



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
Olympia, Washington 98504

March 19, 2015

Ann Sullivan, Area Manager
Washington Capitol Area
Fresenius Medical Care
719 Sleater Kinney Road Southeast
Lacey, Washington 98503

RE: DOR #15-36

Dear Ms. Sullivan:

Thank you for your February 24, 2015, letter requesting approval to operate five additional dialysis stations at Fresenius Medical Care's (FMC) Lacey Kidney Center. Your letter states that the five stations would be operated temporarily until the new 10-station DaVita Tumwater Dialysis Center becomes operational.

In your request you state:

"As discussed with the Department, the situation in Thurston County ESRD Planning area is unique. FMC operates two centers, RCG-Lacey and FMC-Thurston, and both are effectively at capacity, operating at 5.53 patients/station (RCG-Lacey) and 5.7 patients/stations (FMC-Thurston) as of December 31, 2014. FMC is reaching the point where it cannot offer patients dialysis times that allow access to public transportation. As we discussed, this situation is currently harming patient access to necessary dialysis care."

Using data from the Northwest Renal Network¹ the department calculated the FMC Lacey facility operating at 5.63 patients/station (107/19=5.63) and FMC-Thurston Co Lacey at 5.16 patients/station (31/6=5.16). The department confirmed that both FMC's Thurston County facilities are operating above five patients/station.

In addition to the FMC facilities, the department made this same calculation for DaVita's Olympia facility to determine if capacity was available to address these dialysis patient's access needs. That facility has six permanent stations. In August 2014, the department granted

¹ Northwest Renal Network data as of December 31, 2014, available as of February 12, 2015, prevalent dialysis patients by mode and facility.

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temporary use of five additional stations at that facility until their Tumwater facility was operational or until August 1, 2015. This is the same type of agreement the department entered into with FMC in Clark County in 2012. The department calculated the DaVita facility to be at 3.09 patients/station ($34/11=3.09$). No information has been presented showing that DaVita's facility is closed to new patients.

Certificate of Need laws and rules require prior Certificate of Need approval for the increase in dialysis stations at a dialysis center.² Since FMC does not have approval to increase stations at the Lacey Kidney Center or at any of its Thurston County facilities, the Certificate of Need Program cannot allow such an increase, even on a temporary basis.

APPEAL OPTIONS

This decision may be appealed. The appeal option is below.

Appeal Option

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

Mailing Address:

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

Physical Address

Department of Health
Adjudicative Service Unit
111 Israel Road SE
Tumwater, WA 98501

If you have any questions or would like to arrange for a meeting to discuss this decision, please call the Certificate of Need Program at (360) 236-2955.

Sincerely,



Janis Sigman, Manger
Certificate of Need Program
Community Health Systems

² Revised Code of Washington 70.38.105(4)(h) and Washington Administrative Code 246-310-020(1)(e), respectively.