51,672	51,946	52,221	52,496	49,652
Okanogan	33,087	32,906	32,726	32,545	32,364	32,183	32,087	31,991	31,896	31,800	31,704	32,726
Pacific	15,115	14,972	14,830	14,688	14,545	14,403	14,322	14,242	14,161	14,081	14,000	14,830
Pend Oreille	10,045	9,998	9,952	9,905	9,859	9,812	9,769	9,727	9,684	9,642	9,599	9,952
Pierce	721,137	729,937	738,738	747,538	756,339	765,139	769,918	774,696	779,475	784,253	789,032	738,738
San Juan	11,305	11,194	11,084	10,974	10,863	10,753	10,730	10,707	10,684	10,661	10,638	11,084
Skagit	97,885	98,616	99,346	100,076	100,807	101,537	101,887	102,236	102,586	102,935	103,285	99,346
Skamania	9,272	9,266	9,260	9,254	9,248	9,242	9,223	9,205	9,186	9,168	9,149	9,260
Snohomish	661,812	672,806	683,800	694,793	705,787	716,781	721,527	726,273	731,019	735,765	740,511	683,800
Spokane	414,493	416,684	418,875	421,066	423,256	425,447	426,740	428,033	429,326	430,619	431,912	418,875
Stevens	34,576	34,459	34,343	34,226	34,109	33,992	33,917	33,841	33,766	33,690	33,615	34,343
Thurston	224,951	228,261	231,571	234,880	238,190	241,500	243,867	246,235	248,602	250,970	253,337	231,571
Wahkiakum	2,726	2,669	2,612	2,555	2,498	2,441	2,405	2,368	2,332	2,295	2,259	2,612
Walla Walla	49,893	50,111	50,328	50,546	50,763	50,981	51,028	51,075	51,121	51,168	51,215	50,328
Whatcom	175,840	178,234	180,629	183,023	185,418	187,812	189,267	190,722	192,178	193,633	195,088	180,629
Whitman	42,880	42,965	43,051	43,137	43,222	43,308	43,315	43,322	43,330	43,337	43,344	43,051
Yakima	215,882	217,605	219,328	221,051	222,774	224,497	225,822	227,147	228,473	229,798	231,123	219,328

Source:  
Self-Report Provider Utilization Surveys for Years 2016-2018  
Vital Statistics Death Data for Year 2018  
Prepared by DOH Program Staff



**Department of Health  
2019-2020 Hospice Numeric Need Methodology  
65+ Population Projection**

County	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-2018 Average Population
Adams	1,773	1,887	2,000	2,114	2,227	2,341	2,383	2,424	2,466	2,507	2,549	2,000
Asotin	5,041	5,233	5,426	5,619	5,812	6,005	6,175	6,344	6,514	6,683	6,853	5,426
Benton	26,328	27,492	28,657	29,821	30,986	32,150	33,373	34,597	35,820	37,044	38,267	28,657
Chelan	13,746	14,279	14,811	15,343	15,876	16,408	17,052	17,695	18,339	18,982	19,626	14,811
Clallam	19,934	20,401	20,867	21,334	21,800	22,267	22,901	23,535	24,168	24,802	25,436	20,867
Clark	64,524	68,044	71,564	75,085	78,605	82,125	85,686	89,247	92,807	96,368	99,929	71,564
Columbia	1,102	1,135	1,169	1,202	1,236	1,269	1,287	1,304	1,322	1,339	1,357	1,169
Cowlitz	18,863	19,684	20,505	21,326	22,148	22,969	23,719	24,470	25,220	25,971	26,721	20,505
Douglas	6,450	6,831	7,213	7,595	7,976	8,358	8,666	8,974	9,283	9,591	9,899	7,213
Ferry	1,876	1,949	2,022	2,095	2,168	2,241	2,289	2,337	2,386	2,434	2,482	2,022
Franklin	7,499	7,921	8,343	8,765	9,188	9,610	10,083	10,557	11,030	11,504	11,977	8,343
Garfield	595	607	620	633	645	658	669	680	692	703	714	620
Grant	12,395	13,011	13,628	14,244	14,861	15,477	16,071	16,665	17,258	17,852	18,446	13,628
Grays Harbor	14,005	14,535	15,064	15,594	16,123	16,653	17,133	17,612	18,092	18,571	19,051	15,064
Island	18,086	18,625	19,163	19,701	20,239	20,777	21,412	22,047	22,682	23,317	23,952	19,163
Jefferson	10,244	10,580	10,916	11,252	11,588	11,924	12,323	12,722	13,121	13,520	13,919	10,916
King	254,219	268,307	282,395	296,484	310,572	324,660	337,771	350,881	363,992	377,102	390,213	282,395
Kitsap	45,652	47,697	49,743	51,788	53,833	55,878	58,185	60,492	62,800	65,107	67,414	49,743
Kittitas	6,464	6,760	7,055	7,351	7,647	7,943	8,266	8,589	8,911	9,234	9,557	7,055
Klickitat	4,792	5,051	5,310	5,570	5,829	6,088	6,268	6,448	6,627	6,807	6,987	5,310
Lewis	15,166	15,576	15,987	16,398	16,808	17,219	17,697	18,175	18,652	19,130	19,608	15,987
Lincoln	2,619	2,687	2,755	2,823	2,891	2,959	3,039	3,119	3,200	3,280	3,360	2,755
Mason	13,528	14,123	14,717	15,311	15,905	16,499	17,167	17,836	18,504	19,173	19,841	14,717
Okanogan	8,773	9,198	9,624	10,050	10,475	10,901	11,210	11,519	11,827	12,136	12,445	9,624
Pacific	6,095	6,258	6,421	6,584	6,747	6,910	7,035	7,159	7,284	7,408	7,533	6,421
Pend Oreille	3,195	3,378	3,560	3,742	3,925	4,107	4,239	4,371	4,504	4,636	4,768	3,560
Pierce	108,983	114,409	119,836	125,262	130,688	136,114	142,422	148,729	155,037	161,344	167,652	119,836
San Juan	4,876	5,099	5,322	5,545	5,768	5,991	6,174	6,357	6,541	6,724	6,907	5,322
Skagit	22,735	24,021	25,308	26,595	27,881	29,168	30,314	31,460	32,607	33,753	34,899	25,308
Skamania	2,158	2,286	2,414	2,542	2,670	2,798	2,923	3,048	3,172	3,297	3,422	2,414
Snohomish	95,788	101,674	107,560	113,447	119,333	125,219	131,978	138,737	145,495	152,254	159,013	107,560
Spokane	73,817	77,325	80,834	84,343	87,852	91,361	94,670	97,979	101,288	104,597	107,906	80,834
Stevens	9,454	9,930	10,407	10,884	11,360	11,837	12,214	12,591	12,969	13,346	13,723	10,407
Thurston	42,459	44,534	46,608	48,683	50,757	52,832	54,900	56,967	59,035	61,102	63,170	46,608
Wahkiakum	1,254	1,316	1,379	1,441	1,503	1,565	1,580	1,595	1,611	1,626	1,641	1,379
Walla Walla	10,757	10,819	10,881	10,944	11,006	11,068	11,350	11,632	11,915	12,197	12,479	10,881
Whatcom	33,950	35,688	37,426	39,164	40,902	42,640	44,217	45,794	47,372	48,949	50,526	37,426
Whitman	4,370	4,659	4,948	5,237	5,526	5,815	6,008	6,201	6,395	6,588	6,781	4,948
Yakima	34,088	34,949	35,809	36,670	37,530	38,391	39,475	40,559	41,643	42,727	43,811	35,809

Source:  
Self-Report Provider Utilization Surveys for Years 2016-2018  
Vital Statistics Death Data for Year 2016-2018  
Prepared by DOH Program Staff

**Department of Health  
2019-2020 Hospice Numeric Need Methodology  
Death Data - FINAL**

County	0-64			65+		
	2016	2017	2018	2016	2017	2018
ADAMS	34	38	28	92	78	72
ASOTIN	50	49	52	192	190	214
BENTON	352	385	331	1,075	1,081	1,125
CHELAN	123	124	130	535	556	573
CLALLAM	172	180	191	762	842	871
CLARK	781	883	874	2,589	2,579	2,767
COLUMBIA	12	19	6	48	116	43
COWLITZ	290	351	300	863	917	840
DOUGLAS	56	71	51	227	232	255
FERRY	20	30	28	64	60	55
FRANKLIN	115	133	145	242	284	278
GARFIELD	4	6	5	20	17	30
GRANT	191	203	195	479	509	524
GRAYS HARBOR	233	238	227	606	622	647
ISLAND	134	166	135	565	630	675
JEFFERSON	69	69	64	293	308	336
KING	3,204	3,256	3,264	9,766	10,039	9,917
KITSAP	518	485	515	1,704	1,780	1,713
KITTITAS	59	91	68	243	237	239
KLICKITAT	50	63	58	145	151	158
LEWIS	194	210	227	676	721	730
LINCOLN	26	20	25	102	105	94
MASON	164	169	158	494	550	526
OKANOGAN	110	119	103	303	350	332
PACIFIC	59	88	64	222	262	279
PEND OREILLE	35	34	43	120	133	130
PIERCE	1,883	1,936	1,964	4,751	5,019	4,926
SAN JUAN	36	18	19	126	115	114
SKAGIT	248	271	231	979	1,007	1,001
SKAMANIA	39	16	27	64	65	56
SNOHOMISH	1,440	1,483	1,533	3,857	4,118	4,055
SPOKANE	1,168	1,147	1,177	3,356	3,527	3,556
STEVENS	103	96	113	336	376	373
THURSTON	485	530	554	1,661	1,768	1,823
WAHKIAKUM	10	3	13	39	37	33
WALLA WALLA	123	123	110	485	501	445
WHATCOM	365	367	360	1,353	1,329	1,252
WHITMAN	42	57	66	212	236	199
YAKIMA	560	586	601	1,458	1,471	1,517

**Department of Health  
2019-2020 Hospice Numeric Need Methodology  
Admissions - Summarized**

**0-64 Total Admissions by County**

Sum of 0-64	Column Labels		
Row Labels	2016	2017	2018
Adams	6	4	6
Asotin	10	7	6
Benton	106	110	118
Chelan	35	44	34
Clallam	6	14	16
Clark	310	282	336
Columbia	0	1	1
Cowlitz	105	124	107
Douglas	19	19	10
Ferry	3	7	6
Franklin	16	15	30
Garfield	0	1	1
Grant	42	44	41
Grays Harbor	66	72	35
Island	32	35	38
Jefferson	15	14	21
King	906	862	1,009
Kitsap	132	104	180
Kittitas	20	46	15
Klickitat	30	17	10
Lewis	53	45	56
Lincoln	4	3	7
Mason	18	34	14
Okanogan	35	34	21
Pacific	15	17	13
Pend Oreille	11	8	8
Pierce	453	419	543
San Juan	11	3	6
Skagit	62	61	48
Skamania	14	4	2
Snohomish	366	339	422
Spokane	367	397	400
Stevens	13	25	30
Thurston	132	144	114
Wahkiakum	0	1	2
Walla Walla	45	45	24
Whatcom	122	139	117
Whitman	9	29	19
Yakima	179	188	248
<b>Grand Total</b>	<b>3,768</b>	<b>3,757</b>	<b>4,114</b>

**65+ Total Admissions by County**

Sum of 65+	Column Labels		
Row Labels	2016	2017	2018
Adams	25	30	34
Asotin	47	85	121
Benton	751	875	887
Chelan	305	319	386
Clallam	110	143	187
Clark	1,737	1,898	2,124
Columbia	19	17	23
Cowlitz	645	695	600
Douglas	102	129	136
Ferry	18	37	29
Franklin	110	122	155
Garfield	3	1	2
Grant	179	216	261
Grays Harbor	264	292	180
Island	195	364	348
Jefferson	120	167	155
King	6,510	6,739	6,359
Kitsap	938	1,156	1,021
Kittitas	79	134	135
Klickitat	72	82	81
Lewis	378	420	1,164
Lincoln	17	22	29
Mason	191	232	161
Okanogan	133	132	148
Pacific	99	106	72
Pend Oreille	56	55	53
Pierce	3,401	3,356	3,175
San Juan	70	70	79
Skagit	591	616	680
Skamania	35	21	20
Snohomish	2,228	2,084	2,636
Spokane	2,176	2,467	2,248
Stevens	120	128	121
Thurston	880	899	936
Wahkiakum	5	4	5
Walla Walla	273	276	227
Whatcom	712	766	770
Whitman	207	248	227
Yakima	937	962	977
<b>Grand Total</b>	<b>24,738</b>	<b>26,365</b>	<b>26,951</b>

**Total Admissions by County - Not Adjusted for New Approvals**

Column1	Total 2016	Total 2017	Total 2018	Average
Adams	31	34	40	<b>35.00</b>
Asotin	57	92	127	<b>92.00</b>
Benton	857	985	1,005	<b>949.00</b>
Chelan	340	363	420	<b>374.33</b>
Clallam	116	157	203	<b>158.67</b>
Clark	2,047	2,180	2,460	<b>2,229.00</b>
Columbia	19	18	24	<b>20.33</b>
Cowlitz	750	819	707	<b>758.67</b>
Douglas	121	148	146	<b>138.33</b>
Ferry	21	44	35	<b>33.33</b>
Franklin	126	137	185	<b>149.33</b>
Garfield	3	2	3	<b>2.67</b>
Grant	221	260	302	<b>261.00</b>
Grays Harbor	330	364	215	<b>303.00</b>
Island	227	399	386	<b>337.33</b>
Jefferson	135	181	176	<b>164.00</b>
King	7,416	7,601	7,368	<b>7,461.67</b>
Kitsap	1,070	1,260	1,201	<b>1,177.00</b>
Kittitas	99	180	150	<b>143.00</b>
Klickitat	102	99	91	<b>97.33</b>
Lewis	431	465	1,220	<b>705.33</b>
Lincoln	21	25	36	<b>27.33</b>
Mason	209	266	175	<b>216.67</b>
Okanogan	168	166	169	<b>167.67</b>
Pacific	114	123	85	<b>107.33</b>
Pend Oreille	67	63	61	<b>63.67</b>
Pierce	3,854	3,775	3,718	<b>3,782.33</b>
San Juan	81	73	85	<b>79.67</b>
Skagit	653	677	728	<b>686.00</b>
Skamania	49	25	22	<b>32.00</b>
Snohomish	2,594	2,423	3,058	<b>2,691.67</b>
Spokane	2,543	2,864	2,648	<b>2,684.83</b>
Stevens	133	153	151	<b>145.67</b>
Thurston	1,012	1,043	1,050	<b>1,035.00</b>
Wahkiakum	5	5	7	<b>5.67</b>
Walla Walla	318	321	251	<b>296.67</b>
Whatcom	834	905	887	<b>875.33</b>
Whitman	216	277	246	<b>246.17</b>
Yakima	1,116	1,150	1,225	<b>1,163.67</b>

**Total Admissions  
Adjusted Count**

Column1	Total 2016
Adams	31
Asotin	57
Benton	857
Chelan	340
Clallam	116
Clark	2,047
Columbia	19
Cowlitz	750
Douglas	121
Ferry	21
Franklin	126
Garfield	3
Grant	221
Grays Harbor	330
Island	227
Jefferson	135
King	<b>7,629</b>
Kitsap	1,070
Kittitas	99
Klickitat	102
Lewis	431
Lincoln	21
Mason	209
Okanogan	168
Pacific	114
Pend Oreille	67
Pierce	3,854
San Juan	81
Skagit	653
Skamania	49
Snohomish	2,594
Spokane	2,543
Stevens	133
Thurston	1,012
Wahkiakum	5
Walla Walla	318
Whatcom	834
Whitman	216
Yakima	1,116

**Agencies that have operated for <3 years:**

- Wesley Homes Hospice - approved in 2015, operational since 2017 in King County. 2018 volumes exceed "default" - no adjustment for 2018.
- Heart of Hospice - approved in August 2017. Operational since August 2017 in Klickitat County.
- Envision Hospice - approved in September 2018 for Thurston County.
- Continuum Care of Snohomish - approved in July 2019 for Snohomish County.

**Department of Health**  
**2019-2020 Hospice Numeric Need Methodology**  
**Admissions - Summarized**

Olympic Medical Center - approved in September 2019 for Clallam County

Calculation for "default values" per WAC 246-310-290(7)(b), assumption of 35 ADC, 60.13 ALOS per CMS

35 ADC \* 365 days per year = 12,775 default patient days

12,775 patient days/60.13 ALOS = 212.5 default admissions

212.5 Default

For affected counties, the actual volumes from these recently approved agencies will be subtracted, and default values will be added.

Note: Kindred Hospice in Whitman and Spokane Counties did not respond to the department's survey. As a result, the average of 2016 and 2017 data was used as a proxy for 2018.

**Department of Health  
2019-2020 Hospice Numeric Need Methodology  
Admissions - Summarized**

by County - Adjusted for New

ells Highlighted in YELLOW

Total 2017	Total 2018	Average
34	40	35.00
92	127	92.00
985	1,005	949.00
363	420	374.33
157	416	229.50
2,180	2,460	2,229.00
18	24	20.33
819	707	758.67
148	146	138.33
44	35	33.33
137	185	149.33
2	3	2.67
260	302	261.00
364	215	303.00
399	386	337.33
181	176	164.00
7,796	7,368	7,597.33
1,260	1,201	1,177.00
180	150	143.00
291	280	224.00
465	1,220	705.33
25	36	27.33
266	175	216.67
166	169	167.67
123	85	107.33
63	61	63.67
3,775	3,718	3,782.33
73	85	79.67
677	728	686.00
25	22	32.00
2,423	3,271	2,762.50
2,864	2,648	2,684.83
153	151	145.67
1,043	1,263	1,105.83
5	7	5.67
321	251	296.67
905	887	875.33
277	246	246.17
1,150	1,225	1,163.67

**Department of Health  
2019-2020 Hospice Numeric Need Methodology  
Survey Responses**

Agency Name	License Number	County	Year	0-64	65+
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Adams	2016	6	25
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Grant	2016	42	176
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Lincoln	2016	4	16
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Clallam	2016	6	110
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Jefferson	2016	1	6
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Lewis	2016	25	229
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Mason	2016	3	52
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Thurston	2016	30	240
Astria Home Health and Hospice (Yakima Regional Home Health and Hospice)	IHS.FS.60097245	Yakima	2016	6	88
Central Washington Hospital Home Care Services	IHS.FS.00000250	Chelan	2016	35	305
Central Washington Hospital Home Care Services	IHS.FS.00000250	Douglas	2016	19	97
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Clark	2016	78	364
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Cowlitz	2016	98	583
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Wahkiakum	2016	0	5
Elite Home Health and Hospice	IHS.FS.60384078	Asotin	2016	10	47
Elite Home Health and Hospice	IHS.FS.60384078	Garfield	2016	0	3
Evergreen Health Home Care Services	IHS.FS.00000278	Island	2016	0	7
Evergreen Health Home Care Services	IHS.FS.00000278	King	2016	292	2227
Evergreen Health Home Care Services	IHS.FS.00000278	Snohomish	2016	85	727
Franciscan Hospice	IHS.FS.00000287	King	2016	106	1140
Franciscan Hospice	IHS.FS.00000287	Kitsap	2016	45	486
Franciscan Hospice	IHS.FS.00000287	Pierce	2016	232	2499
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Douglas	2016	0	5
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Grant	2016	0	3
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Okanogan	2016	35	133
Gentiva Hospice (Odyssey Hospice)	IHS.FS.60330209	King	2016	24	346
Harbors Home Health and Hospice	IHS.FS.00000306	Grays Harbor	2016	66	264
Harbors Home Health and Hospice	IHS.FS.00000306	Pacific	2016	15	99
Heart of Hospice	IHS.FS.00000185	Skamania	2016	9	13
Heart of Hospice	IHS.FS.00000185	Klickitat	2016	3	25
Heartlinks Hospice and Palliative Care (Lower Valley Hospice)	IHS.FS.00000369	Benton	2016	4	107
Heartlinks Hospice and Palliative Care (Lower Valley Hospice)	IHS.FS.00000369	Yakima	2016	12	165
Home Health Care of Whidbey General Hospital (Whidbey General)	IHS.FS.00000323	Island	2016	11	99
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Clark	2016	168	976
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Cowlitz	2016	6	39
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Skamania	2016	1	5
Horizon Hospice	IHS.FS.00000332	Spokane	2016	28	350
Hospice of Kitsap County	IHS.FS.00000335	Kitsap	2016	0	0
Hospice of Spokane	IHS.FS.00000337	Ferry	2016	3	18
Hospice of Spokane	IHS.FS.00000337	Lincoln	2016	0	1
Hospice of Spokane	IHS.FS.00000337	Pend Oreille	2016	11	56
Hospice of Spokane	IHS.FS.00000337	Spokane	2016	315	1620
Hospice of Spokane	IHS.FS.00000337	Stevens	2016	13	120
Hospice of Spokane	IHS.FS.00000337	Whitman	2016	0	1
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Island	2016	13	61
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	San Juan	2016	11	70
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Skagit	2016	62	591
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Snohomish	2016	7	96
Jefferson Healthcare Home Health and Hospice (Hospice of Jefferson County)	IHS.FS.00000349	Jefferson	2016	14	114
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Clark	2016	64	397
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Cowlitz	2016	1	23
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Skamania	2016	0	0
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	King	2016	38	567
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Kitsap	2016	23	119
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Pierce	2016	39	229
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Snohomish	2016	6	110
Kindred Hospice (Gentiva Hospice)	IHS.FS.60308060	Spokane	2016	24	206
Kindred Hospice (Gentiva Hospice)	IHS.FS.60308060	Whitman	2016	9	206
Kittitas Valley Home Health and Hospice	IHS.FS.00000320	Kittitas	2016	20	79
Klickitat Valley Home Health & Hospice (Klickitat Valley Health)	IHS.FS.00000361	Klickitat	2016	5	31
Kline Galland Community Based Services	IHS.FS.60103742	King	2016	20	305
Memorial Home Care Services	IHS.FS.00000376	Yakima	2016	161	684
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639376	King	2016	24	111
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639377	Kitsap	2016	64	333
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639378	Pierce	2016	182	673
Providence Hospice (Hospice of the Gorge)	IHS.FS.60201476	Klickitat	2016	22	16
Providence Hospice (Hospice of the Gorge)	IHS.FS.60201476	Skamania	2016	4	17
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	Island	2016	8	28
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	King	2016	0	0
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	Snohomish	2016	265	1288
Providence Hospice of Seattle	IHS.FS.00000336	King	2016	402	1814
Providence Hospice of Seattle	IHS.FS.00000336	Snohomish	2016	3	7
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Lewis	2016	28	149
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Mason	2016	15	139
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Thurston	2016	102	640
Tri-Cities Chaplaincy	IHS.FS.00000456	Benton	2016	102	644
Tri-Cities Chaplaincy	IHS.FS.00000456	Franklin	2016	16	110

Source:  
Self-Report Provider Utilization Surveys for Years 2016-2018  
Vital Statistics Death Data for 2016-2018  
Prepared by DOH Program Staff

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2019-2020 Hospice Numeric Need Methodology  
Survey Responses**

Agency Name	License Number	County	Year	0-64	65+
Walla Walla Community Hospice	IHS.FS.60480441	Columbia	2016	0	19
Walla Walla Community Hospice	IHS.FS.60480441	Walla Walla	2016	45	273
Wesley Homes	IHS.FS.60276500	King	2016	0	0
Whatcom Hospice (Peacehealth)	IHS.FS.00000471	Whatcom	2016	122	712
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Adams	2017	4	30
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Grant	2017	44	209
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Lincoln	2017	3	22
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Clallam	2017	14	143
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Jefferson	2017	1	14
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Lewis	2017	17	257
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Mason	2017	8	43
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Thurston	2017	39	235
Astria Home Health and Hospice (Yakima Regional Home Health and Hospice)	IHS.FS.60097245	Yakima	2017	11	48
Central Washington Hospital Home Care Services	IHS.FS.00000250	Chelan	2017	44	319
Central Washington Hospital Home Care Services	IHS.FS.00000250	Douglas	2017	18	119
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Clark	2017	67	419
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Cowlitz	2017	116	630
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Wahkiakum	2017	1	4
Elite Home Health and Hospice	IHS.FS.60384078	Asotin	2017	7	85
Elite Home Health and Hospice	IHS.FS.60384078	Garfield	2017	1	1
Evergreen Health Home Care Services	IHS.FS.00000278	Island	2017	0	7
Evergreen Health Home Care Services	IHS.FS.00000278	King	2017	272	2393
Evergreen Health Home Care Services	IHS.FS.00000278	Snohomish	2017	82	478
Franciscan Hospice	IHS.FS.00000287	King	2017	90	1115
Franciscan Hospice	IHS.FS.00000287	Kitsap	2017	64	796
Franciscan Hospice	IHS.FS.00000287	Pierce	2017	181	2242
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Douglas	2017	1	10
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Grant	2017	0	7
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Okanogan	2017	34	132
Gentiva Hospice (Odyssey Hospice)	IHS.FS.60330209	King	2017	14	375
Harbors Home Health and Hospice	IHS.FS.00000306	Grays Harbor	2017	72	292
Harbors Home Health and Hospice	IHS.FS.00000306	Pacific	2017	17	106
Heart of Hospice	IHS.FS.00000185	Skamania	2017	2	11
Heart of Hospice	IHS.FS.00000185	Klickitat	2017	1	20
Heartlinks Hospice and Palliative Care (Lower Valley Hospice)	IHS.FS.00000369	Benton	2017	12	130
Heartlinks Hospice and Palliative Care (Lower Valley Hospice)	IHS.FS.00000369	Yakima	2017	28	197
Home Health Care of Whidbey General Hospital (Whidbey General)	IHS.FS.00000323	Island	2017	21	248
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Clark	2017	165	1064
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Cowlitz	2017	7	47
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Skamania	2017	0	0
Horizon Hospice	IHS.FS.00000332	Spokane	2017	35	420
Hospice of Kitsap County	IHS.FS.00000335	Kitsap	2017	0	0
Hospice of Spokane	IHS.FS.00000337	Ferry	2017	7	37
Hospice of Spokane	IHS.FS.00000337	Lincoln	2017	0	0
Hospice of Spokane	IHS.FS.00000337	Pend Oreille	2017	8	55
Hospice of Spokane	IHS.FS.00000337	Spokane	2017	340	1722
Hospice of Spokane	IHS.FS.00000337	Stevens	2017	25	128
Hospice of Spokane	IHS.FS.00000337	Whitman	2017	0	1
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Island	2017	11	77
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	San Juan	2017	3	70
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Skagit	2017	61	616
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Snohomish	2017	7	83
Jefferson Healthcare Home Health and Hospice (Hospice of Jefferson County)	IHS.FS.00000349	Jefferson	2017	13	153
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Clark	2017	50	415
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Cowlitz	2017	1	18
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Skamania	2017	0	0
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	King	2017	38	487
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Kitsap	2017	7	107
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Pierce	2017	27	189
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Snohomish	2017	2	68
Kindred Hospice (Gentiva Hospice)	IHS.FS.60308060	Spokane	2017	22	325
Kindred Hospice (Gentiva Hospice)	IHS.FS.60308060	Whitman	2017	29	247
Kittitas Valley Home Health and Hospice	IHS.FS.00000320	Kittitas	2017	46	134
Klickitat Valley Home Health & Hospice (Klickitat Valley Health)	IHS.FS.00000361	Klickitat	2017	11	33
Kline Galland Community Based Services	IHS.FS.60103742	King	2017	13	301
Memorial Home Care Services	IHS.FS.00000376	Yakima	2017	149	717
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639376	King	2017	42	149
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639377	Kitsap	2017	33	253
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639378	Pierce	2017	211	925
Providence Hospice (Hospice of the Gorge)	IHS.FS.60201476	Klickitat	2017	5	29
Providence Hospice (Hospice of the Gorge)	IHS.FS.60201476	Skamania	2017	2	10
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	Island	2017	3	32
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	King	2017	5	14
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	Snohomish	2017	238	1440
Providence Hospice of Seattle	IHS.FS.00000336	King	2017	387	1888
Providence Hospice of Seattle	IHS.FS.00000336	Snohomish	2017	10	15
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Lewis	2017	28	163

Source:  
Self-Report Provider Utilization Surveys for Years 2016-2018  
Vital Statistics Death Data for 2016-2018  
Prepared by DOH Program Staff

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Agency Name	License Number	County	Year	0-64	65+
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Mason	2017		189
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Thurston	2017	105	664
Tri-Cities Chaplaincy	IHS.FS.00000456	Benton	2017	98	745
Tri-Cities Chaplaincy	IHS.FS.00000456	Franklin	2017	15	122
Walla Walla Community Hospice	IHS.FS.60480441	Columbia	2017	1	17
Walla Walla Community Hospice	IHS.FS.60480441	Walla Walla	2017	45	276
Wesley Homes	IHS.FS.60276500	King	2017	1	17
Whatcom Hospice (Peacehealth)	IHS.FS.00000471	Whatcom	2017	139	766
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Adams	2018	6	34
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Grant	2018	40	254
Assured Home Health and Hospice (Central Basin/Assured Hospice)	IHS.FS.60092413	Lincoln	2018	6	28
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Clallam	2018	16	186
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Jefferson	2018	1	11
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Lewis	2018	35	280
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Mason	2018	4	44
Assured Home Health, Hospice & Home Care	IHS.FS.00000229	Thurston	2018	24	273
Astria Home Health and Hospice (Yakima Regional Home Health and Hospice)	IHS.FS.60097245	Yakima	2018	41	8
Central Washington Hospital Home Care Services	IHS.FS.00000250	Chelan	2018	34	386
Central Washington Hospital Home Care Services	IHS.FS.00000250	Douglas	2018	10	133
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Clark	2018	54	383
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Cowlitz	2018	87	524
Community Home Health and Hospice CHHH Community Home Care Hospice	IHS.FS.00000262	Wahkiakum	2018	2	5
Elite Home Health and Hospice	IHS.FS.60384078	Asotin	2018	6	121
Elite Home Health and Hospice	IHS.FS.60384078	Garfield	2018	1	2
Evergreen Health Home Care Services	IHS.FS.00000278	Island	2018	1	9
Evergreen Health Home Care Services	IHS.FS.00000278	King	2018	348	1989
Evergreen Health Home Care Services	IHS.FS.00000278	Snohomish	2018	79	690
Franciscan Hospice	IHS.FS.00000287	King	2018	102	921
Franciscan Hospice	IHS.FS.00000287	Kitsap	2018	141	693
Franciscan Hospice	IHS.FS.00000287	Pierce	2018	331	2110
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Douglas	2018	0	3
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Grant	2018	1	7
Frontier Home Health and Hospice (Okanogan Regional)	IHS.FS.60379608	Okanogan	2018	21	148
Gentiva Hospice (Odyssey Hospice)	IHS.FS.60330209	King	2018	37	180
Harbors Home Health and Hospice	IHS.FS.00000306	Grays Harbor	2018	35	180
Harbors Home Health and Hospice	IHS.FS.00000306	Pacific	2018	13	71
Heart of Hospice	IHS.FS.00000185	Skamania	2018	0	10
Heart of Hospice	IHS.FS.00000185	Klickitat	2018	1	23
Heartlinks Hospice and Palliative Care (Lower Valley Hospice)	IHS.FS.00000369	Benton	2018	6	137
Heartlinks Hospice and Palliative Care (Lower Valley Hospice)	IHS.FS.00000369	Yakima	2018	24	219
Home Health Care of Whidbey General Hospital (Whidbey General)	IHS.FS.00000323	Island	2018	20	235
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Clark	2018	243	1305
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Cowlitz	2018	20	76
Homecare and Hospice Southwest (Hospice SW)	IHS.FS.60331226	Skamania	2018	1	1
Horizon Hospice	IHS.FS.00000332	Spokane	2018	31	389
Hospice of Kitsap County	IHS.FS.00000335	Kitsap	2018	0	0
Hospice of Spokane	IHS.FS.00000337	Ferry	2018	6	29
Hospice of Spokane	IHS.FS.00000337	Lincoln	2018	1	1
Hospice of Spokane	IHS.FS.00000337	Pend Oreille	2018	8	53
Hospice of Spokane	IHS.FS.00000337	Spokane	2018	346	1593
Hospice of Spokane	IHS.FS.00000337	Stevens	2018	30	121
Hospice of Spokane	IHS.FS.00000337	Whitman	2018	none reported	none reported
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Island	2018	6	60
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	San Juan	2018	6	79
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Skagit	2018	48	680
Hospice of the Northwest (Skagit Hospice Service)	IHS.FS.00000437	Snohomish	2018	2	67
Jefferson Healthcare Home Health and Hospice (Hospice of Jefferson County)	IHS.FS.00000349	Jefferson	2018	20	144
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Clark	2018	39	436
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Cowlitz	2018	none reported	none reported
Kaiser Permanente Continuing Care Services	IHS.FS.00000353	Skamania	2018	none reported	none reported
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	King	2018	25	416
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Kitsap	2018	14	96
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Pierce	2018	35	198
Kaiser Permanente Home Health and Hospice (Group Health)	IHS.FS.00000305	Snohomish	2018	14	94
Kindred Hospice (Gentiva Hospice)	IHS.FS.60308060	Spokane	2018	23	265.5
Kindred Hospice (Gentiva Hospice)	IHS.FS.60308060	Whitman	2018	19	226.5
Kittitas Valley Home Health and Hospice	IHS.FS.00000320	Kittitas	2018	15	135
Klickitat Valley Home Health & Hospice (Klickitat Valley Health)	IHS.FS.00000361	Klickitat	2018	5	40
Kline Galland Community Based Services	IHS.FS.60103742	King	2018	29	368
Memorial Home Care Services	IHS.FS.00000376	Yakima	2018	183	750
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639376	King	2018	32	158
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639377	Kitsap	2018	25	232
MultiCare Home Health, Hospice and Palliative Care	IHS.FS.60639378	Pierce	2018	177	867
Providence Hospice (Hospice of the Gorge)	IHS.FS.60201476	Klickitat	2018	4	18
Providence Hospice (Hospice of the Gorge)	IHS.FS.60201476	Skamania	2018	1	9
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	Island	2018	11	44
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	King	2018	none reported	none reported



**Department of Health  
2019-2020 Hospice Numeric Need Methodology  
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Agency Name	License Number	County	Year	0-64	65+
Providence Hospice and Home Care of Snohomish County	IHS.FS.00000418	Snohomish	2018	316	1772
Providence Hospice of Seattle	IHS.FS.00000336	King	2018	407	1959
Providence Hospice of Seattle	IHS.FS.00000336	Snohomish	2018	11	13
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Lewis	2018	21	884
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Mason	2018	10	117
Providence SoundHomeCare and Hospice	IHS.FS.00000420	Thurston	2018	90	663
Tri-Cities Chaplaincy	IHS.FS.00000456	Benton	2018	112	750
Tri-Cities Chaplaincy	IHS.FS.00000456	Franklin	2018	30	155
Walla Walla Community Hospice	IHS.FS.60480441	Columbia	2018	1	23
Walla Walla Community Hospice	IHS.FS.60480441	Walla Walla	2018	24	227
Wesley Homes	IHS.FS.60276500	King	2018	29	368
Whatcom Hospice (Peacehealth)	IHS.FS.00000471	Whatcom	2018	117	770
IRREGULAR-COMMUNITY HOME HEALTH & HOSPICE	IHS.FS.00000262	Pacific	2018	0	1
IRREGULAR-MULTICARE	IHS.FS.60639376	Clallam	2018	0	1

Note: Kindred Hospice in Whitman and Spokane Counties did not respond to the department's survey. As a result, the average of 2016 and 2017 data was used as a proxy for 2018.

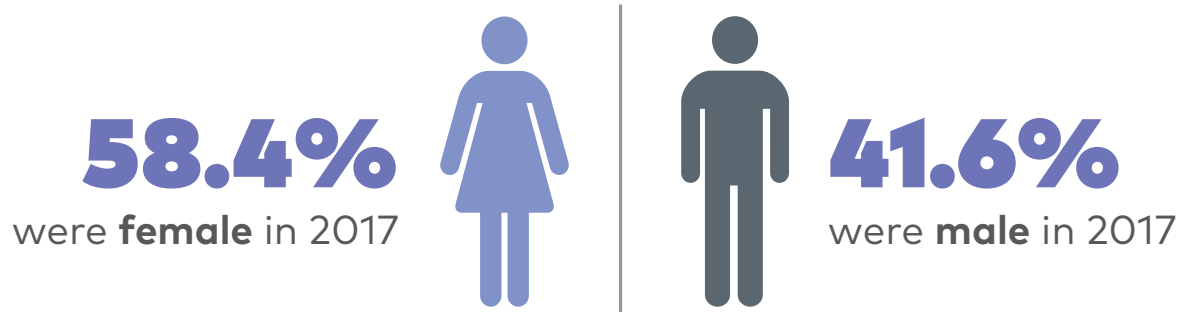
## **Exhibit 10. Hospice Age Data from NHPCO**

# Who Receives Hospice Care (continued)

## What are the characteristics of Medicare beneficiaries who received hospice care in 2017?

### Patient Gender

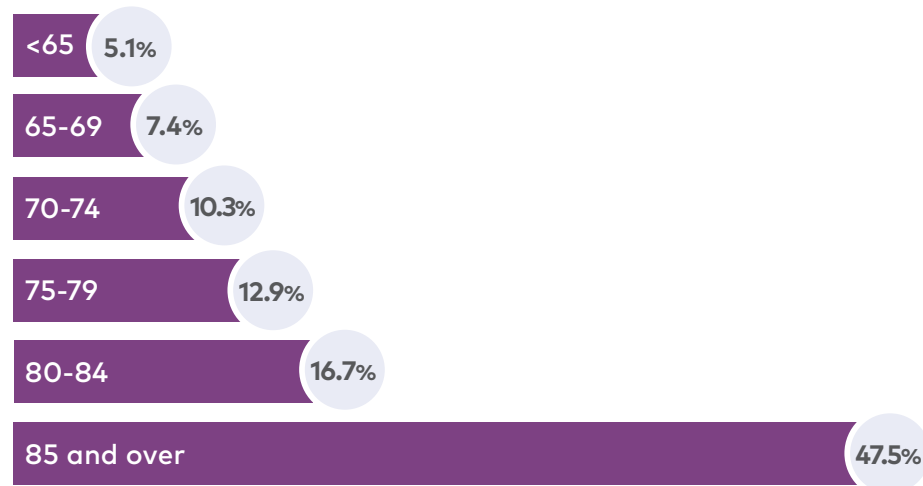
In 2017, more than half of hospice Medicare beneficiaries were female.



### Patient Age

In 2017, about 64.2% of Medicare hospice patients were 80 years of age or older.

### % of Patients by Age for 2017

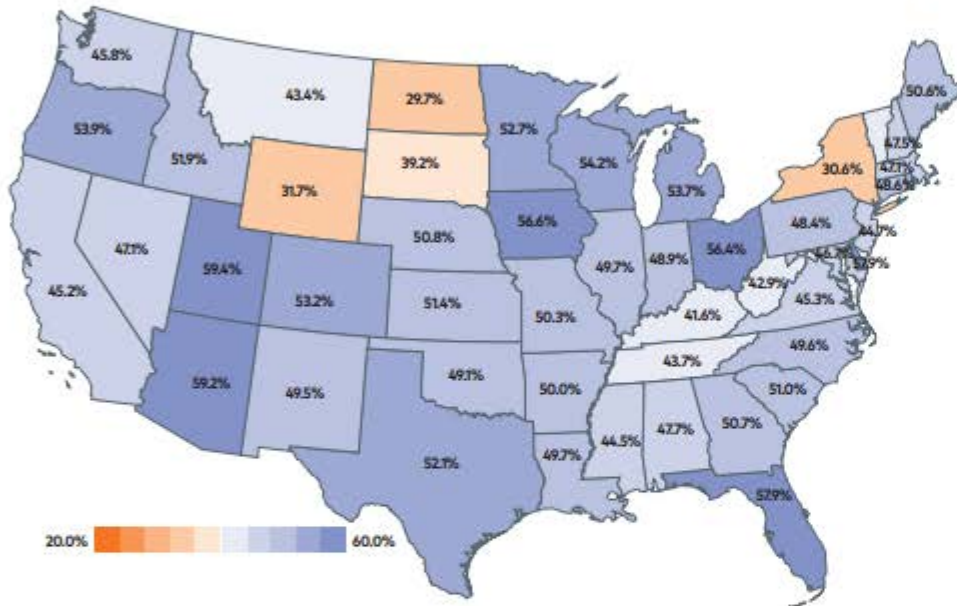


## **Exhibit 11. NHPCO 2018 Facts and Figures**

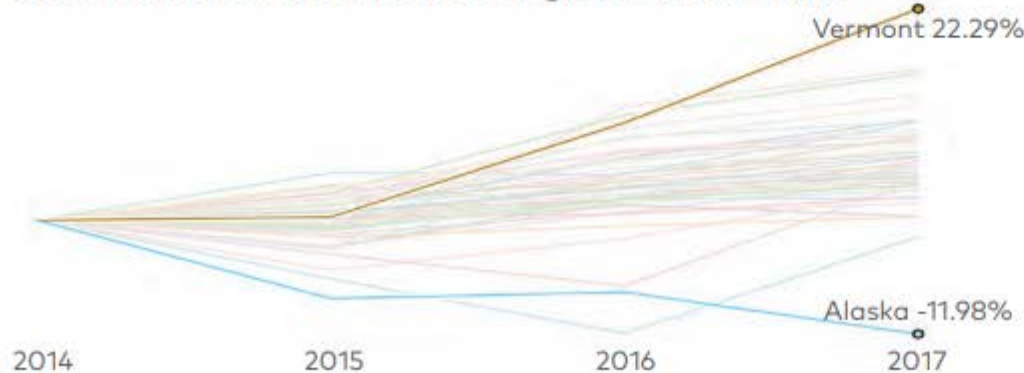
# Who Receives Hospice Care (continued)

As illustrated on this page, the proportion of Medicare decedents enrolled in hospice at the time of death varied from a low of 13% (other) to a high of 59.4% (UT). Vermont and Alaska had the greatest % increase/decrease in decedents enrolled in hospice at the time of death since 2014.

## % of Medicare Decedents Services by Hospice and Aligns to Graphic at Right



## % of Medicare Enrollment Change from Base Year



## 2017 State Rank For Decedent Medicare Enrollment %

Rank	State	Enrollment %
1	Utah	59.4%
2	Arizona	59.2%
3	Florida	57.9%
4	Delaware	57.9%
5	Iowa	56.6%
6	Ohio	56.4%
7	Rhode Island	55.0%
8	Wisconsin	54.2%
9	Oregon	53.9%
10	Michigan	53.7%
11	Colorado	53.2%
12	Minnesota	52.7%
13	Texas	52.1%
14	Idaho	51.9%
15	Kansas	51.4%
16	South Carolina	51.0%
17	Nebraska	50.8%
18	Georgia	50.7%
19	Maine	50.6%
20	Missouri	50.3%
21	Arkansas	50.0%
22	Illinois	49.7%
23	Louisiana	49.7%
24	North Carolina	49.6%
25	New Mexico	49.5%
26	Oklahoma	49.1%
27	Indiana	48.9%
28	Connecticut	48.6%
29	Pennsylvania	48.4%
30	Alabama	47.4%
31	New Hampshire	47.5%
32	Massachusetts	47.1%
33	Nevada	47.1%
34	Maryland	46.7%
35	Hawaii	46.1%
36	Washington	45.8%
37	Virginia	45.3%
38	California	45.2%
39	New Jersey	44.7%
40	Mississippi	44.5%
41	Tennessee	43.7%
42	Montana	43.4%
43	West Virginia	42.9%
44	Vermont	42.9%
45	Kentucky	41.6%
46	South Dakota	39.2%
47	District of Columbia	32.0%
48	Wyoming	31.7%
49	New York	30.6%
50	North Dakota	29.7%
51	Alaska	22.5%
52	Other	13.9%

**Exhibit 12a-c. Hospice Policies: Admission, Charity Care, and Intake Process**

## ADMISSION CRITERIA AND PROCESS

### Policy No. 2-023.1

### PURPOSE

To establish standards and a process by which a patient can be evaluated and accepted for admission.

### POLICY

Signature Hospice may admit any patient with a life-limiting illness that meets the admission criteria and is certified as terminally ill.

Patients will be accepted for care without discrimination on the basis of race, color, religion, age, gender, sexual orientation, disability (mental or physical), communicable disease, or place of national origin.

Patients will be accepted for care based on adequacy and suitability of hospice personnel, resources to provide required services, and a reasonable expectation that the patient's hospice care needs can be adequately met in the patient's place of residence.

While patients are accepted for services based on their hospice care needs, a patient's ability to pay for such services, whether through state or federal assistance programs, private insurance, or personal assets will be considered.

The patient's life-limiting illness and prognosis of six (6) months or less will be determined by utilizing standard clinical prognosis criteria developed by the fiscal intermediary's Local Coverage Determinations (LCDs).

Signature Hospice reserves the right not to accept any patient who does not meet the admission criteria.

The patient will be referred to other resources if Signature Hospice cannot meet his/her needs.

Once a patient is admitted to service, the organization will be responsible for providing care and services within its financial and service capabilities, mission, and applicable law and regulations.

#### *Admission Criteria*

1. Signature Hospice will admit a patient only on recommendation of the Medical Director in consultation with, or input from, the patient's attending physician, if any.
2. The patient must identify a family member/caregiver or legal representative who agrees to be a primary support caregiver if and when needed. Exceptions may be made for patients without such an identified individual and who are independent in their activities of daily living (ADLs). These individuals will require a specific plan to be developed at time of admission for when they are no longer independent.

**Policy No. 2-023.2**

3. The patient must have a life-limiting illness with a life expectancy of six (6) months or less, as determined by the attending physician (if any) and the hospice Medical Director, utilizing standard clinical prognosis criteria in the organization's intermediary Local coverage Determinations (LCD's).
4. The patient and family/caregiver desire hospice care, agree to participate in the plan of care, and sign the consent form for hospice care.
5. The focus of care desired must be palliative vs. curative.
6. The patient and family/caregiver agree that patient care will be provided primarily in the patient's residence, which could be his/her private home, a family member's home, a skilled nursing facility, or other living arrangements.
7. The physical facilities and equipment in the patient's home must be adequate for safe and effective care.
8. The patient must reside within the geographical area that Signature Hospice serves.
9. Eligibility criteria will be continually reviewed by the interdisciplinary team to ensure appropriateness of hospice care.

**PROCEDURE**

1. Referral information received will be reviewed to assist in the determination of eligibility for admission to hospice services.
2. Assignment of appropriate hospice personnel to conduct the initial assessments of patient's eligibility for admission will be based on:
  - A. Patient's geographical location
  - B. Complexity of patient's hospice care needs/level of care required
  - C. Hospice personnel's education and experience
  - D. Hospice personnel's competence to meet patient's needs
  - E. Urgency of identified need for assessment
3. The purpose of the initial visit will be to:
  - A. Explain the hospice philosophy and benefit to the patient and family/caregiver
  - B. Allow the patient to choose his/her Attending Physician



**Policy No. 2-023.3**

- C. Explain the patient's rights, responsibilities and grievance procedure
  - D. Provide the patient with a copy of Signature Hospice notice of privacy practices
  - E. Assess the family/caregiver's ability to provide care
  - F. Evaluate physical facilities and equipment in the patient's home to determine if they are safe and effective for care
  - G. Allow the patient and family/caregiver to ask questions and provide education
  - H. Review and sign appropriate forms necessary to initiate hospice services
  - I. Provide services, as needed and ordered by the physician (or other authorized licensed independent practitioner)
4. If eligibility criteria is met, the patient and family/caregiver will be provided information on, but not limited to the following:
- A. Hours of operations and access to care after hours
  - B. Patient financial responsibility of hospice care, if any.
  - C. Hospice mission, interdisciplinary team members and scope of services provided either directly or through contractual agreement
  - D. Safety information
  - E. Infection control information
  - F. Emergency management plans
  - G. Available community resources
  - H. Complaint/grievance process
  - I. Advance Directives
5. Document that the above information has been provided to the patient and/or family/caregiver and their understanding will be entered into the clinical record.
6. The patient and family/caregiver, after review, will be given the opportunity to either accept or refuse services.
7. The patient or his/her representative will sign the required forms
8. Refusal of services will be documented in the clinical record. The Clinical Manager, Attending Physician, and referral source will be notified. Notification of the appropriate individuals will be documented in the clinical record.

## Policy No. 2-023.5

9. The hospice registered nurse will assist the family in understanding changes in the patient's status related to the progression of the end-stage disease process.
10. The hospice registered nurse will educate the family in proper techniques for providing care.
11. The hospice nurse will contact the attending physician (if any) and hospice Medical Director to certify the patient as terminally ill with a life expectancy of 6 months or less if the disease runs its normal course.
12. The hospice registered nurse will complete an initial assessment within 48 hours after the election of hospice care (unless the physician, patient or representative requests that the initial assessment be completed in less than 48 hours).
13. The hospice registered nurse will contact at least one (1) other member of the interdisciplinary group for input into the initial plan of care, prior to the delivery of care.
14. If the patient is accepted for hospice care, a comprehensive assessment of the patient will be performed no later than five (5) calendar days after the election of hospice care. A plan of care will be developed by the Medical Director, Attending Physician (if any) and the hospice interdisciplinary team. The patient's wishes/desires will be considered and respected in the development of the plan of care. (See "[Comprehensive Assessment](#)" Policy No. 2-030.)
15. The time frames will apply for *all* calendar days regardless of weekends and holidays.
16. A clinical record will be initiated for each patient admitted for hospice services.
17. If a patient does not meet the admission criteria or cannot be cared for by Signature Hospice, the Clinical Manager will be notified and appropriate referrals to other resources will be made on behalf of the patient.
18. A record of non-admits will be maintained for statistical and quality improvement purposes.
19. In the event a patient does not meet the stated criteria for admission to the program, exceptions will be decided upon by the Administrator, in consultation with the Medical Director, upon request of the referring physician and/or the patient.

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**CHARITY CARE**  
**Policy No. 4-027.1****PURPOSE**

To identify the criteria to be applied when accepting patients for charity care.

**POLICY**

Patients without third-party payer coverage and who are unable to pay for hospice care will be accepted for charity care admission, per established criteria.

Signature Hospice will establish objective criteria and financial screening procedures for determining eligibility for charity care.

The organization will consistently apply the charity care policy.

**PROCEDURE**

1. When it is identified that the patient has no source for payment of services and requires hospice care, the patient must provide personal financial information upon which the determination for the provision of charity care will be made.
2. A social worker will meet with the patient to determine potential eligibility for financial assistance from other community resources.
3. The Executive Director/Administrator, with the Clinical Director, will review all applicable patient information, including financial declarations, physician (or other authorized licensed independent practitioner) orders, initial assessment information, and social work notes to determine acceptance for charity care.
4. All documentation utilized in the determination for acceptance for charity care will be maintained in the patient's billing record.
5. When financial declarations reveal the patient is able to make partial payment for services, the Executive Director/Administrator, with the Clinical Director, will determine the appropriate sliding-fee schedule to be implemented.
6. The sliding-fee schedule will be presented to the patient for agreement and signature.
7. After acceptance for charity care, the patient's ability to pay will be reassessed by the social worker prior to each recertification period.
8. When the organization is unable to admit the patient or to continue charity care, every effort will be made to refer the patient for appropriate care with an alternate provider.
9. The referral source will be advised of acceptance, non-acceptance, continuation, or discharge from charity care.

**INTAKE PROCESS**  
**Policy No. 2-022.1****PURPOSE**

To establish the process for acceptance and entry of patients into hospice.

**POLICY**

Referrals will be accepted 24 hours a day, seven (7) days per week. Personnel will be available 24 hours a day to accept patients onto hospice.

Signature Hospice will accept only those patients whose needs can be met by the services it provides and who meet the hospice admission criteria.

**PROCEDURE**

1. Hospice referrals will be documented within the electronic medical record.
2. Referrals for hospice services may be accepted by the intake coordinator, nurses, social worker or other clinicians/ team members, as deemed appropriate by the Administrator.
3. Referral information may be accepted by any of the following methods:
  - A. Telephone
  - B. Fax
  - C. Original written order
  - D. Secure email
4. Referrals may be accepted from, but not limited to the following individuals:
  - A. Doctors of Medicine, Osteopathy, Podiatry,
  - B. Discharge planners from inpatient and/or outpatient services
  - C. Social service agencies
  - D. Individual patients or their family/caregivers
  - E. Clinical and/or insurance company representative
  - F. Other health care organizations

## Policy No. 2-022.2

5. During scheduled working hours (office hours are from 8:00 a.m. to 5:00 p.m. Monday through Friday except for holidays or determined by the Administrator or designee), calls will be transferred to an intake coordinator designated to accept referrals.
  - A. Intake personnel will document information regarding patient demographics, diagnoses, services needed, attending physician, hospitalization, etc., in order to assist in determining patient eligibility.
  - B. Insurance coverage will be verified and printed if able and maintained as part of the patient's clinical record. Verification received via phone will be documented within the clinical record.
  - C. Intake information will be given to the Clinical Manager and discussed with the hospice Medical Director for review and to assist in determining eligibility.
  - D. If the referral call is not from a physician, the physician (or other authorized licensed independent practitioner) will be contacted to confirm service needs, as well as the patient's medical prognosis and supporting documentation, and to obtain certification of terminal illness orders.
  - E. The Clinical Manager will assign personnel and the Intake Coordinator will schedule an initial assessment visit.
  - F. If hospice service cannot be provided due to the patient not meeting hospice admission criteria or for any other reason as determined by the Medical Director and Administrator or designee, intake personnel will notify the attending physician and document the notification within the clinical record.
6. After business hours (weekends, evenings, and holidays), a referral source will have access to hospice through the answering service.
  - A. The answering service will contact the on-call nurse via telephone or beeper.
  - B. The on-call nurse will gather the necessary intake information from the referral source.
    1. If the referral is received after 5 pm, weekend or a holiday, the on-call nurse will complete the intake tasks to proceed with hospice admission process.

**Exhibit 13. Profit & Loss (P & L)/ Revenue and Expenses  
& Assumptions**

<b>Whatcom County P&amp;L</b>		<b>Year 1 (2021)</b>	<b>Year 2 (2022)</b>	<b>Year 3 (2023)</b>
Additional Starts		<b>80</b>	<b>123</b>	<b>161</b>
Visits per patient		<b>20</b>	<b>20</b>	<b>20</b>
Average Length of Stay		<b>60.13</b>	<b>60.13</b>	<b>60.13</b>
Rate per Day		<b>229.19</b>	<b>229.19</b>	<b>229.19</b>
Medicare	97%	\$ 930,906.52	\$ 1,657,005.83	\$ 2,134,092.79
Medicare Managed	0%	\$ -	\$ -	\$ -
Medicaid	2%	\$ 19,660.99	\$ 34,996.39	\$ 45,072.59
Commercial	1%	\$ 12,047.97	\$ 21,445.28	\$ 27,619.83
Revenue Reductions				
Sequestration	2%	\$ (18,618.13)	\$ (33,140.12)	\$ (42,681.86)
Bad Debt	1%	\$ (4,813.08)	\$ (3,754.16)	\$ (7,279.77)
Charity	1%	\$ (9,626.15)	\$ (17,134.47)	\$ (22,067.85)
<b>Total Revenue</b>		<b>\$ 929,558.11</b>	<b>\$ 1,659,418.75</b>	<b>\$ 2,134,755.74</b>
<b>Direct Costs</b>				
Salaries - RN		\$ 98,689.48	\$ 157,631.48	\$ 203,016.92
Salaries - LPN & LVN		\$ 5,335.56	\$ 18,740.62	\$ 39,780.34
Salaries - Clinical Manager		\$ 41,600.00	\$ 41,600.00	\$ 44,290.29
Hospice Aides		\$ 27,923.52	\$ 49,703.62	\$ 64,014.34
Salaries - Spiritual Counseling		\$ 6,132.82	\$ 21,540.94	\$ 45,724.53
Salaries - Volunteer Coordinator		\$ 3,826.88	\$ 13,441.54	\$ 28,532.11
Salaries - Medical Social Worker (MSW)		\$ 38,904.87	\$ 48,283.52	\$ 62,185.36
Payroll Tax		\$ 17,844.95	\$ 28,157.24	\$ 39,117.29
Benefits		\$ 26,689.57	\$ 42,113.01	\$ 58,505.27
Contract - Medical Director		\$ 35,606.18	\$ 37,784.65	\$ 48,010.76
Pharmacy		\$ 29,400.24	\$ 52,332.18	\$ 67,399.72
DME		\$ 29,400.24	\$ 52,332.18	\$ 67,399.72
Medical Supplies		\$ 8,400.07	\$ 14,952.05	\$ 19,257.06
Mileage		\$ 17,232.80	\$ 30,674.23	\$ 39,505.99
Other Direct Costs		\$ 46,477.91	\$ 82,970.94	\$ 106,737.79
<b>Admin Costs</b>				
Salaries - Administrator		\$ 57,200.00	\$ 114,400.00	\$ 114,400.00
Salaries - Business Office		\$ 27,040.00	\$ 54,080.00	\$ 108,160.00
Salaries - Intake		\$ 6,933.33	\$ 24,266.67	\$ 41,600.00
Salaries - Community Outreach Specialist		\$ 74,880.00	\$ 149,760.00	\$ 149,760.00
Payroll Tax	8%	\$ 13,323.02	\$ 27,480.46	\$ 33,210.19
Benefits	12%	\$ 19,926.40	\$ 41,100.80	\$ 49,670.40
Mileage	100%	\$ 1,325.60	\$ 2,359.56	\$ 3,038.92
Advertising		\$ 12,000.00	\$ 12,000.00	\$ 24,000.00
Home Office Allocation	7%	\$ 65,069.07	\$ 116,159.31	\$ 149,432.90
B&O Tax	2%	\$ 16,732.05	\$ 29,869.54	\$ 38,425.60
Dues and Subscriptions		\$ 600.00	\$ 600.00	\$ 600.00
Education and Training		\$ 3,000.00	\$ 6,000.00	\$ 9,000.00
Equipment Rental		\$ 4,500.00	\$ 12,000.00	\$ 12,000.00
IT & Software Maintenance		\$ 6,000.00	\$ 18,000.00	\$ 18,000.00
Legal and Professional		\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Licenses and Fees		\$ 6,000.00	\$ 6,000.00	\$ 5,500.00
Postage		\$ 1,200.00	\$ 1,200.00	\$ 1,200.00

Purchased Services	\$ 9,000.00	\$ 18,000.00	\$ 18,000.00
Purchased Services Utilities	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Supplies	\$ 9,000.00	\$ 18,000.00	\$ 19,500.00
Telephone	\$ 12,000.00	\$ 18,000.00	\$ 18,000.00
Travel	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00
Repairs and Maintenance	\$ 600.00	\$ 600.00	\$ 600.00
Insurance - Liability	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Depreciation	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00
Rent expense	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00
Interest	\$ 6,904.17	\$ 12,289.36	\$ 15,827.72
Bad Debt			
 Total Expense	 \$ 843,698.71	 \$ 1,436,236.96	 \$ 1,824,157.38
 Net Income	 \$ 85,859.40	 \$ 223,181.79	 \$ 310,598.36
EBITDA	\$ 97,563.57	\$ 240,271.15	\$ 331,226.08



Whatcom County Staffing Details	\$ Rate	FTE Count	FTE Count	FTE Count	Cost	Cost	Cost	2023	TOTAL
		2021	2022	2023	2021	2022	2023		
Clinical									
Salaries - RN	37	1.27	2.05	2.64	\$ 97,929.48	\$ 157,631.48	\$ 203,016.92	\$	458,577.88
Salaries - LPN & LVN	29	0.09	0.31	0.66	\$ 5,335.56	\$ 18,740.62	\$ 39,780.34	\$	63,856.51
Salaries - Clinical Manager	40	0.50	0.50	0.53	\$ 41,600.00	\$ 41,600.00	\$ 44,290.29	\$	127,490.29
Salaries - HHA (CCNA's)	17.5	0.77	1.37	1.76	\$ 27,923.52	\$ 49,703.62	\$ 64,014.34	\$	141,641.48
Salaries - Medical Director	150	0.10	0.10	0.13	\$ 30,519.58	\$ 32,386.84	\$ 41,152.08	\$	104,058.50
Salaries - Spiritual Counseling	25	0.12	0.41	0.88	\$ 6,132.82	\$ 21,540.94	\$ 45,724.53	\$	73,398.29
Salaries - Volunteer Coordinator	26	0.07	0.25	0.53	\$ 3,826.88	\$ 13,441.54	\$ 28,532.11	\$	45,800.53
Salaries - Medical Social Worker (MSW)	34	0.55	0.68	0.88	\$ 38,904.87	\$ 48,283.52	\$ 62,185.36	\$	149,373.75
<b>Total Direct</b>		<b>3.46</b>	<b>5.67</b>	<b>8.01</b>	<b>\$ 252,172.70</b>	<b>\$ 383,328.56</b>	<b>\$ 528,695.97</b>	<b>\$</b>	<b>1,164,197.23</b>
Administrative									
Salaries - Administrator	57	0.50	1.00	1.00	\$ 59,280.00	\$ 118,560.00	\$ 118,560.00	\$	296,400.00
Salaries - Business Office	26	0.50	1.00	2.00	\$ 27,040.00	\$ 54,080.00	\$ 108,160.00	\$	189,280.00
Salaries - Intake	20	0.17	0.58	1.00	\$ 6,933.33	\$ 24,266.67	\$ 41,600.00	\$	72,800.00
Salaries - Community Outreach Specialist	36	1.00	2.00	2.00	\$ 74,880.00	\$ 149,760.00	\$ 149,760.00	\$	374,400.00
<b>Total Admin</b>		<b>2.17</b>	<b>4.58</b>	<b>6.00</b>	<b>\$ 168,133.33</b>	<b>\$ 346,666.67</b>	<b>\$ 418,080.00</b>	<b>\$</b>	<b>932,880.00</b>
<b>Total</b>		<b>5.63</b>	<b>10.26</b>	<b>14.01</b>	<b>\$ 420,306.04</b>	<b>\$ 729,995.23</b>	<b>\$ 946,775.97</b>	<b>\$</b>	<b>2,097,077.23</b>

**Assumptions and Details, Whatcom County Hospice**

		<b>2021</b>	<b>2022</b>	<b>2023</b>		
Admissions (unduplicated)		80	123	161		
Patient Days (ALOS 60.13)	60.13	4,200	7,476	9,629		
Average Daily Census		12	20	26		
<b>Level of Care Days</b>						
Routine Home Care (1-60)	74.5%	3,129	5,570	7,173		
Routine Home Care (61+)	23.0%	966	1,719	2,215		
Inpatient Care	1.0%	42	75	96		
Continuous Care	1.0%	42	75	96		
Respite Care	0.5%	21	37	48		
<b>Per Diem Rates</b>						
Routine Home Care (1-60)		\$ 215.81	\$ 215.81	\$ 215.81	Medicare 2020 rates for the county	
Routine Home Care (61+)		\$ 170.56	\$ 170.56	\$ 170.56	Medicare 2020 rates for the county	
Inpatient Care		\$ 1,125.47	\$ 1,125.47	\$ 1,125.47	Medicare 2020 rates for the county	
Continuous Care		\$ 1,548.57	\$ 1,548.57	\$ 1,548.57	Medicare 2020 rates for the county	
Respite Care		\$ 488.95	\$ 488.95	\$ 488.95	Medicare 2020 rates for the county	
						74.1% 25.9%
						Bellingham Rural
Routine Home Care (1-60)		\$ 675,267.90	\$ 1,201,971.13	\$ 1,548,044.00		
Routine Home Care (61+)		\$ 164,758.41	\$ 293,268.58	\$ 377,706.79		
Inpatient Care		\$ 47,270.18	\$ 84,140.52	\$ 108,366.35		
Continuous Care		\$ 65,040.55	\$ 115,771.63	\$ 149,104.73		
Respite Care		\$ 10,267.95	\$ 18,276.87	\$ 23,539.17		
<b>Total</b>		<b>\$ 962,604.99</b>	<b>\$ 1,713,428.72</b>	<b>\$ 2,206,761.03</b>		
		\$ 229.19	\$ 229.19	\$ 229.19		

<b>Payer Mix</b>						
Medicare	97%	97%	97%	97%	Signature Hospice average mix	
Medicare Managed	0%	0%	0%	0%	Signature Hospice average mix	
Medicaid	2%	2%	2%	2%	Signature Hospice average mix	
Commercial	1%	1%	1%	1%	Signature Hospice average mix	

<b>Revenue per Payer</b>						
Medicare		\$ 930,896.39	\$ 1,656,987.67	\$ 2,134,069.40		
Medicare Managed		\$ -	\$ -	\$ -		
Medicaid		\$ 19,660.77	\$ 34,996.00	\$ 45,072.09		
Commercial		\$ 12,047.84	\$ 21,445.05	\$ 27,619.53		
<b>Total</b>		<b>\$ 962,604.99</b>	<b>\$ 1,713,428.72</b>	<b>\$ 2,206,761.03</b>		

**2020 Hospice Payment Rates For WA**

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County/CBSA Area	CBSA Code	Wage Index	Routine Home Care (per day) Days 1-60	Routine Home Care (per day) Days 61 and beyond	Cont Home Care (per hour)	Inpt Respite Care (per day)	Gen Inpt Care (per day)
Bellingham	13380	1.2089	222.42	175.78	66.5	501	1157.81
All Other Counties/Rural	99950	1.0179	196.89	155.61	58.87	454.46	1032.95

**Exhibit 14. Northwest Hospice, LLC Bank Letter**

January 23, 2020

To Whom It May Concern:

At the request of our client Northwest Hospice, LLC, the following reflects their Key Bank checking account information:

ABA Routing / Transit Number: 125000574

Account Number: 479681149189

Account Name: Northwest Hospice, LLC

Current Account Balance: \$456,792.47

The account is in good standing. Should you have questions or concerns, please do not hesitate to contact me at 503-790-7553.

Regards,



Kevin Yu  
Sr. Treasury Service Client Manager  
KeyBank Enterprise Commercial Payments  
Real Estate Capital Treasury Services  
Kevin\_Yu@KeyBank.com  
Phone: 503-790-7553

## **Exhibit 15. Letter of Commitment**



January 22, 2020

Department of Health  
Certificate of Need Program  
Attention: Nancy Tyson  
111 Israel Road SE  
Tumwater, WA 98501

Re: Signature Hospice Bellingham, LLC Letter of Commitment

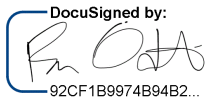
Dear Ms. Tyson:

The Certificate of Need Hospice Application asks for a financial Letter of Commitment from the Hospice agency seeking Medicare certification.

As the Chief Financial Officer of Avamere Group, LLC, the ultimate owner of Signature Hospice Bellingham, LLC the ownership group is fully committed to providing the financial capital needed to fund the launch and operations of Signature Hospice Bellingham, LLC in Whatcom County, if the application is approved.

A Bank Letter stating the funds available in Northwest Hospice's account has also been provided to provide solid evidence of our commitment and financial ability to fund this crucial project.

Sincerely,

DocuSigned by:  
  
92CF1B9974B94B2...

Ron Odermott, CPA  
Chief Financial Officer  
Avamere Group, LLC  
503-783-2489  
rodermott@avamere.com

**Exhibit 16. Balance Sheet, P&L, Cash Flow, and Staffing Details**

**Whatcom County Hospice  
Proforma Balance Sheet**

**Assets**

	2021	2022	2023
Current Assets			
Cash	\$ 87,917.05	\$ 218,165.83	\$ 510,332.06
Accounts Receivable	\$ 155,810.66	\$ 159,880.45	\$ 205,125.68
Allowance for Bad Debt	\$ (4,813.08)	\$ (8,567.24)	\$ (15,847.00)
<b>Total Current Assets</b>	<b>\$ 238,914.63</b>	<b>\$ 369,479.03</b>	<b>\$ 699,610.74</b>
Property and Equipment			
Leasehold Improvements			
Furniture & Equipment	\$ 28,032.00	\$ 38,032.00	\$ 43,032.00
Accumulated Depreciated	\$ (4,800.00)	\$ (9,600.00)	\$ (14,400.00)
<b>Total Property &amp; Equipment</b>	<b>\$ 23,232.00</b>	<b>\$ 28,432.00</b>	<b>\$ 28,632.00</b>
<b>Total Assets</b>	<b>\$ 262,146.63</b>	<b>\$ 397,911.03</b>	<b>\$ 728,242.74</b>

**Liabilities**

Current Liabilities			
Accounts Payable	\$ 44,051.84	\$ 48,002.94	\$ 59,145.70
Payroll	\$ 32,235.39	\$ 40,866.90	\$ 49,457.49
Line of Credit	\$ -	\$ -	\$ -
<b>Total Current Liabilities</b>	<b>\$ 76,287.23</b>	<b>\$ 88,869.84</b>	<b>\$ 108,603.19</b>
<b>Total Long Term Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Liabilities</b>	<b>\$ 76,287.23</b>	<b>\$ 88,869.84</b>	<b>\$ 108,603.19</b>
Equity			
Net Intercompany Draws	\$ 100,000.00	\$ -	\$ -
Retained Earnings	\$ -	\$ 85,859.40	\$ 309,041.19
Net Income	\$ 85,859.40	\$ 223,181.79	\$ 310,598.36
<b>Total Equity</b>	<b>\$ 185,859.40</b>	<b>\$ 309,041.19</b>	<b>\$ 619,639.55</b>
<b>Total Liabilities and Equity</b>	<b>\$ 262,146.63</b>	<b>\$ 397,911.03</b>	<b>\$ 728,242.74</b>

- - -



**Whatcom County Hospice  
Proforma Cash Flow**

	<b>2021</b>	<b>2022</b>	<b>2023</b>
Cash Flow from operating activities			
Net Income	\$ 85,859.40	\$ 223,181.79	\$ 310,598.36
Add Depreciation	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00
Accounts Receivable	\$ (155,810.66)	\$ (4,069.79)	\$ (45,245.23)
Accrued Payroll	\$ 32,235.39	\$ 8,631.51	\$ 8,590.59
Accrued AP	\$ 44,051.84	\$ 3,951.10	\$ 11,142.76
Allowance for Bad Debt	\$ 4,813.08	\$ 3,754.16	\$ 7,279.77
Total	\$ 15,949.05	\$ 240,248.77	\$ 297,166.24
Investing Activities			
Purchase of Equipment	\$ (28,032.00)	\$ (10,000.00)	\$ (5,000.00)
Financing Activities			
Net Intercompany Draws	\$ 100,000.00	\$ (100,000.00)	\$ -
Net Cash	\$ 87,917.05	\$ 130,248.77	\$ 292,166.24
Beginning Cash	\$ -	\$ -	\$ -
Cash from Operations	\$ 15,949.05	\$ 240,248.77	\$ 297,166.24
Cash from Investing	\$ (28,032.00)	\$ (10,000.00)	\$ (5,000.00)
Cash from Financing	\$ 100,000.00	\$ (100,000.00)	\$ -
Cash	\$ 87,917.05	\$ 130,248.77	\$ 292,166.24
Ending Cash	\$ 87,917.05	\$ 218,165.83	\$ 510,332.06

<b>Whatcom County P&amp;L</b>		<b>Year 1 (2021)</b>	<b>Year 2 (2022)</b>	<b>Year 3 (2023)</b>
Additional Starts		<b>80</b>	<b>123</b>	<b>161</b>
Visits per patient		<b>20</b>	<b>20</b>	<b>20</b>
Average Length of Stay		<b>60.13</b>	<b>60.13</b>	<b>60.13</b>
Rate per Day		<b>229.19</b>	<b>229.19</b>	<b>229.19</b>
Medicare	97%	\$ 930,906.52	\$ 1,657,005.83	\$ 2,134,092.79
Medicare Managed	0%	\$ -	\$ -	\$ -
Medicaid	2%	\$ 19,660.99	\$ 34,996.39	\$ 45,072.59
Commercial	1%	\$ 12,047.97	\$ 21,445.28	\$ 27,619.83
Revenue Reductions				
Sequestration	2%	\$ (18,618.13)	\$ (33,140.12)	\$ (42,681.86)
Bad Debt	1%	\$ (4,813.08)	\$ (3,754.16)	\$ (7,279.77)
Charity	1%	\$ (9,626.15)	\$ (17,134.47)	\$ (22,067.85)
<b>Total Revenue</b>		<b>\$ 929,558.11</b>	<b>\$ 1,659,418.75</b>	<b>\$ 2,134,755.74</b>
<b>Direct Costs</b>				
Salaries - RN		\$ 98,689.48	\$ 157,631.48	\$ 203,016.92
Salaries - LPN & LVN		\$ 5,335.56	\$ 18,740.62	\$ 39,780.34
Salaries - Clinical Manager		\$ 41,600.00	\$ 41,600.00	\$ 44,290.29
Hospice Aides		\$ 27,923.52	\$ 49,703.62	\$ 64,014.34
Salaries - Spiritual Counseling		\$ 6,132.82	\$ 21,540.94	\$ 45,724.53
Salaries - Volunteer Coordinator		\$ 3,826.88	\$ 13,441.54	\$ 28,532.11
Salaries - Medical Social Worker (MSW)		\$ 38,904.87	\$ 48,283.52	\$ 62,185.36
Payroll Tax		\$ 17,844.95	\$ 28,157.24	\$ 39,117.29
Benefits		\$ 26,689.57	\$ 42,113.01	\$ 58,505.27
Contract - Medical Director		\$ 35,606.18	\$ 37,784.65	\$ 48,010.76
Pharmacy		\$ 29,400.24	\$ 52,332.18	\$ 67,399.72
DME		\$ 29,400.24	\$ 52,332.18	\$ 67,399.72
Medical Supplies		\$ 8,400.07	\$ 14,952.05	\$ 19,257.06
Mileage		\$ 17,232.80	\$ 30,674.23	\$ 39,505.99
Other Direct Costs		\$ 46,477.91	\$ 82,970.94	\$ 106,737.79
<b>Admin Costs</b>				
Salaries - Administrator		\$ 57,200.00	\$ 114,400.00	\$ 114,400.00
Salaries - Business Office		\$ 27,040.00	\$ 54,080.00	\$ 108,160.00
Salaries - Intake		\$ 6,933.33	\$ 24,266.67	\$ 41,600.00
Salaries - Community Outreach Specialist		\$ 74,880.00	\$ 149,760.00	\$ 149,760.00
Payroll Tax	8%	\$ 13,323.02	\$ 27,480.46	\$ 33,210.19
Benefits	12%	\$ 19,926.40	\$ 41,100.80	\$ 49,670.40
Mileage	100%	\$ 1,325.60	\$ 2,359.56	\$ 3,038.92
Advertising		\$ 12,000.00	\$ 12,000.00	\$ 24,000.00
Home Office Allocation	7%	\$ 65,069.07	\$ 116,159.31	\$ 149,432.90
B&O Tax	2%	\$ 16,732.05	\$ 29,869.54	\$ 38,425.60
Dues and Subscriptions		\$ 600.00	\$ 600.00	\$ 600.00
Education and Training		\$ 3,000.00	\$ 6,000.00	\$ 9,000.00
Equipment Rental		\$ 4,500.00	\$ 12,000.00	\$ 12,000.00
IT & Software Maintenance		\$ 6,000.00	\$ 18,000.00	\$ 18,000.00
Legal and Professional		\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Licenses and Fees		\$ 6,000.00	\$ 6,000.00	\$ 5,500.00
Postage		\$ 1,200.00	\$ 1,200.00	\$ 1,200.00

Purchased Services	\$ 9,000.00	\$ 18,000.00	\$ 18,000.00
Purchased Services Utilities	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Supplies	\$ 9,000.00	\$ 18,000.00	\$ 19,500.00
Telephone	\$ 12,000.00	\$ 18,000.00	\$ 18,000.00
Travel	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00
Repairs and Maintenance	\$ 600.00	\$ 600.00	\$ 600.00
Insurance - Liability	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Depreciation	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00
Rent expense	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00
Interest	\$ 6,904.17	\$ 12,289.36	\$ 15,827.72
Bad Debt			
 Total Expense	 \$ 843,698.71	 \$ 1,436,236.96	 \$ 1,824,157.38
 Net Income	 \$ 85,859.40	 \$ 223,181.79	 \$ 310,598.36
EBITDA	\$ 97,563.57	\$ 240,271.15	\$ 331,226.08

Whatcom County Staffing Details	\$ Rate	FTE Count	FTE Count	FTE Count	Cost	Cost	Cost	TOTAL
		2021	2022	2023	2021	2022	2023	
Clinical								
Salaries - RN	37	1.27	2.05	2.64	\$ 97,929.48	\$ 157,631.48	\$ 203,016.92	\$ 458,577.88
Salaries - LPN & LVN	29	0.09	0.31	0.66	\$ 5,335.56	\$ 18,740.62	\$ 39,780.34	\$ 63,856.51
Salaries - Clinical Manager	40	0.50	0.50	0.53	\$ 41,600.00	\$ 41,600.00	\$ 44,290.29	\$ 127,490.29
Salaries - HHA (CCNA's)	17.5	0.77	1.37	1.76	\$ 27,923.52	\$ 49,703.62	\$ 64,014.34	\$ 141,641.48
Salaries - Medical Director	150	0.10	0.10	0.13	\$ 30,519.58	\$ 32,386.84	\$ 41,152.08	\$ 104,058.50
Salaries - Spiritual Counseling	25	0.12	0.41	0.88	\$ 6,132.82	\$ 21,540.94	\$ 45,724.53	\$ 73,398.29
Salaries - Volunteer Coordinator	26	0.07	0.25	0.53	\$ 3,826.88	\$ 13,441.54	\$ 28,532.11	\$ 45,800.53
Salaries - Medical Social Worker (MSW)	34	0.55	0.68	0.88	\$ 38,904.87	\$ 48,283.52	\$ 62,185.36	\$ 149,373.75
<b>Total Direct</b>		<b>3.46</b>	<b>5.67</b>	<b>8.01</b>	<b>\$ 252,172.70</b>	<b>\$ 383,328.56</b>	<b>\$ 528,695.97</b>	<b>\$ 1,164,197.23</b>
Administrative								
Salaries - Administrator	57	0.50	1.00	1.00	\$ 59,280.00	\$ 118,560.00	\$ 118,560.00	\$ 296,400.00
Salaries - Business Office	26	0.50	1.00	2.00	\$ 27,040.00	\$ 54,080.00	\$ 108,160.00	\$ 189,280.00
Salaries - Intake	20	0.17	0.58	1.00	\$ 6,933.33	\$ 24,266.67	\$ 41,600.00	\$ 72,800.00
Salaries - Community Outreach Specialist	36	1.00	2.00	2.00	\$ 74,880.00	\$ 149,760.00	\$ 149,760.00	\$ 374,400.00
<b>Total Admin</b>		<b>2.17</b>	<b>4.58</b>	<b>6.00</b>	<b>\$ 168,133.33</b>	<b>\$ 346,666.67</b>	<b>\$ 418,080.00</b>	<b>\$ 932,880.00</b>
<b>Total</b>		<b>5.63</b>	<b>10.26</b>	<b>14.01</b>	<b>\$ 420,306.04</b>	<b>\$ 729,995.23</b>	<b>\$ 946,775.97</b>	<b>\$ 2,097,077.23</b>

## **Exhibit 17. Avamere Group Balance Sheets**

# Avamere Group, LLC

## Consolidated Balance Sheets

ASSETS		December 31,	
	2017	2016	
<b>CURRENT ASSETS</b>			
Cash and cash equivalents (a)	\$ 8,164,568	\$ 8,800,174	
Designated cash	311,637	297,056	
Accounts receivable, net of allowance for bad debt of \$2,342,000 in 2017 and \$2,285,000 in 2016 (a)	64,289,324	63,267,974	
Other accounts receivable	2,125,141	4,294,541	
Current portion of notes receivable	526,612	793,613	
Current portion of insurance recovery receivable	419,173	210,000	
Inventory	429,674	400,949	
Prepaid expenses	10,114,369	9,584,375	
Other current assets	3,726,530	5,530,823	
Total current assets	<u>90,107,028</u>	<u>93,179,505</u>	
<b>PROPERTY AND EQUIPMENT</b>			
Land and land improvements	7,143,124	6,386,421	
Buildings	19,245,198	11,221,819	
Leasehold improvements	12,000,876	11,443,597	
Furniture, fixtures, and equipment	28,385,376	26,051,263	
Vehicles	903,633	901,196	
Construction in progress	60,767	3,850,393	
	67,738,974	59,854,689	
Accumulated depreciation and amortization	<u>(29,507,147)</u>	<u>(24,979,588)</u>	
Total property and equipment	<u>38,231,827</u>	<u>34,875,101</u>	
<b>OTHER ASSETS</b>			
Letters of credit	13,801,239	12,910,292	
Intangible assets, net of accumulated amortization of \$11,013,000 in 2017 and \$10,252,000 in 2016 (a)	2,922,390	5,152,138	
Goodwill	17,679,825	17,679,825	
Land held for future development	-	3,844,555	
Notes receivable, net of current portion	774,167	110,792	
Insurance recovery receivable, net of current portion	445,000	162,800	
Investment in other entities	4,196,906	5,173,132	
Total other assets	<u>39,819,527</u>	<u>45,033,534</u>	
Total assets	<u>\$ 168,158,382</u>	<u>\$ 173,088,140</u>	
 (a) As of December 31, 2017 and 2016, the assets listed above include amounts from Premere Rehab, LLC (consolidated variable interest entity) as follows:			
Cash and cash equivalents	\$ 4,999,477	\$ 3,061,333	
Accounts receivable, net	\$ 17,131,630	\$ 17,319,040	
Intangibles, net	\$ 1,090,903	\$ 1,818,170	

**Avamere Group, LLC**  
**Consolidated Balance Sheets**

**LIABILITIES AND SHAREHOLDERS' AND MEMBERS' DEFICIT**

	December 31,	
	2017	2016
<b>CURRENT LIABILITIES</b>		
Lines of credit (b)	\$ 32,847,302	\$ 32,452,916
Accounts payable	12,846,291	14,789,913
Accrued payroll, taxes and benefits (b)	21,752,788	20,344,446
Accrued business and property taxes	3,494,335	3,469,912
Other accrued liabilities	2,321,639	2,316,848
Current portion of litigation reserve	1,260,469	579,833
Current portion of capital leases	4,777	24,947
Current portion of long term debt, net of deferred loans fees of \$13,000 in 2017 and \$0 for 2016	3,139,070	13,733,337
Current portion of deferred gain on sale	10,855,824	10,855,824
Total current liabilities	88,522,495	98,567,976
<b>LONG TERM DEBT AND OTHER LIABILITIES</b>		
Litigation reserve, net of current portion	1,775,932	1,705,130
Capital leases, net of current portion	2,922	7,699
Long term debt, net of current portion and deferred loan fees of \$268,000 in 2017 and \$56,000 in 2016 (a)	31,843,619	14,058,985
Deferred gain on sale, net of current portion	79,697,435	90,553,259
Deferred rent	36,743,756	30,367,834
Total long term debt and other liabilities	150,063,664	136,692,907
Total liabilities	238,586,159	235,260,883
<b>SHAREHOLDERS' AND MEMBERS' EQUITY/DEFICIT</b>		
Common stock	364,830	364,830
Retained earnings/members' equity/deficit	(84,974,764)	(75,715,870)
Total equity attributable to Avamere Group, LLC	(84,609,934)	(75,351,040)
Non-controlling interest	14,182,157	13,178,297
Total shareholders' and members' equity/deficit	(70,427,777)	(62,172,743)
Total liabilities and shareholders' and members' equity/deficit	\$ 168,158,382	\$ 173,088,140
 (b) As of December 31, 2017 and 2016, the liabilities listed above include amounts from Premere Rehab, LLC (consolidated variable interest entity) as follows:		
Lines of credit	\$ 5,060,934	\$ 4,640,170
Accrued payroll, taxes and benefits	\$ 7,414,453	\$ 7,328,445

See accompanying notes.

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**Avamere Group, LLC**  
**Consolidated Statements of Income**

	Years Ended December 31,	
	2017	2016
<b>OPERATING REVENUE</b>		
Resident care – Medicare	\$ 68,619,764	\$ 68,630,990
Resident care – Medicaid	145,956,958	136,907,492
Resident care – Private	47,748,022	50,003,458
Resident care – Third-party payors	68,858,798	68,423,931
Resident care – Veteran	5,473,086	4,907,628
Miscellaneous facility revenue	3,645,082	3,594,561
Resident care revenue	<u>340,301,710</u>	<u>332,468,060</u>
Therapy	82,099,376	78,026,543
Home health/home care	51,252,067	50,001,896
Hospice	34,357,000	31,471,358
Management operations	2,499,315	3,382,315
Nurse practitioner	946,562	751,161
Ancillary revenue	<u>171,154,320</u>	<u>163,633,273</u>
Provision for bad debts	<u>(4,541,044)</u>	<u>(3,502,732)</u>
Rental income	155,063	154,081
Management revenue	939,112	938,382
Miscellaneous revenue	2,641,872	2,365,612
Total other operating revenue	<u>3,736,047</u>	<u>3,458,075</u>
Net operating revenue	<u>510,651,033</u>	<u>496,056,676</u>
<b>OPERATING EXPENSES</b>		
Ancillary expense	148,576,365	140,321,579
Nursing services	117,622,272	109,670,144
Administration	103,739,298	101,150,805
Rent	58,577,635	53,588,804
Dietary	24,150,508	23,066,080
Plant operations and maintenance	13,796,199	12,793,749
Property taxes and insurance	6,800,241	6,606,707
Housekeeping	6,430,133	5,955,194
Depreciation and amortization	6,043,130	6,508,413
Interest	4,346,741	4,022,278
Social services	4,318,183	4,278,978
Activities	4,035,322	3,875,050
Laundry and linen	3,442,721	3,205,028
Medical records	2,456,054	2,395,227
Restorative care	1,784,767	1,716,404
Miscellaneous expense	1,599,960	1,169,388
Impairment of intangible assets	1,138,607	-
Income taxes	71,915	82,530
Total operating expenses	<u>508,930,051</u>	<u>480,406,358</u>



**Avamere Group, LLC**  
**Consolidated Statements of Income**

	Years Ended December 31,	
	2017	2016
<b>NON-OPERATING REVENUE AND EXPENSES</b>		
Miscellaneous revenue	\$ 61,108	\$ 138,507
Miscellaneous expense	(366,281)	(313,566)
Investment income	842,081	914,762
Donations	(4,299,444)	(43,431)
Recognition of deferred gain on sale of assets	10,855,824	10,855,824
Gain on sale of investments in other entities	12,549,747	-
Gain (loss) on disposal of property and equipment	430,252	(37,458)
	<u>20,073,287</u>	<u>11,514,638</u>
<b>NET INCOME</b>	21,794,269	27,164,956
<b>NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTEREST</b>	<u>7,829,761</u>	<u>5,159,790</u>
<b>NET INCOME ATTRIBUTABLE TO AVAMERE GROUP, LLC</b>	<u>\$ 13,964,508</u>	<u>\$ 22,005,166</u>

See accompanying notes.

**Avamere Group, LLC**  
**Consolidated Statements of Cash Flows**

	Years Ended December 31,	
	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 21,794,269	\$ 27,164,956
Adjustments to reconcile net income to net cash from operating activities		
Provision for bad debt	4,541,044	3,502,732
Depreciation and amortization	6,043,130	6,508,413
Investment income	(842,081)	(914,762)
Donation of land held for future development	4,265,000	-
Recognition of deferred gain on sale of assets	(10,855,824)	(10,855,824)
Gain on sale of investments in other entities	(12,549,747)	-
Impairment of intangible asset	1,138,607	-
Gain (Loss) on sale of property and equipment	(430,252)	37,458
Loss on abandoned projects	366,281	283,910
Interest earned on letter of credit	(66,924)	(63,652)
Deferred rent	6,375,922	3,982,102
Amortization of debt issuance costs	99,300	105,213
Changes in assets and liabilities		
Designated cash	(14,581)	167,576
Accounts receivable	(5,562,394)	(7,405,549)
Other accounts receivable	2,169,400	(1,490,088)
Insurance recovery receivable	(491,373)	457,200
Inventory	(28,725)	(109,927)
Prepaid expenses	(529,994)	(226,324)
Other current assets	1,804,293	(1,116,839)
Other assets	698,498	355,003
Accounts payable	(1,943,622)	2,471,776
Accrued payroll, taxes and benefits	1,408,342	515,127
Accrued business and property taxes	24,423	109,570
Other accrued liabilities	4,791	51,182
Litigation reserve	751,438	(78,665)
	<u>18,169,221</u>	<u>23,450,588</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from the sale of investments in other entities	13,669,556	-
Purchase of property and equipment	(8,686,058)	(5,832,314)
Purchase of intangible assets	-	(40,047)
	<u>4,983,498</u>	<u>(5,872,361)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings on note receivable	(1,130,600)	(439,942)
Payments received on notes receivable	734,226	937,069
Borrowings on long-term debt	12,611,288	1,523,979
Payments on long-term debt	(5,499,352)	(5,289,150)
Deposits on letters of credit	(824,023)	(260,734)
Net activity on lines of credit	394,386	2,196,296
Payments on capital leases	(24,947)	(262,404)
Contribution	1,325,000	3,127,321
Distributions/draws	(31,374,303)	(22,828,087)
	<u>(23,788,325)</u>	<u>(21,295,652)</u>

See accompanying notes.

**Avamere Group, LLC**  
**Consolidated Statements of Cash Flows**

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	Years Ended December 31,	
	<u>2017</u>	<u>2016</u>
CHANGE IN CASH AND CASH EQUIVALENTS	\$ (635,606)	\$ (3,717,425)
CASH AND CASH EQUIVALENTS, beginning of year	<u>8,800,174</u>	<u>12,517,599</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 8,164,568</u>	<u>\$ 8,800,174</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	<u>\$ 4,329,371</u>	<u>\$ 3,995,577</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES		
Purchase of Bremerton in 2016		
Increase in net property and equipment	<u>\$ -</u>	<u>\$ 1,600,000</u>
Increase in non-controlling interest	<u>\$ -</u>	<u>\$ 1,600,000</u>

**Avamere Group, LLC**  
**Consolidated Balance Sheets**

<b>ASSETS</b>		December 31,	
	2018	2017	
<b>CURRENT ASSETS</b>			
Cash and cash equivalents (a)	\$ 8,718,308	\$ 8,164,568	
Designated cash	336,882	311,637	
Accounts receivable, net of allowance for bad debt of \$4,362,000 in 2018 and \$2,342,000 in 2017 (a)	66,234,001	64,289,324	
Other accounts receivable	4,083,064	2,125,141	
Current portion of notes receivable	1,950,899	526,612	
Current portion of insurance recovery receivable	925,000	419,173	
Inventory	468,424	429,674	
Prepaid expenses	10,406,713	10,114,369	
Other current assets	2,989,316	3,726,530	
Total current assets	<u>96,112,607</u>	<u>90,107,028</u>	
<b>PROPERTY AND EQUIPMENT</b>			
Land and land improvements	7,143,124	7,143,124	
Buildings	19,245,198	19,245,198	
Leasehold improvements	12,902,396	12,000,876	
Furniture, fixtures, and equipment	31,899,958	28,385,376	
Vehicles	888,014	903,633	
Construction in progress	256,508	60,767	
	72,335,198	67,738,974	
Accumulated depreciation and amortization	<u>(34,369,096)</u>	<u>(29,507,147)</u>	
Total property and equipment	<u>37,966,102</u>	<u>38,231,827</u>	
<b>OTHER ASSETS</b>			
Letters of credit	14,139,031	13,801,239	
Intangible assets, net of accumulated amortization of \$11,869,000 in 2018 and \$11,013,000 in 2017 (a)	2,030,266	2,922,390	
Goodwill	16,067,375	17,679,825	
Notes receivable, net of current portion	301,624	774,167	
Insurance recovery receivable, net of current portion	140,000	445,000	
Investment in other entities	4,760,617	4,196,906	
Total other assets	<u>37,438,913</u>	<u>39,819,527</u>	
Total assets	<u>\$ 171,517,622</u>	<u>\$ 168,158,382</u>	
 (a) As of December 31, 2018 and 2017, the assets listed above include amounts from Premere Rehab, LLC (consolidated variable interest entity) as follows:			
Cash and cash equivalents	\$ 2,973,883	\$ 4,999,477	
Accounts receivable, net	\$ 18,795,712	\$ 17,131,630	
Intangibles, net	\$ 363,634	\$ 1,090,903	

**Avamere Group, LLC**  
**Consolidated Balance Sheets**

**LIABILITIES AND SHAREHOLDERS' AND MEMBERS' DEFICIT**

	December 31,	
	2018	2017
<b>CURRENT LIABILITIES</b>		
Lines of credit (b)	\$ 31,253,735	\$ 32,847,302
Accounts payable	12,177,251	12,846,291
Accrued payroll, taxes and benefits (b)	22,563,786	21,752,788
Accrued business and property taxes	3,693,644	3,494,335
Other accrued liabilities	4,236,343	2,321,639
Current portion of litigation reserve	1,714,031	1,260,469
Current portion of capital leases	-	4,777
Current portion of long term debt	1,142,764	3,139,070
Current portion of deferred gain on sale	10,855,824	10,855,824
Current portion of deferred rent	4,402,451	5,805,755
	<u>92,039,829</u>	<u>94,328,250</u>
<b>LONG TERM DEBT AND OTHER LIABILITIES</b>		
Litigation reserve, net of current portion	1,398,381	1,775,932
Capital leases, net of current portion	-	2,922
Long term debt, net of current portion	32,071,902	31,843,619
Deferred gain on sale, net of current portion	68,841,611	79,697,435
Deferred rent	38,147,059	30,938,001
	<u>140,458,953</u>	<u>144,257,909</u>
Total long term debt and other liabilities	<u>140,458,953</u>	<u>144,257,909</u>
Total liabilities	<u>232,498,782</u>	<u>238,586,159</u>
<b>SHAREHOLDERS' AND MEMBERS' EQUITY/DEFICIT</b>		
Common stock	364,830	364,830
Retained earnings/members' equity/deficit	(75,193,851)	(84,974,764)
	<u>(74,829,021)</u>	<u>(84,609,934)</u>
Total equity attributable to Avamere Group, LLC	<u>(74,829,021)</u>	<u>(84,609,934)</u>
Non-controlling interest	13,847,861	14,182,157
	<u>13,847,861</u>	<u>14,182,157</u>
Total shareholders' and members' equity/deficit	<u>(60,981,160)</u>	<u>(70,427,777)</u>
Total liabilities and shareholders' and members' equity/deficit	<u>\$ 171,517,622</u>	<u>\$ 168,158,382</u>
 (b) As of December 31, 2018 and 2017, the liabilities listed above include amounts from Premere Rehab, LLC (consolidated variable interest entity) as follows:		
Lines of credit	\$ 1,613,056	\$ 5,060,934
Accrued payroll, taxes and benefits	\$ 7,634,372	\$ 7,414,453

See accompanying notes.



## Avamere Group, LLC

### Consolidated Statements of Income

	Years Ended December 31,	
	2018	2017
<b>OPERATING REVENUE</b>		
Resident care – Medicaid	\$ 154,004,168	\$ 145,956,958
Resident care – Third-party payors	73,770,738	68,858,798
Resident care – Medicare	66,894,401	68,619,764
Resident care – Private	50,010,023	47,748,022
Resident care – Veteran	6,279,018	5,473,086
Miscellaneous facility revenue	3,292,891	3,645,082
Resident care revenue	<u>354,251,239</u>	<u>340,301,710</u>
Therapy	84,404,550	82,099,376
Home health/home care	50,019,400	51,252,067
Hospice	32,423,906	34,357,000
Management operations	1,400,866	2,499,315
Nurse practitioner	1,082,607	946,562
Ancillary revenue	<u>169,331,329</u>	<u>171,154,320</u>
Provision for bad debts	<u>(5,429,988)</u>	<u>(4,541,044)</u>
Management fee revenue	2,399,684	939,112
Miscellaneous revenue	2,356,470	2,641,872
Development fee revenue	736,757	-
Rental income	153,704	155,063
Total other operating revenue	<u>5,646,615</u>	<u>3,736,047</u>
Net operating revenue	<u>523,799,195</u>	<u>510,651,033</u>
<b>OPERATING EXPENSES</b>		
Ancillary expense	150,909,861	148,576,365
Nursing services	124,256,851	117,622,272
Administration	104,399,427	103,739,298
Rent	59,808,248	58,577,635
Dietary	25,041,168	24,150,508
Plant operations and maintenance	14,026,537	13,796,199
Property taxes and insurance	7,123,077	6,800,241
Housekeeping	6,727,632	6,430,133
Depreciation and amortization	5,781,555	6,043,130
Social services	4,925,346	4,318,183
Interest	4,459,468	4,346,741
Activities	4,186,145	4,035,322
Laundry and linen	3,547,666	3,442,721
Medical records	2,529,257	2,456,054
Miscellaneous expense	2,058,816	1,599,960
Restorative care	1,659,621	1,784,767
Income taxes	46,221	71,915
Impairment of intangible assets	-	1,138,607
Total operating expenses	<u>521,486,896</u>	<u>508,930,051</u>

**Avamere Group, LLC**  
**Consolidated Statements of Income**

	Years Ended December 31,	
	2018	2017
<b>NON-OPERATING REVENUE AND EXPENSES</b>		
Miscellaneous revenue	\$ 14,676	\$ 61,108
Miscellaneous expense	-	(366,281)
Investment income	1,361,111	842,081
Donations	(50,006)	(4,299,444)
Recognition of deferred gain on sale of assets	10,855,824	10,855,824
Gain on sale of investments in other entities	-	12,549,747
Loss on closure and sale of home health and hospice entities	(1,236,148)	-
(Loss) gain on disposal of property and equipment	(2,212)	430,252
	<u>10,943,245</u>	<u>20,073,287</u>
Total non-operating revenue and expenses		
	<u>10,943,245</u>	<u>20,073,287</u>
<b>NET INCOME</b>	13,255,544	21,794,269
<b>NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTEREST</b>	<u>4,125,442</u>	<u>7,829,761</u>
<b>NET INCOME ATTRIBUTABLE TO AVAMERE GROUP, LLC</b>	<u>\$ 9,130,102</u>	<u>\$ 13,964,508</u>

See accompanying notes.

**Avamere Group, LLC**  
**Consolidated Statements of Cash Flows**

	Years Ended December 31,	
	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 13,255,544	\$ 21,794,269
Adjustments to reconcile net income to net cash from operating activities		
Provision for bad debt	5,429,988	4,541,044
Depreciation and amortization	5,781,555	6,043,130
Investment income	(1,361,111)	(842,081)
Donation of land held for future development	-	4,265,000
Recognition of deferred gain on sale of assets	(10,855,824)	(10,855,824)
Gain on sale of investments in other entities	-	(12,549,747)
Impairment of intangible asset	-	1,138,607
Loss (gain) on sale of property and equipment	2,212	(430,252)
Loss on abandoned projects	-	366,281
Interest earned on letter of credit	(97,355)	(66,924)
Loss on closure and sale of home health and hospice entities	1,236,148	-
Deferred rent	5,805,754	6,375,922
Amortization of debt issuance costs	77,348	99,300
Changes in assets and liabilities		
Designated cash	(25,245)	(14,581)
Accounts receivable	(8,949,740)	(6,692,994)
Other accounts receivable	(1,957,923)	2,169,400
Insurance recovery receivable	(200,827)	(491,373)
Inventory	(38,750)	(28,725)
Prepaid expenses	(292,344)	(529,994)
Other current assets	737,214	1,804,293
Other assets	797,400	698,498
Accounts payable	(669,040)	(1,943,622)
Accrued payroll, taxes and benefits	810,998	1,408,342
Accrued business and property taxes	199,309	24,423
Other accrued liabilities	1,914,704	4,791
Litigation reserve	76,011	751,438
Net cash from operating activities	11,676,026	17,038,621
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(4,653,312)	(8,686,058)
Proceeds from the sale of home health and hospice entities	400,217	-
Proceeds from the sale of investments in other entities	-	13,669,556
Net cash from investing activities	(4,253,095)	4,983,498
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments received on notes receivable	623,331	734,226
Borrowings on long-term debt	1,239,749	12,611,288
Payments on long-term debt	(3,081,641)	(5,499,352)
Deposits on letters of credit	(240,437)	(824,023)
Net activity on lines of credit	(1,593,567)	394,386
Payments on capital leases	(7,699)	(24,947)
Contribution	6,507,655	1,325,000
Distributions/draws	(10,316,582)	(31,374,303)
Net cash from financing activities	(6,869,191)	(22,657,725)

See accompanying notes.



**Avamere Group, LLC**  
**Consolidated Statements of Cash Flows**

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	Years Ended December 31,	
	<u>2018</u>	<u>2017</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ 553,740</u>	<u>\$ (635,606)</u>
CASH AND CASH EQUIVALENTS, beginning of year	<u>8,164,568</u>	<u>8,800,174</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 8,718,308</u>	<u>\$ 8,164,568</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH FLOW INFORMATION		
Conversion of accounts receivable to notes receivable	<u>\$ 1,575,075</u>	<u>\$ 1,130,600</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	<u>\$ 4,520,665</u>	<u>\$ 4,329,371</u>

**Exhibit 18. Signature Hospice Bellingham, LLC Staffing Detail**

Whatcom County Staffing Details	\$ Rate	FTE Count	FTE Count	FTE Count	Cost	Cost	Cost	TOTAL
		2021	2022	2023	2021	2022	2023	
Clinical								
Salaries - RN	37	1.27	2.05	2.64	\$ 97,929.48	\$ 157,631.48	\$ 203,016.92	\$ 458,577.88
Salaries - LPN & LVN	29	0.09	0.31	0.66	\$ 5,335.56	\$ 18,740.62	\$ 39,780.34	\$ 63,856.51
Salaries - Clinical Manager	40	0.50	0.50	0.53	\$ 41,600.00	\$ 41,600.00	\$ 44,290.29	\$ 127,490.29
Salaries - HHA (CCNA's)	17.5	0.77	1.37	1.76	\$ 27,923.52	\$ 49,703.62	\$ 64,014.34	\$ 141,641.48
Salaries - Medical Director	150	0.10	0.10	0.13	\$ 30,519.58	\$ 32,386.84	\$ 41,152.08	\$ 104,058.50
Salaries - Spiritual Counseling	25	0.12	0.41	0.88	\$ 6,132.82	\$ 21,540.94	\$ 45,724.53	\$ 73,398.29
Salaries - Volunteer Coordinator	26	0.07	0.25	0.53	\$ 3,826.88	\$ 13,441.54	\$ 28,532.11	\$ 45,800.53
Salaries - Medical Social Worker (MSW)	34	0.55	0.68	0.88	\$ 38,904.87	\$ 48,283.52	\$ 62,185.36	\$ 149,373.75
<b>Total Direct</b>		<b>3.46</b>	<b>5.67</b>	<b>8.01</b>	<b>\$ 252,172.70</b>	<b>\$ 383,328.56</b>	<b>\$ 528,695.97</b>	<b>\$ 1,164,197.23</b>
Administrative								
Salaries - Administrator	57	0.50	1.00	1.00	\$ 59,280.00	\$ 118,560.00	\$ 118,560.00	\$ 296,400.00
Salaries - Business Office	26	0.50	1.00	2.00	\$ 27,040.00	\$ 54,080.00	\$ 108,160.00	\$ 189,280.00
Salaries - Intake	20	0.17	0.58	1.00	\$ 6,933.33	\$ 24,266.67	\$ 41,600.00	\$ 72,800.00
Salaries - Community Outreach Specialist	36	1.00	2.00	2.00	\$ 74,880.00	\$ 149,760.00	\$ 149,760.00	\$ 374,400.00
<b>Total Admin</b>		<b>2.17</b>	<b>4.58</b>	<b>6.00</b>	<b>\$ 168,133.33</b>	<b>\$ 346,666.67</b>	<b>\$ 418,080.00</b>	<b>\$ 932,880.00</b>
<b>Total</b>		<b>5.63</b>	<b>10.26</b>	<b>14.01</b>	<b>\$ 420,306.04</b>	<b>\$ 729,995.23</b>	<b>\$ 946,775.97</b>	<b>\$ 2,097,077.23</b>

## **Exhibit 19. Recruitment & Incentive Programs**



**Caregiver or Certified Nursing Assistant Referral Bonus Program Rules**

**\$250.00 Bonus-Caregiver!**

**\$250 Bonus-Certified Nursing Assistant!**

***The Referral Bonus Program applies to open positions at Signature Hospice, Home Health and Home Care***

- Referral Form must be completed and the recruitment department must receive this form prior to interview and new employee’s start date with Signature
- Referral Bonus will be paid out after new hire has been employed for 6 months
- The new hire Caregiver or Aide referred by a Signature Employee must complete 90 hours of work with in the first 90 days of employment
- The new hire and the referring employee will be in compliance with the following:
  1. Will meet 95% of the expectations on the annual performance evaluation for the employees in the Signature Home Care Division (FOR HOME CARE THIS IS REVIEWED DURING ORIENTATION; EMPLOYEE HAS A COPY)
  2. Will not be on suspension, probation and or have any written warnings with in the first 90 days of employment
  3. Will not have attendance write-ups within the first 90 days of employment
  4. Will have not substantiated customer complaints with in the first 90 days of employment
  5. Will not be on modified duty
  6. Will be current with all requirements of their division; corporate requirements, state requirements, P&P
  7. Bonus will not be paid out as part of the employee’s final payout/check

**Any person is eligible to participate, except certain Signature employees including:**

Chief Operations Officer	Clinical Manager
Administrator	President
Director of Professional Services	Directors
Home Care Manager	Recruiters

**Thank you for your participation.**



## **Referral Bonus Program**

Here is your opportunity to take an active role in promoting Signature Healthcare at Home to people you know for available positions. In this program you will be the agent of the candidate. This is not a passive role. Be assertive in selling your referral and in selling Signature Healthcare at Home.

What steps should you take?

- We ask you to review the Rules of the Referral Bonus Program before submitting a referral.
- Check our website often to review the open positions list and contact a Signature Recruiter with any questions.
- Determine who you know that would be an ideal candidate for any of our open positions.
- Complete and submit a Referral Bonus Form to a Recruiter or Director of Recruiting.
- Contact the Recruiter and the hiring manager of the position and sell your candidate.

**Remember, there is no limit to the number of referrals you can submit. There is also no limit to the number of referral awards you can receive.**

**Fax: 1-866-859-5350**

**Exhibit 20. 2020 Hospice Staff Training Calendar**

**2020 Signature Education**

ONBOARDING - NEW HIRES		2020 ANNUAL STAFF EDUCATION - Updates in Blue				
All Staff Orientation - Non Clinical Coursework	Hrs	Role	Course	Due By	TL Hours	Where
Affirmative Action (REL-ALL-0-AFFACT)	0.50	All Staff	Abuse & Neglect (REL-PAC-0-AN)	1/31/20	0.50	Relias
Sexual Harrassment for Employees (REL-ALL-0-SHEMP)	0.50	All Staff	Workplace Violence Prevention (REL-ALL-0-W006)	1/31/20	1.00	
Signature HIPAA 101 for New Hires (Relias 264665)	1.00	All Field Staff	Caring for Older Adults: The Aging Process (REL-SRC-0-COAAP)	2/28/20	1.00	Relias
Customer Service (REL-ALL-0-CSERV)	0.50	All Field Staff	Bloodborne Pathogens Self-Paced (REL-SRC-0-BBPATH-R1)	3/30/20	0.50	Relias
<b>Total:</b>	<b>2.50</b>	<b>HHA/C.N.A.</b>	Restorative Nursing: Bowel and Bladder for Nursing Assistants (REL-SRC-0-RNBBNA-V2)	3/30/20	0.75	Relias
<b>Staff With Patient Contact Orientation</b>		All Staff	AFC Corporate Compliance & Fraud, Waste and Abuse (Relias or paper-based) <i>Tim to create</i>	4/30/20	1.00	Relias
Bag Technique for Home Healthcare (REL-SRC-0-BTHH)	0.25	All Staff	AFC HIPAA Training (Relias or paper-based) <i>Tim to create</i>	4/30/20	1.00	Relias
Orientation for Home-Based Services - Infection Control and Patient Care (REL-SRC-0-OHSICPC)	1.50	All Staff	Emergency Planning - Exit, Fires and Fire Extinguishers (In House)	5/31/20	1.50	Relias
Tuberculosis Overview (REL-PAC-0-TUBO)	1.00	All Field Staff	Defensive Driving: The Basics (REL-CV-0-DDTB)	6/30/20	1.00	At Location
Documentation that Prevents Fraud and Abuse (REL-PAC-0-DPFA)	0.50	All Staff	Working With Difficult People (REL-ALL-0-WWDP)	6/30/20	0.25	Relias
<b>Total:</b>	<b>3.25</b>	<b>HHA/C.N.A.</b>	Survival Skills for Home Health Aides (REL-SRC-0-SSHHA)	7/31/20	0.50	Relias
<b>Hospice Field Staff</b>		All Staff	Employee Wellness - Work-Life Balance (REL-ALL-0-WLBAL-V2)	7/31/20	0.25	
About End of Life: Communication (REL-SRC-0-AELCPC-V2)	1.25	All Field Staff	Infection Control in Home Care (REL-SRC-0-ICHC)	8/31/20	0.75	Relias
End of Life Care: Examining our Attitudes about Death (REL-C2L-P1097)	1.00	All Field Staff	Tuberculosis: The Basics Self-Paced (REL-SRC-0-TUBTB-R1)	8/31/2020	0.5	Relias
Orienting to Hospice Care (REL-HOS-0-OHC) - hospice philosophy	0.50	All Field Staff	Hazardous Chemicals: the Basics (REL-ALL-0-HCTB)	9/30/20	0.50	Relias
The Interdisciplinary Group, the Care Planning Process, and Coordination of Services in Hospice (REL-PAC-WB-IGCPPCS)	1.25	HHA/C.N.A.	Effective Communication (REL-ALL-0-EFFCOM)	9/30/20	0.25	Relias
Ethics and the Hospice Conditions of Participation (REL-PAC-0-ETHCP)	1.00	All Field Staff	Mandatory Reporting by State (57B -61B)	10/31/20	1.00	Relias
<b>Total:</b>	<b>5.00</b>	<b>HHA/C.N.A.</b>	Recognizing and Reporting Skin Conditions (REL-SRC-0-RRSC)	10/31/20	1.00	Relias
<b>Hospice RN/LPN</b>		All Field Staff	Legal Aspects of Documentation (REL-SRC-0-LAD)	11/30/20	1.00	Relias
Documenting Technical and Clinical Eligibility in Hospice (REL-PAC-WB-DTCEH)	1.00	All Field Staff	Understanding the Meaning Behind Behaviors (REL-SRC-0-UMBB)	12/31/20	0.50	Relias
Hospice Assessment Tools & Comparative Documentation (REL-PAC-WB-HATCD)	1.00	All Staff	Body Mechanics and Ergonomics (REL-PAC-0-BME)	12/31/20	1.00	Relias
Medicare Webinar: Hospice Documenting Slow Decline (and paper quiz) https://register.gotowebinar.com/recording/6200514797160158978?assets=true	1.50	All Staff	Emergency Management in Home Based Care (REL-SRC-0-EMHC)	12/31/20	0.50	Relias
<b>Total:</b>	<b>3.50</b>			<b>Total:</b>	<b>16.25</b>	Relias
<b>Hospice Nurse Practitioner</b>						
Ethics and the Hospice Conditions of Participation (REL-PAC-0-ETHCP)	1.00	<b>Hospice Volunteer</b>				
Documenting Technical and Clinical Eligibility in Hospice (REL-PAC-WB-DTCEH)	1.00		Fraud, Waste, and Abuse (Corporate)		1.00	In-person
<b>Total:</b>	<b>2.00</b>		HIPAA (Corporate)		1.00	In-person
<b>Hospice Medical Director</b>			Infection Control		1.00	In-person
Ethics and the Hospice Conditions of Participation (REL-PAC-0-ETHCP)	1.00		Mandatory Reporting by State		1.00	In-person
Documenting Technical and Clinical Eligibility in Hospice (REL-PAC-WB-DTCEH)	1.00			<b>Total:</b>	<b>4.00</b>	
The Physician Narrative (REL-HOS-0-TPN-V2)	1.00					
<b>Total:</b>	<b>3.00</b>					
<b>Home Health and Hospice Aides</b>						
Effective Communication (REL-ALL-0-EFFCOM)	0.25					
Activities of Daily Living Documentation for (CNAs) (REL-C2L-P1221)	1.00					
Recognizing and Reporting Skin Conditions (REL-SRC-0-RRSC)	1.00					
Empowering clients through ADL's (REL-SRC-0-ECTA)	0.25					
<b>Total:</b>	<b>2.50</b>					
<b>HH &amp; HO State Mandatory Reporting</b>						
Mandated Reporter Training - Washington State Employees (REL-C2L-CU-5909)	1.00					
Signature Mandatory Reporter Idaho (SigMandIdaho)	"					
Signature Mandatory Reporting Oregon (SigMandOR)	"					
Signature Mandatory Reporting Utah (SigMandUtah)	"					
<b>Total:</b>	<b>1.00</b>					
<b>Hospice Volunteer (In-Person)</b>						
State Mandatory Reporting (per state)	1.00					
HIPAA the Basics	1.00					
Orienting to Hospice Care	0.50					
Infection Control	1.00					
Preventing, Recognizing, and Reporting Abuse	1.00					
Communicating with People with Dementia	1.00					
Communicating with the Hearing Impaired	1.00					
Conflict Resolution	1.00					
Continuity of Care and Palliative Care in a Serious Illness	1.00					
Professional Boundaries and Stress Management	1.00					
Protecting Patient Rights in Hospice	1.00					
The Impact of Grief: Ours and Those We Serve	1.00					
Understanding Pain in Palliative Care	1.00					
Workplace Safety, the Basics	1.00					
<b>Total:</b>	<b>13.50</b>					



## **Exhibit 21. Signature Healthcare at Home Locations and Licenses**

**HOME HEALTH**

Company Name	dba	Service Address	Medicare Number	Medicaid	License #
Avamere Home Health Care, LLC	Signature Healthcare At Home	7632 SW Durham Rd, Ste 130 Tigard, OR 97224-7584	38-7148	299501	13-1376
Avamere Home Health Care, LLC	Signature Healthcare At Home	1220 20th St SE, Ste 125, Salem, OR 97302-1205	38-7148	299501	13-1376
Avamere Home Health Care, LLC	Signature Healthcare At Home	2620 River Rd, Ste 200A, Eugene, OR 97404-2215	38-7140	500625929	13-1391
Avamere Home Health Care, LLC	Signature Healthcare At Home	317 W 1st Ave, Suite 301, Albany, OR 97321-2225	38-7140	500625929	13-1391
Avamere Home Health Care, LLC	Signature Healthcare At Home	834 S Front St, Central Point, OR 97502-2726	38-7142	500625909	13-1389
Avamere Home Health Care, LLC	Signature Healthcare at Home	459 Stuart Rd, Bellingham, WA 98226-1204	50-7116	1649368853	IHS.FS.00000089
Avamere Home Health Care, LLC	Signature Healthcare At Home	5965 S 900 E, Ste 200, Murray, UT 84121-1854	46-7121	1083004626	HHA-UT000148
Avamere Home Health Care, LLC	Signature Healthcare At Home	4933 S 1500 W, Ste 200, Riverdale, UT 84405-7738	46-7219	1902298185	HHA-UT000158
Avamere Home Health Care, LLC	Signature Healthcare At Home	74 W 100 N, Logan, UT 84321-4506	46-7219	1902298185	HHA-UT000158
Avamere Home Health Care, LLC	Signature Healthcare at Home	3904 E Flamingo Ave, Ste 100, Nampa, ID 83687-3144	13-7135	pending	HH-269
Avamere Home Health Care, LLC	Signature Healthcare At Home	1000 S 16th St, Ste C, Payette, ID 83661-3403	13-7135	pending	HH-269
Avamere Home Health Care, LLC	Signature Healthcare at Home	240 W Burnside Ave, Ste B, Chubbuck, ID 83202-4703	13-7110	807666800	HH-233
Avamere Home Health Care, LLC	Signature Healthcare At Home	3767 Professional Way, Idaho Falls, ID 83402-7315	13-7110	807666800	HH-233
Avamere Home Health Care, LLC	Signature Healthcare At Home	307 S 1st E St, Preston, ID 83263-1503	13-7110	807666800	HH-233
A-One Home Health Services	Signature Healthcare at Home	1510 140th Ave NE, Ste 100, Bellevue, WA 98005-4572	50-7100	1871526236	IHS.FS.00000220
Prime Home Health Inc.	Signature Healthcare at Home	909 S 336th St, Ste 100, Federal Way, WA 98003-7394	50-7110	1598716136	IHS.FS.00000382
Signature Coastal, LLC	Signature Healthcare at Home	1547 North Coast Highway, Newport, OR 97365-2356	38-7077	pending	13-1538

**HOSPICE**

Company Name	dba	Address	Medicare Number	Medicaid	License #
Northwest Hospice, LLC	Signature Healthcare At Home	7632 SW Durham Rd, Ste 120 Tigard, OR 97224	38-1553	5832	16-1050
Northwest Hospice, LLC	Signature Healthcare At Home	2620 River Rd, Ste 300, Eugene, OR 97404-2215	38-1553	5832	16-1050
Northwest Hospice, LLC	Signature Healthcare At Home	834 S Front St, Central Point, OR 97502-2726	38-1560	500683723	16-1061
Northwest Hospice, LLC	Signature Healthcare At Home	5965 S 900 E, Ste 200, Murray, UT 84121-1854	46-1554	1194115972	HOSPICE-UT000175
Northwest Hospice, LLC	Signature Healthcare At Home	74 W 100 N, Logan, UT 84321	46-1550	1639561814	HOSPICE-UT000157
Northwest Hospice, LLC	Signature Healthcare At Home	4933 S 1500 W, Ste 200, Riverdale, UT 84405-7738	46-1550	1639561814	HOSPICE-UT000157
Northwest Hospice, LLC	Signature Healthcare at Home	1000 S 16th St, Ste C, Payette, ID 83661	13-1510	1033530035	not required in Idaho
Northwest Hospice, LLC	Signature Healthcare at Home	3904 E Flamingo Ave, Ste 100, Nampa, ID 83687-3144	13-1510	1033530035	not required in Idaho
Northwest Hospice, LLC	Signature Healthcare at Home	240 W Burnside Ave, Ste B, Chubbuck, ID 83202	13-1552	1881086056	not required in Idaho
Northwest Hospice, LLC	Signature Healthcare at Home	3767 Professional Way, Idaho Falls, ID 83402-7315	13-1552	1881086056	not required in Idaho
Northwest Hospice, LLC	Signature Healthcare at Home	307 S 1st E St, Preston, ID 83263-1503	13-1552	1881086056	not required in Idaho

**Exhibit 22. Signature Healthcare at Home History, Experience , and Qualifications**



## **ABOUT SIGNATURE HEALTHCARE AT HOME**

Signature HealthCare at Home was founded in 2003. Signature offers five lines of personalized services to help people remain in their home; Hospice, Home Health, Home Care, Palliative and Primary care services.

Signature has 17 locations across the Pacific Northwest in Oregon, Washington, Idaho and Utah. The organization has grown substantially since 2003, with two company acquisitions. In 2014 Signature acquired XL Hospice and then in 2015 Signature acquired Access Home Health and Hospice and Millcreek Hospice and Home Health. The purchase expanded Signature enlarging its operations in Idaho and Utah. Signature now has over 1100 full time, part time, and on-call employees.

Signature Corporate office is located at 25117 SW Parkway Avenue, Suite F, Wilsonville, Oregon, 97070. Signature serves over 14,000 patients per year and the slogan is “Care Where You Are”. Signature is known for operational and clinical quality that is measurable and meaningful. 98% of Signature employees recommend Signature as a good place to work.

Signature employees are paid twice a month; on the 10<sup>th</sup> and 25<sup>th</sup> of each month. The employees can receive a payroll check by electronic deposit only. Each employee has a Signature name badge, ID, and most employees wear Signature work apparel to identify themselves as a Signature employee in both the office and field.

Under the President, Signature has one full-time Vice President of Operations who reports in to the President. Signature also has a full-time Director of Clinical and Quality Operations as well as a Vice President of Sales & Marketing, who also report in to the President. Signature has a Director of Finance, Director of Human Resources and a Director of Recruiting. Each of Signature’s 17 locations have an Administrator who over sees the agency’s day to day operations. The Administrator works with Registered Nurse Director of Professional Services and Registered Nurse Clinical Manager(s) and in most offices a Therapy Manager (either a Physical Therapist or Occupational Therapist).

Signature Hospice services are available through all locations except Washington. Hospice provides end of life care to patients who are terminally ill (diagnosed with six months less of life) in their place of residence. Hospice is an elective service by the patient or family and the goal is to provide comfort care. Signature Hospice provides a devoted support team comprised of an MD, NP, RN/LPN, CNA, Spiritual Care, Social Worker, Bereavement. A physician will determine whether a patient is appropriate for hospice and a second physician will confirm the need before admittance.

Signature Home Health is available through all seventeen of our locations. Home Health serves homebound individuals who are needing temporary rehabilitation and nursing care to geriatric patients who want to live fully and as independently as possible. The services provided, in a home setting, are nursing, physical therapy, occupational therapy, speech therapy, home health aide, or social worker. Home Health is prescribed by a patient's physician and once Signature receives the order, our clinicians schedule an evaluation. Home Health services begin within 24 to 48 hours of receiving the order. An individualized care plan is created, and frequency and number of visits are determined.

Signature Home Care services are available through our Eugene and Medford locations. Home Care supports individuals needing help managing daily activities like bathing, dressing, and housekeeping as well as more complex levels of care for people with medical concerns. Home Care support services can be very beneficial to those patients receiving Home Health or Hospice Services. Services are provided in a home setting by caregivers, who are supervised by a registered nurse.

Signature Palliative Care focuses on symptom management, goals of care, advanced care planning, and quality of life issues at any point in a disease process. A Signature Nurse Practitioner or Social Worker will have a palliative care consult with the patient to clarify and solidify a care plan that is realistic and consistent with the patient's needs. Collaboration may be done with the NP, our Social Workers and/or Chaplains.

Signature Primary Care provides needed medical services to patients in facilities to help prevent a crisis in which they end up in the emergency room or intensive care. These patients may no longer have a Primary Physician or Nurse Practitioner, are too sick or stressed to leave the facility, or have become non-ambulatory. Our MD, NP, and LCSW provide advanced care planning and/or patient and family counseling, which can lead to choosing the most appropriate medical care. Other specialized care may sometimes become involved; therefore, a referral can become necessary, but the basic medical care is managed through Primary Care.

Mission:

“Enhance the life of every person we serve”

Core Values:

Integrity above all else  
Passion for the quality of people's lives  
Quality that is obvious  
Innovation, not emulation  
A culture of trust and respect  
Reaching to learn, grown and embrace change  
Teamwork, camaraderie and fun!

Signature Full-time and Part-time employee benefits:

1. Medical, Dental, and Vision
2. Life Insurance and AD&D
3. Flexible Spending Account
4. Employee Referral Bonus – including on call employee referrals

5. Vacation/Paid Time Off/Holiday Pay
6. 401K Plan with match
7. Supplemental Insurance for Short-Term Disability, Accidental Death, Dismemberment and Life Insurance
8. Continuing Education Allowance
9. Higher Education Benefit
10. Discounts on personal cell phone AT&T and Verizon
11. Wellness Program which offers discounts on Medical benefit premium/costs