




**Certificate of Need Application  
Kidney Disease Treatment Facilities  
Nonspecial Circumstance Projects**

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Certificate of Need applications must be submitted with a fee in accordance with Washington Administrative Code [\(WAC\) 246-310-990](#).

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Application is made for a Certificate of Need in accordance with provisions in Revised Code of Washington [\(RCW\) 70.38](#) and [WAC 246-310](#), rules and regulations adopted by the Washington State Department of Health. I attest that the statements made in this application are correct to the best of my knowledge and belief.

<b>Signature and Title of Responsible Officer</b> John Rodriguez, BSN, RN Regional Vice President – Pacific Northwest Fresenius Medical Care North America	<b>Date:</b> September 11, 2024
<b>Email Address</b> <a href="mailto:John.Rodriguez2@freseniusmedicalcare.com">John.Rodriguez2@freseniusmedicalcare.com</a>	<b>Telephone Number:</b> 503-506-9066 
<b>Legal Name of Applicant</b> Fresenius Kidney Care Longview, LLC	<b>Provide a brief project description (example: # of stations/location)</b>  Amend CN1909 for cost increase related to +2 in-center station expansion.
<b>Address of Applicant</b> 20900 SW 115 <sup>th</sup> Ave. Suite 190 Tualatin OR 97062	<b>Estimated capital expenditure:</b> \$196,006
This application is submitted under (check <b>one</b> box only): [ N/A ] Concurrent Review <b>Cycle 1</b> – Non Special Circumstances  [ N/A ] Concurrent Review <b>Cycle 2</b> – Non Special Circumstance <b>Amendment to CN1909</b>	

<b>Identify the Planning Area for this project as defined in <a href="#">WAC 246-310-800(15)</a>.</b>  Cowlitz ESRD Planning Area
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## **Table of Contents**

Applicant Description.....	4
Project Description .....	6
Certificate of Need Review Criteria .....	9
A. Need (WAC 246-310-210).....	9
B. Financial Feasibility (WAC 246-310-220) .....	13
C. Structure and Process (Quality) of Care (WAC 246-310-230).....	18
D. Cost Containment (WAC 246-310-240).....	22

## **List of Tables**

Table 1. Cowlitz County Dialysis Planning Area Providers .....	9
Table 2. Cowlitz County Dialysis Planning Area Provider Utilization – 2Q2024.....	9
Table 3. FKC Cowlitz Historical Utilization. ....	10
Table 4. FKC Cowlitz Utilization Forecast .....	11
Table 6. FKC Cowlitz Capital Expenditures, by Type.....	14
Table 6. FKC Cowlitz Dialysis Center, Payer Mix, by Revenue and by Patient Treatments .....	16
Table 7. FKC Cowlitz, Historical and Proposed Staffing, by FTE and Position.....	18

## **List of Exhibits**

Exhibit 1. Letter of Intent
Exhibit 2A. Single Line Drawing – Before Project Completion
Exhibit 2B. Single Line Drawing – After Project Completion and Square Footage Tables
Exhibit 3A. Financial Statement—Historical
Exhibit 3B. Financial Statement—Forecasts
Exhibit 3C. Financial Statement—Combined
Exhibit 4. Contractor Affidavit
Exhibit 5A. Balance Sheet—Fresenius Kidney Care Longview, LLC.
Exhibit 5B. Financial Statements—Fresenius Medical Care (2023 Annual Report)
Exhibit 5C. Financial Statements—Fresenius Medical Care (2022 Annual Report)
Exhibit 5D. Financial Statements—PeaceHealth Networks (2023 Annual Report)
Exhibit 5E. Financial Statements— PeaceHealth Networks (2022 Annual Report)

## **INTRODUCTION**

Fresenius Kidney Care Longview, LLC is a joint venture between Renal Care Group Northwest, Inc. with 60% interest and Health Ventures with a 40% interest. Renal Care Group Northwest, Inc. is a subsidiary of Fresenius Medical Care Holdings, Inc. d/b/a Fresenius Medical Care North America (“FMCNA”). Health Ventures is a subsidiary of PeaceHealth Networks (“PeaceHealth”).

Fresenius Kidney Care Longview, LLC operates an existing CN-approved dialysis facility, FKC Cowlitz, located at 600 Broadway St, Longview, Washington 98632. In ESRD Nonspecial Circumstance 2020 Cycle Two, FKC Cowlitz applied to expand by two (2) stations at its existing site. In September 2021, the Department approved FKC Cowlitz’s request and issued CN1909.<sup>1</sup>

FKC Cowlitz completed construction of the two-station expansion and had the two stations operational as of June 14, 2024 (06/14/2024). This amended application requests approval for the increased capital expenditures required to complete the two-station expansion. As will be demonstrated, the incremental cost impacts were modest, and the project remains financially viable.

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<sup>1</sup> Department’s Evaluation of CN19-34. August 29, 2019.

## **Applicant Description**

**1. Provide the legal name(s) and address(es) of the applicant(s)**

**Note: The term “applicant” for this purpose includes any person or individual with a ten percent or greater financial interest in the partnership or corporation or other comparable legal entity.**

The legal name of the applicant is Fresenius Kidney Care Longview, LLC. It is a joint venture between Renal Care Group Northwest, Inc. with 60% interest and Health Ventures with a 40% interest. Renal Care Group Northwest, Inc. is a subsidiary of Fresenius Medical Care Holdings, Inc. d/b/a Fresenius Medical Care North America (“FMCNA”). Health Ventures is a subsidiary of PeaceHealth Networks (“PeaceHealth”).

The name of the existing facility related to the project is Fresenius Kidney Care Cowlitz (“FKC Cowlitz”). The address of the applicant is:

600 Broadway St  
Longview, Washington 98632

**2. Identify the legal structure of the applicant (LLC, PLLC, etc) and provide the UBI number.**

Fresenius Kidney Care Longview, LLC is a limited liability company (LLC). Fresenius Kidney Care Longview, LLC’s UBI number is 604 312 647.

**3. Provide the name, title, address, telephone number, and email address of the contact person for this application.**

John Rodriguez, BSN, RN  
Regional Vice President – Pacific Northwest  
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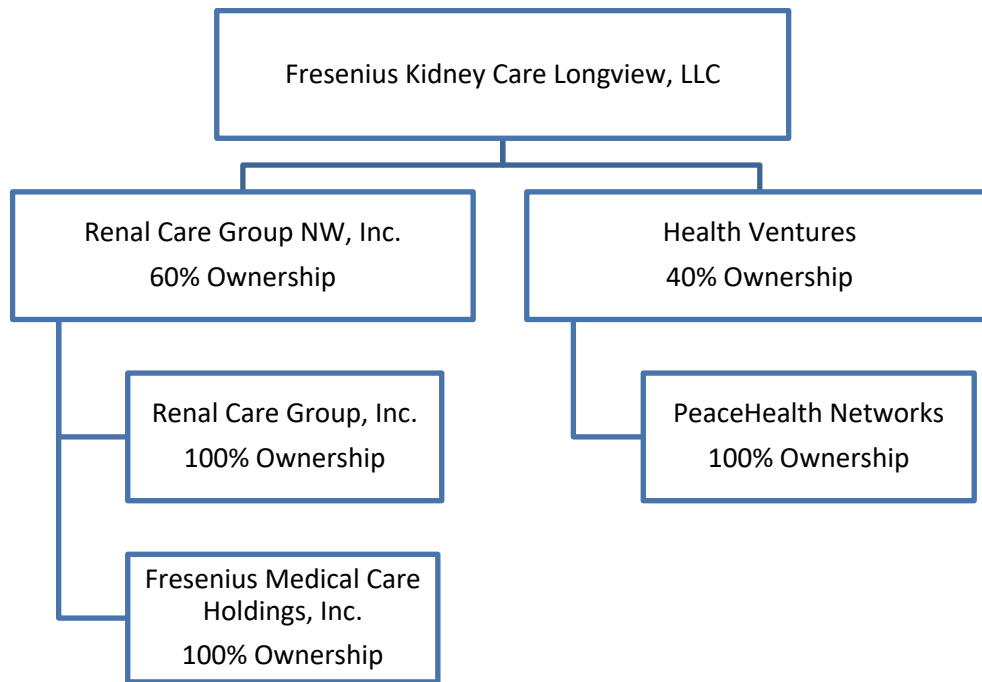
**4. Provide the name, title, address, telephone number, and email address of the consultant authorized to speak on your behalf related to the screening of this application (if any).**

Frank Fox, PhD.  
Health Trends  
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**5. Provide an organizational chart that clearly identifies the business structure of the applicant(s).**

Fresenius Kidney Care Longview, LLC is a joint venture between Renal Care Group Northwest, Inc. with a 60% interest and Health Ventures with a 40% interest. Please see Figure 1 below for an organizational chart.

**Figure 1. Organizational Chart**



**6. Identify all healthcare facilities owned, operated by, or managed by the applicant. This should include all facilities in Washington State as well as out-of-state facilities. The following identifying information should be included:**

- **Facility Name(s)**
- **Facility Location**
- **Facility CMS Certification Number**
- **Facility Accreditation Status**
- **Operational date of most recent CN approval or exemption**

The FKC Cowlitz clinic is the only healthcare facility owned by Fresenius Kidney Care Longview, LLC. FKC Cowlitz is a CN-approved and CMS certified kidney dialysis facility. FKC Cowlitz operationalized the two-station approved under CN1909 on June 14, 2024.

## **Project Description**

### **1. Provide the name and address of the existing facility, if applicable.**

The name of the existing facility related to the project is Fresenius Kidney Care Cowlitz (“FKC Cowlitz”).

The address of the existing facility, FKC Cowlitz, is:

600 Broadway St  
Longview, Washington 98632

### **2. Provide the name and address of the proposed facility. If an address is not yet assigned, provide the county parcel number and the approximate timeline for assignment of the address.**

Although the +2 stations approved under CN1909 are currently operational at the existing facility site, we acknowledge that FKC Cowlitz recently received CN-approval under CN2007 for a full relocation of 24 (+1) stations from its current 600 Broadway St site to a new site located at 1030 15th Avenue, Suites 400 and 500, Longview WA 98632.

### **3. Provide a detailed description of the proposed project.**

FKC Cowlitz is requesting an amendment approval to increase project capital expenditures to \$196,006. CN1909 approved the project to expend \$97,305. Therefore, the final project costs exceeded CN approval by an amount greater than twelve percent / \$50,000, the threshold recognized by the Department as a “trigger” requiring an amendment under WAC 246-310-570. This Amendment requests certificate of need (“CN”) approval for the expenditure of \$196,006 for the now-completed project as described in CN1909.

Services provided at FKC Cowlitz include in-center hemodialysis, home hemodialysis and peritoneal dialysis training and support for dialysis patients, and shifts beginning after 5:00 pm. Although FKC Cowlitz has not yet operationalized its dedicated isolation area approved under the Department’s one-time isolation-station adjustment, it plans to do so upon completion of the relocation approved under CN2007.

### **4. Identify any affiliates for this project, as defined in [WAC 246-310-800\(1\)](#).**

FKC Cowlitz is a joint venture between Renal Care Group Northwest, Inc. with 60% interest and Health Ventures with a 40% interest. Renal Care Group Northwest, Inc. is a subsidiary of Fresenius Medical Care Holdings, Inc. d/b/a Fresenius Medical Care North America. Health Ventures is a subsidiary of PeaceHealth Networks.

5. With the understanding that the review of a Certificate of Need application typically takes 6-9 months, provide an estimated timeline for project implementation, below:

The two-station expansion is already operational, as of June 14, 2024.

6. Identify the Month/Day/Year the facility is expected to be operational as defined in [WAC246-310-800\(12\)](#).

The two-station expansion is already operational, as of June 14, 2024.

7. Provide a detailed description of the services represented by this project. For existing facilities, this should include a discussion of existing services and how these would or would not change as a result of the project. Services can include but are not limited to: in-center hemodialysis, home hemodialysis training, peritoneal dialysis training, a late shift (after 5:00 pm), etc.

FKC Cowlitz serves patients with end-stage renal disease. FKC Cowlitz offers in-center hemodialysis, home hemodialysis and peritoneal dialysis training and support for dialysis patients. FKC Cowlitz also offers an evening shift, beginning after 5 pm, for dialysis patients.<sup>2</sup>

8. Fill out the table below identifying the current (if applicable) and proposed configuration of dialysis stations. Note – an exempt isolation station defined under WAC 246-310-800(9) would not be counted in the methodology, but would be included in the total count of certified in-center stations.

	Before		After	
	CMS Certified Stations	Stations Counted in the Methodology	CMS Certified Stations	Stations Counted in the Methodology
General Use In-center Stations	22	22	24	24
Permanent Bed Stations	0	0	0	0
Exempt Isolation Station	0 <sup>1</sup>	0	1	0
Isolation Station	0	0	0	0
<b>Total Stations</b>	<b>22</b>	<b>22</b>	<b>25</b>	<b>24</b>

<sup>1</sup>FKC Cowlitz has not yet operationalized/certified the one (1) exempt isolation station it is CN-approved for under the one-time isolation adjustment.

<sup>2</sup> Patients will also have access to a bed station upon request.

**9. Provide a general description of the types of patients to be served by the facility at project completion.**

FKC Cowlitz will continue to serve patients and provide services described above in response #7. FKC Cowlitz will also operationalize the one isolation station it is CN-approved for under the one-time isolation adjustment but has not yet been able to operate upon completion of the relocation approved under CN2007.

**10. Provide a copy of the letter of intent that was already submitted according to [WAC246-310-080](#).**

A copy of the letter of intent is included in Exhibit 1.

**11. Provide single-line drawings (approximately to scale) of the facility, both before and after project completion. Reference [WAC 246-310-800\(11\)](#) for the definition of maximum treatment area square footage. Ensure that stations are clearly labeled with their square footage identified, and specifically identify future expansion stations (if applicable)**

Single line drawings and square footage calculations are included in Exhibit 2.

**12. Provide the gross and net square feet of this facility. Treatment area and non- treatment area should be identified separately (see explanation above re: maximum treatment area square footage).**

The existing FKC Cowlitz facility is 8,548 gross sf and 8,244 net sf.

**13. Confirm that the facility will be certified by Medicare and Medicaid. If this application proposes the expansion of an existing facility, provide the existing facility's Medicare and Medicaid numbers.**

**Medicare #:** 50-2599

**Medicaid #:** 2147827



**Certificate of Need Review Criteria**

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

**WAC 246-310-210 provides general criteria for an applicant to demonstrate need for healthcare facilities or services. WAC 246-310-800 through WAC 246-310-833 provide specific criteria for kidney disease treatment center applications. Documentation provided in this section must demonstrate that the proposed facility will be needed, available, and accessible to the community it proposes to serve. Some of the questions below only apply to existing facilities proposing to expand. If this does not apply to your project, so state.**

- 1. List all other dialysis facilities currently operating in the planning area, as defined in WAC 246-310-800(15).**

Please see Table 1 that lists certificate of need approved stations in the Cowlitz County Dialysis Planning Area.

**Table 1. Cowlitz County Dialysis Planning Area Providers**

NAME	Station Count
FKC Cowlitz	24
FKC Longview	4
DVA Woodland	11

Note: station count includes CN1909 approved stations and excludes 1 isolation station

- 2. Provide utilization data for the facilities listed above, according to the most recent Northwest Renal Network / Comagine ESRD Network 16 modality report. Based on the standards in WAC 246-310-812(5) and (6), demonstrate that all facilities in the planning area either:
 
  - a) have met the utilization standard for the planning area;
  - b) have been in operation for three or more years; or
  - c) have not met the timeline represented in their Certificate of Need application.**

Table 2 below presents the utilization reported by Cowlitz County Dialysis Planning Area provider(s) according to the applicable Northwest Renal Network (“NWRN”) modality report (June 30, 2024).

**Table 2. Cowlitz County Dialysis Planning Area Provider Utilization – 2Q2024**

Facility	Number of Stations	Number of Patients Per Quarterly In-Center Data	Patients/ Station
FKC Cowlitz	24	113	4.71
FKC Longview	4	10	2.5
DVA Woodland	11	1	0.09

Note: station count includes CN1909 approved stations and excludes 1 isolation station  
 Source: Northwest Renal Network Modality Reports

The Department determined that there is need for the proposed project determined in its approval of CN1909.<sup>3</sup> Therefore, the standards in WAC 246-310-812(5) and (6) are not applicable to this amendment request.

3. **Complete the methodology outlined in [WAC 246-310-812](#). For reference, copies of the [ESRD Methodology](#) for every planning area are available on our website. Please note, under [WAC 246-310-812\(1\)](#), applications for new stations may only address projected station need in the planning area where the facility is to be located, unless there is no existing facility in an adjacent planning area. If this application includes an adjacent planning area, station need projections for each planning area must be calculated separately.**

The Department determined that there is need for the proposed project determined in its approval of CN1909.<sup>4</sup> Therefore, the need methodology outlined in WAC 246-310-812(5) and (6) is not applicable to this amendment request.

4. **For existing facilities, provide the facility’s historical utilization for the last three fullcalendar years.**

**Table 3. FKC Cowlitz Historical Utilization.**

	2021	2022	2023	Jan – Jun 2024
Total in-center stations*	22	22	24	24
Total in-center patients	127	116	123	122
Total in-center treatments	17,914	16,491	17,325	8,510
Total home patients	31	34	28	29
Total home treatments	4,815	5,181	4,272	2,268

\*Station count excludes 1 isolation station.

5. **Provide projected utilization of the proposed facility for the first three full years of operation. For existing facilities, also provide the intervening years between historical and projected. Include all assumptions used to make these projections.**

<sup>3</sup> Department’s Evaluation of CN19-34. August 29, 2019. pp. 11-13.

<sup>4</sup> Ibid.

**Table 4. FKC Cowlitz Utilization Forecast**

	2024 – Apr 2026 (Intervening)	May – Dec 2026	2027	2028	2029
Total in-center stations <sup>1</sup>	24	24	24	24	24
Total in-center patients	116	116	116	116	116
Total in-center treatments <sup>2</sup>	16,491 (Annualized)	16,491 (Annualized)	16,491	16,491	16,491
Total home patients	34	34	34	34	34
Total home treatments <sup>3</sup>	5,181 (Annualized)	5,181 (Annualized)	5,181	5,181	5,181

<sup>1</sup> Station count excludes 1 isolation station. Any patients included in table above requiring medically necessary isolation will have access to FKC Cowlitz’s one isolation room.

<sup>2</sup> 142.2 in-center treatments per patient per year based on CY2022 utilization.

<sup>3</sup> 152.4 home treatments per patient per year based on CY2022 utilization.

The utilization forecast has been modeled to be consistent with the projections reviewed and approved by the Department in June 2024 for FKC Cowlitz planned relocation (CN App #23-02A2, CN2007).

FKC Cowlitz is an existing clinic that operates at a high occupancy. The clinic treated 116 in-center patients in 2022, which is equivalent to 5.27 patients per in-center station with the existing twenty-two (22) stations and 4.83 patients per in-center station when counting the additional two stations approved under CN1909. In the interest of maintaining a conservative approach, and in recognition of FKC Longview having been approved under CN1811 and the recent approval of DVA Woodland, FKC Cowlitz’s utilization is held constant throughout the forecast based on its 2022 utilization, as its current utilization is already at the target 4.8 patient per in-center station standard. The constant utilization further demonstrates that FKC Cowlitz’s operations are financially viable even assuming no additional patients. To the extent that FKC Cowlitz will have more patients, then this will only further improve the financial viability of the projects.

Although we have held the utilization forecast constant for financial modeling purposes, it must be recognized how beneficial the two-station expansion approved under CN1909 is for FKC Cowlitz and the patients it serves. First, the additional stations help reduce patient wait times, improving timely access to crucial treatments. Added capacity also leads to more flexible scheduling options, accommodating patients’ diverse personal and work-related needs. Second, the added stations can help alleviate the strain on healthcare professionals, promoting a more evenly distributed workload. Lastly, with the volatility in patient census, the new stations will better position the facility to accommodate patients when there is a surge in demand. For example, FKC Cowlitz had an average of 127 in-center patients in 2020 and 2021, or 5.77 patients per stations, which is one of the highest occupancy rates across the state. And as shown above in Table 3, FKC Cowlitz had an increase in in-center patients from 2022 to approximately 122-123 patients, which is equivalent to approximately 5.1 patients per station with the 24 non-isolation stations approved under CN1909. Thus, the additional stations not only better alleviate existing access/capacity issues, but these stations also help address future surge occupancy issues.

**6. For existing facilities, provide patient origin zip code data for the most recent full calendar year of operation.**

This question is not applicable to the requested cost amendment.

**7. Identify any factors in the planning area that could restrict patient access to dialysis services. [WAC 246-310-210\(1\), \(2\)](#).**

This question is not applicable to the requested cost amendment.

**8. Identify how this project will be available and accessible to low-income persons, racial and ethnic minorities, women, mentally handicapped persons, and other under-served groups. [WAC 246-310-210\(2\)](#)**

This question is not applicable to the requested cost amendment.

**9. If this project proposes either a partial or full relocation of an existing facility, provide a detailed discussion of the limitations of the current site consistent with [WAC 246-310-210\(2\)](#).**

This question is not applicable to the requested cost amendment.

**10. If this project proposes either a partial or full relocation of an existing facility, provide a detailed discussion of the benefits associated with relocation consistent with [WAC 246-310-210\(2\)](#).**

This question is not applicable to the requested cost amendment.

**11. Provide a copy of the following policies:**

- Admissions policy
- Charity care or financial assistance policy
- Patient Rights and Responsibilities policy
- Non-discrimination policy
- Any other policies directly associated with patient access (example, involuntary discharge)

This question is not applicable to the requested cost amendment.

## B. Financial Feasibility ([WAC 246-310-220](#))

Financial feasibility of a dialysis project is based on the criteria in [WAC 246-310-220](#) and [WAC 246-310-815](#).

1. **Provide documentation that demonstrates the immediate and long-range capital and operating costs of the project can be met. This should include but is not limited to:**
  - **Utilization projections.** These should be consistent with the projections provided under the Need section. Include all assumptions.
  - **Pro Forma financial projections for at least the first three full calendar years of operation.** Include all assumptions.
  - **For existing facilities proposing a station addition, provide historical revenue and expense statements, including the current year. Ensure these are in the same format as the pro forma projections. For incomplete years, identify whether the data is annualized.**

Please see Exhibit 5A for historical FKC Cowlitz expense and revenue statements.

Exhibit 5B includes the required pro forma financial statements. Exhibit 5B also provides key financial pro forma assumptions and sources of information used to prepare the projections, including staffing and salaries, wages, and benefits assumptions. Utilization projections, including the assumptions used to derive the forecasts, are presented and discussed in Table 4 above and surrounding text.

The pro forma has been modeled to be consistent with the projections reviewed and approved by the Department in June 2024 for FKC Cowlitz planned relocation (CN App #23-02A2, CN2007) except for (1) updating the CN1909 related capital costs and associated depreciation expenses from the original \$97,305 approved amount to the \$196,006 final project cost presented in this cost amendment and (2) updating cash flow and balance sheet projections with 2023 actuals (previously an intervening period).

2. **Provide the following agreements/contracts:**
  - **Management agreement.**
  - **Operating agreement**
  - **Medical director agreement**
  - **Development agreement**
  - **Joint Venture agreement**

**Note, all agreements above must be valid through at least the first three full years following completion or have a clause with automatic renewals. Any agreements in draft form must include a document signed by both entities committing to execute the agreement as submitted following CN approval.**

This question is not applicable to the requested cost amendment.

3. Provide documentation of site control. This could include either a deed to the site or a lease agreement for the site. If a lease agreement is provided, the terms must be for at least five years following project completion.

This question is not applicable to the requested cost amendment.

4. Provide county assessor information and zoning information for the site. If zoning information for the site is unclear, provide documentation or letter from the municipal authorities showing the proposed project is allowable at the identified site.

This question is not applicable to the requested cost amendment.

5. Complete the table below with the estimated capital expenditure associated with this project. Capital expenditure for the purposes of dialysis applications is defined under [WAC 246-310-800\(3\)](#). If you have other line items not listed below, include the definition of the line item. Include all assumptions used to create the capital expenditure estimate.

*Table 5. FKC Cowlitz Capital Expenditures, by Type*

Item	TOTAL
a. Land Purchase	
b. Utilities to Lot Line	
c. Land Improvements	
d. Building Purchase	
e. Residual Value of Replaced Facility	
f. Building Construction	\$162,589.33
g. Fixed Equipment (not already included in the construction contract)	
h. Movable Equipment	
i. Architect and Engineering Fees	\$33,416.97
j. Consulting Fees	
k. Site Preparation	
l. Supervision and Inspection of Site	
m. Any Costs Associated with Securing the Sources of Financing (include interim interest during construction)	
1. Land	
2. Building	
3. Equipment	
4. Other	
n. Washington Sales Tax	Included above
<b>Total Estimated Capital Expenditure</b>	<b>\$196,006.30</b>

**6. Identify the entity responsible for the estimated capital costs identified above. If more than one entity is responsible, provide breakdown of percentages and amounts for all.**

The applicant was the sole entity responsible for the capital costs identified above.

**7. Provide a non-binding contractor's estimate for the construction costs for the project.**

Please see Exhibit 4 for a copy of the contractor affidavit identifying payment of \$151,662.33 for services performed by the contractor. The remaining \$10,927 in construction (i.e. \$162,589.33 minus \$151,662.33) were performed by the applicant.

**8. Provide a detailed narrative regarding how the project would or would not impact costs and charges for services. [WAC 246-310-220](#).**

This project has no impact on either charges or payment, as reimbursement for kidney dialysis services is based on a prospective composite per diem rate. In the case of government payers, reimbursement is based on CMS (Center for Medicaid and Medicare) fee schedules which have nothing to do with capital expenditures by providers such as FMCNA. In the case of private sector payers, FMCNA negotiates national, state, and regional contracts with payers. These negotiated agreements include consideration/negotiation over a number of variables, including number of covered lives being negotiated; the provider's accessibility, including hours of operation; quality of care; the provider's patient education and outreach; its performance measures such as morbidity and/or mortality rates; and increasingly, consideration of more broad performance/quality measures, such as the CMS Quality Incentive Program ("QIP") Total Performance Score ("TPS").<sup>5</sup>

FMCNA does not negotiate any of its contracts at the facility-level, thus, the capital costs associated with the proposed FKC Cowlitz project would have no impact on payer negotiations or levels of reimbursement. In this regard, facility-level activities, such as number of FTEs, operating expenses or capital expenditures have no effect on negotiated rates, since such negotiations do not consider facility-level operations. As such, the FKC Cowlitz project completed under CN1909 has no effect on rates FMCNA receives in the Cowlitz County Dialysis Planning Area.

**9. Provide documentation that the costs of the project, including any construction costs, will not result in an unreasonable impact on the costs and charges for healthservices in the planning area. [WAC 246-310-220](#).**

See our response above for an explanation of the basis for FMCNA reimbursement. As described above, FMCNA does not negotiate any of its contracts at the facility-level, thus, the capital costs associated with the FKC Cowlitz project completed under CN1909 will have no impact on payer negotiations or levels of reimbursement.

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<sup>5</sup> Please see: <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ESRDQIP/>

It should be noted that CMS has implemented QIP with the express purpose of linking payment for care directly to providers' performance on quality measures.<sup>6</sup> Over time, FMCNA expects all payers will adopt some or all of these same standards, and will increasingly tie reimbursement to TPS measures.

**10. Provide the historical and projected payer mix by revenue and by patients using the example table below. If “other” is a category, define what is included in “other.”**

**Table 6. FKC Cowlitz Dialysis Center, Payer Mix, by Revenue and by Patient Treatments**

Payor Class	CY2022		CY2023	
	Mix Based on Patient Treatments	Mix based on Revenue	Mix Based on Patient Treatments	Mix based on Revenue
Medicare	30%	24%	30%	25%
Commercial	8%	24%	7%	23%
Medicaid	4%	0%	4%	0%
Medicare Adv	43%	36%	45%	40%
Medicaid Risk	8%	7%	9%	8%
Misc. Ins	7%	8%	5%	5%
Self Pay	0%	0%	0%	0%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\*Based on FKC Cowlitz actuals.

\*\*The projected payer mix has been modeled to be consistent with the projections reviewed and approved by the Department in June 2024 for FKC Cowlitz planned relocation (CN App #23-02A2, CN2007) which are based on CY2022 FKC Cowlitz actuals. As demonstrated in the table above, the payer mix between years are very similar.

**11. If this project anticipates changes in payer mix percentages from historical to project, provide a brief explanation of why the changes are anticipated and any underlying assumptions.**

The projected payer mix has been modeled to be consistent with the projections reviewed and approved by the Department in June 2024 for FKC Cowlitz planned relocation (CN App #23-02A2, CN2007) which are based on CY2022 FKC Cowlitz actuals. As demonstrated in the table above, the payer mix between years are very similar.

<sup>6</sup> As stated on the CMS website, referenced above, the ESRD QIP will reduce payments to ESRD facilities that do not meet or exceed certain performance standards. The maximum payment reduction CMS can apply to any facility is two percent. This reduction will apply to all payments for services performed by the facility receiving the reduction during the applicable payment year (PY). Payment reductions result when a facility's overall score on applicable measures does not meet established standards. CMS publicly reports facility ESRD QIP scores; these scores are available online on [Dialysis Facility Compare](#).



**12. Provide a listing of all new equipment proposed for this project. The list should include estimated costs for the equipment. If no new equipment is required, explain.**

The original \$97,305 in capital cost included \$5,005 in equipment. However, no additional equipment was needed to complete the project. Existing equipment was already available on-site and used for the expansion.

**13. Identify the source(s) of financing (loan, grant, gifts, etc.) and provide supporting documentation from the source. Examples of supporting documentation include: a letter from the applicant's CFO committing to pay for the project or draft terms from a financial institution.**

The project is already complete and no additional financing was required. Therefore, this question is not applicable to this cost amendment.

**14. If this project will be debt financed through a financial institution, provide a repayment schedule showing interest and principal amount for each year over which the debt will be amortized. [WAC 246-310-220](#)**

This is not applicable to this project.

**15. Provide the applicant's audited financial statements covering at least the most recent three years. [WAC 246-310-220](#)**

A balance sheet for Fresenius Kidney Care Longview, LLC is provided in Exhibit 5A. Financial statements for Fresenius Medical Care, the parent company, are included in Exhibits 5B and 5C. Financial statements for PeaceHealth Networks, the other parent company, are included in Exhibits 5D and 5E.

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

- 1. Provide a table that shows FTEs [full time equivalents] by category for the proposed facility. If the facility is currently in operation, include at least the last three full years of operation, the current year, and the first three full years of operation following project completion. There should be no gaps in years. All staff categories should be defined.**

Historical and projected FTE staffing by position and clinical setting is provided below in Table 7.

**Table 7. FKC Cowlitz, Historical and Proposed Staffing, by FTE and Position**

Productive FTEs, by Type	2020	2021	2022	Interim	May - Dec 2026	2027	2028	2029
Admin/Management	1.0	1.11	1.00	1.00	1.00	1.00	1.00	1.00
Outpatient RN	7.3	6.60	6.00	6.00	6.00	6.00	6.00	6.00
Patient Care Technician	17.8	15.60	15.00	15.00	15.00	15.00	15.00	15.00
Equipment Technician	1.0	1.00	1.08	1.08	1.20	1.20	1.20	1.20
Social Worker	1.2	1.14	0.84	0.84	1.20	1.20	1.20	1.20
Dietitian	1.5	1.38	1.06	1.06	1.20	1.20	1.20	1.20
Secretary	1.9	2.00	1.04	1.04	1.20	1.20	1.20	1.20
Home Manager	0.38	0.30	0.16	0.16	0.16	0.16	0.16	0.16
Home RN	3.57	3.17	2.44	2.44	2.44	2.44	2.44	2.44
<b>Total</b>	<b>35.55</b>	<b>32.30</b>	<b>28.62</b>	<b>28.62</b>	<b>29.40</b>	<b>29.40</b>	<b>29.40</b>	<b>29.40</b>

- 2. Provide the assumptions used to project the number and types of FTEs identified for this project.**

The staffing forecast has been modeled to be consistent with the projections reviewed and approved by the Department in June 2024 for FKC Cowlitz planned relocation (CN App #23-02A2, CN2007). These assumptions include:

- The wage and salary figures are based on FKC Cowlitz 2022 actuals. They are held constant over the forecast period.
- It is assumed a FTE (“full time equivalent”) employee works 2,080 hours per year.
- Non-productive hours are estimated at 10% of productive hours, based on FMCNA experience.
- Benefits are calculated at 34.9% of wages based on FKC Cowlitz’s 2022 rates, and salaries are based on FKC Cowlitz’s 2022 rates.
- FTEs for the intervening periods between historical actuals and project completion projections are based on 2022 actuals.
- The staff to patient ratio matrix below was used to construct minimum FTE counts for the projection years based on future patient counts presented in Table 4 and reproduced below.

	Staff to Patient Ratios (FTE Staff)
PCT (1)	1:8
RN (2)	1:20
Equipment Technician (3)	1:125
Social Worker (3)	1:125
Dietician (3)	1:125
Secretary (3)	1:125
Nurse Manager (4)	1

- (1) A PCT works two shifts of patients each day, with 4 patients per shift.
- (2) A RN works two shifts of patients per day, with 10 patients per shift.
- (3) These FTEs are staffed based on staff-to-patient ratios identified in the table.
- (4) The Center for Medicare and Medicaid (“CMS”) requires that a dialysis facility be staffed with one FTE manager, irrespective of size of the facility or number of patients.

**3. Identify the salaries, wages, and employee benefits for each FTE category.**

Salary and benefit information by FTE category and clinical setting is contained in the pro forma financials (Exhibit 5B).

**4. Provide the name and professional license number of the current or proposed medical director. If not already disclosed under 210(1) identify if the medical director is an employee or under contract.**

This question is not applicable to the requested cost amendment.

**5. Identify key staff, if known. (nurse manager, clinical director, etc.)**

This question is not applicable to the requested cost amendment.

**6. For existing facilities, provide names and professional license numbers for current credentialed staff.**

This question is not applicable to the requested cost amendment.

**7. Describe your methods for staff recruitment and retention. If any barriers to staff recruitment exist in the planning area, provide a detailed description of your plan to staff this project.**

This question is not applicable to the requested cost amendment.

**8. Provide a listing of proposed ancillary and support agreements for the facility. For existing facilities, provide a listing of the vendors.**

This question is not applicable to the requested cost amendment.

**9. For existing facilities, provide a listing of ancillary and support service vendors already in place.**

This question is not applicable to the requested cost amendment.

**10. For new facilities, provide a listing of ancillary and support services that will be established.**

FKC Cowlitz is an existing facility. Therefore, this question is not applicable.

**11. Provide a listing of ancillary and support services that would be provided on site and those provided through a parent corporation off site.**

This question is not applicable to the requested cost amendment.

**12. Identify whether any of the existing ancillary or support agreements are expected to change as a result of this project.**

This question is not applicable to the requested cost amendment.

**13. If the dialysis center is currently operating, provide a listing of healthcare facilities with which the dialysis center has working relationships.**

This question is not applicable to the requested cost amendment.

**14. For new a new facility, provide a listing of healthcare facilities that the dialysis center would establish working relationships.**

FKC Cowlitz is an existing facility. Therefore, this question is not applicable.

**15. Provide a copy of the existing or proposed transfer agreement with a local hospital.**

This question is not applicable to the requested cost amendment.

**16. Clarify whether any of the existing working relationships would change as a result of this project.**

This question is not applicable to the requested cost amendment.

**17. Fully describe any history in the last three calendar years of the applicant concerning the actions noted in Certificate of Need rules and regulations [WAC246-310-230\(5\)\(a\)](#). If there is such history, provide documentation 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. This could include a corporate integrity agreement or plan of correction.**

The applicant (Fresenius Kidney Care Longview, LLC) has no history with respect to the actions noted in WAC 246-310-230(5)(a).<sup>7</sup>

**18. Identify whether any facility or practitioner associated with this application has a history of the actions listed below. If so, provide evidence that the proposed or existing facility can and will be operated in a manner that ensures safe and adequate care to the public and conforms to applicable federal and state requirements. WAC 246-310-230(3) and (5).**

- **A criminal conviction which is reasonably related to the applicant's competency to exercise responsibility for the ownership or operation of a healthcare facility; or**
- **A revocation of a license to operate a healthcare facility; or**
- **A revocation of a license to practice as a health professional; or**
- **Decertification as a provider of services in the Medicare or Medicaid program because of a failure to comply with applicable federal conditions of participation.**

This question is not applicable to Fresenius Kidney Care Longview, LLC.<sup>8</sup>

**19. Provide documentation that the proposed project will promote continuity in the provision of health care services in the planning area, and not result in an unwarranted fragmentation of services. [WAC 246-310-230](#)**

The two-station expansion approved under CN1909 promotes continuity of care as it expands FKC Cowlitz's existing in-center dialysis capacity. FKC Cowlitz also has working relationships with Good Samaritan, Kaiser Permanente (includes Sunnyside), Legacy Salmon Creek Americana Health, Canterbury Inn/Gardens, Frontier Extended, Monticello Park, PeaceHealth: St. John's Medical Center and Southwest (Vancouver), OHSU, and the Portland VA.

**20. Provide documentation that the proposed project will have an appropriate relationship to the service area's existing health care system as required in [WAC 246-310-230](#).**

This question is not applicable to the requested cost amendment.

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<sup>7</sup> Additional information regarding the parent companies (FMCNA and PeaceHealth) can be provided in screening upon request.

<sup>8</sup> Ibid.

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

**1. Identify all alternatives considered prior to submitting this project.**

This question is not applicable to the requested cost amendment, as the project has already been completed.

**2. Provide a comparison of the project with alternatives rejected by the applicant. Include the rationale for considering this project to be superior to the rejected alternatives. Factors to consider can include, but are not limited to: patient access to healthcare services, capital cost, legal restrictions, staffing impacts, quality of care, and cost or operation efficiency.**

This question is not applicable to the requested cost amendment, as the project has already been completed.

**3. For existing facilities, identify your closest two facilities as required in [WAC 246-310-827\(3\)\(a\)](#).**

This question is not applicable to the requested cost amendment.

**4. For new facilities, identify your closest three facilities as required in [WAC 246-310-827\(3\)\(b\)](#).**

This question is not applicable as FKC Cowlitz is an existing facility.

**5. Do any other applications you submitted under this concurrent review cycle rely on the same facilities listed in response to questions 3 or 4? If yes, identify the applications. [WAC 246-310-827\(3\)\(c\)](#). (Note: A maximum of two applications can rely on the same three facilities.)**

This question is not applicable to the requested cost amendment.

**6. Identify whether any aspects of the facility's design could lead to operational efficiency. This could include but is not limited to: LEED building, water filtration, or the methods for construction, etc. [WAC 246-310-240\(2\) and \(3\)](#).**

The activities performed under CN1909 were conducted to meet Fresenius Kidney Care Longview, LLC and FMCNA internal standards, which have been engineered and tested to ensure that they support our high quality, efficient and patient-focused standards. Our standards also meet and or exceed all applicable state and local codes, including compliance with the latest edition of the State Energy Code.

**Exhibit 1.**  
**Letter of Intent**

July 17, 2024

Ross Valore, Executive Director  
Certificate of Need Program  
Washington State Department of Health  
111 Israel Road SE  
Tumwater, WA 98501

**Re: Letter of Intent: Amendment to CN1909E in the Cowlitz ESRD Planning Area**

Dear Mr. Valore:

Fresenius Kidney Care Longview, LLC intends to file a certificate of need amendment proposing to amend Certificate of Need #CN1909E to increase the approved capital expenditure amount for its two (2) in-center expansion of FKC Cowlitz. In accordance with WAC 246-310-080, the following information is provided:

1. Description of the services proposed:

Amend CN1909E to increase the approved capital expenditure amount for its two (2) in-center expansion of FKC Cowlitz.

2. Estimated Cost of the Proposed Project:

The estimated capital expenditures are \$226,006.

3. Description of the Service Area:

The service area is the Cowlitz ESRD Dialysis Planning Area.

Please feel free to contact me if there are any questions on this letter of intent. I can be reached at [John.Rodriguez2@freseniusmedicalcare.com](mailto:John.Rodriguez2@freseniusmedicalcare.com).

Sincerely,



John Rodriguez, BSN, RN  
Regional Vice President – Pacific Northwest  
Fresenius Medical Care  
20900 SW 115th Ave, Suite 190  
Tualatin, OR 97062

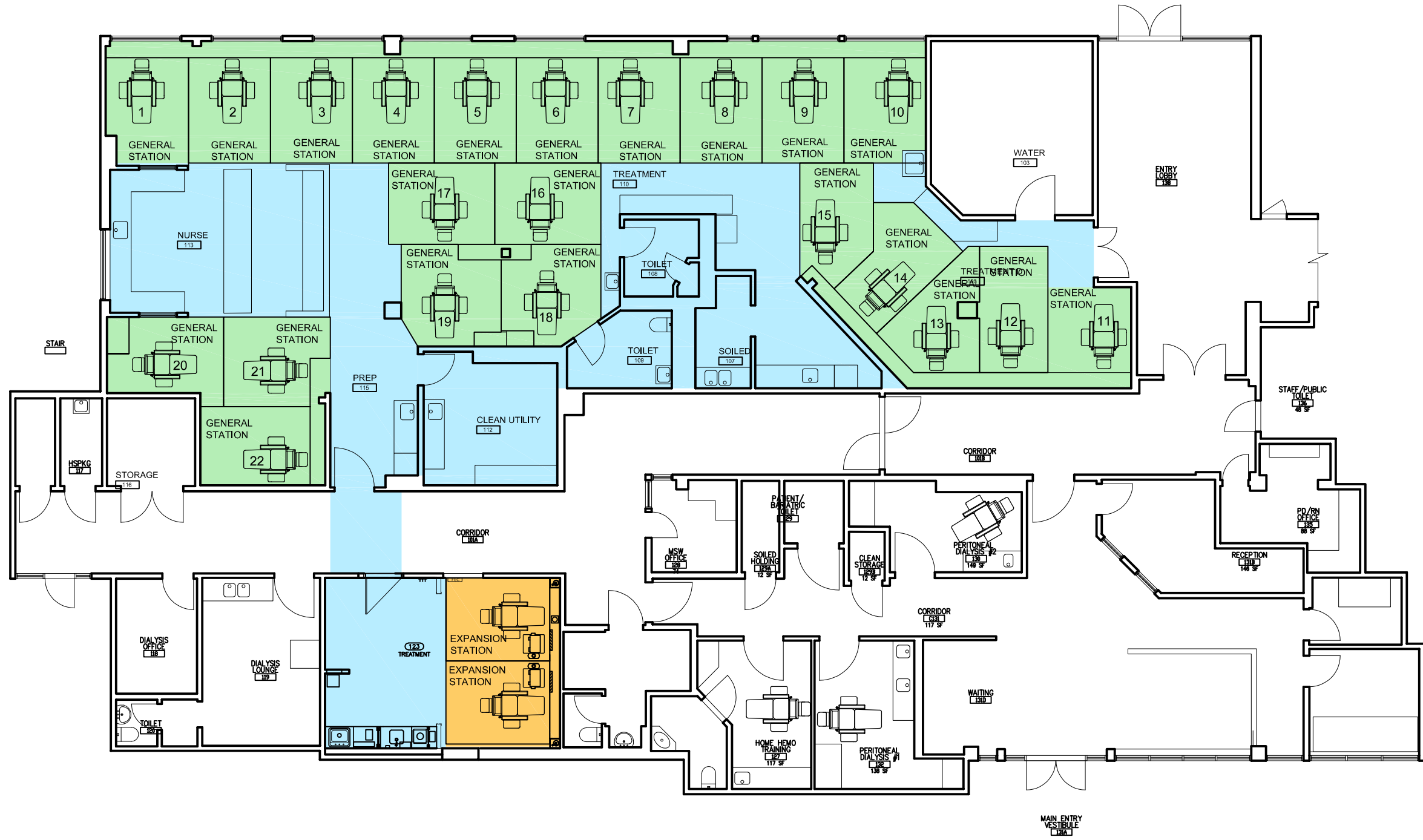


**Exhibit 2A.**  
**Single Line Drawing – Before Project Completion**



**Exhibit 2B.**

**Single Line Drawing – After Project Completion and Square  
Footage Tables**



<span style="color: lightblue;">■</span>	TREATMENT FLOOR
<span style="color: lightgreen;">■</span>	EXISTING STATIONS
<span style="color: orange;">■</span>	EXPANSION STATIONS



SSM	8,548 SF
GROSS SQUARE FOOTAGE:	8,244 SF
NET SQUARE FOOTAGE:	3,684 SF
TREATMENT SQUARE FOOTAGE:	NOT TO SCALE

CON FLOOR PLAN FOR:  
**COWLITZ, WA**  
 PROJECT # 100915-1-EX-W-BO-2021  
 ADDRESS: 600 Broadway Street  
 Longview, WA 98632

# FKC Cowlitz

CN1909

## Maximum Allowable Treatment Area Table

[WAC 246-310-800 \(11\)](#)

AREA	ALLOWABLE SF	Units	# STATIONS	CALCULATED SF
General use/non-isolation	150	sf/station	24	3,600
Bed station / non-isolation	200	sf/station	0	0
Isolation station	200	sf/station	1	200
Future expansion stations	150	sf/station	2	300
Subtotal				4,100
Other treatment	75%	% of Subtotal		3,075
<b>Maximum Treatment S.F. Area</b>				<b>7,175</b>

## Actual Square Footage Table

AREA	ACTUAL UNIT SF	Units	# STATIONS	ACTUAL SF
General use/non-isolation	80	sf/station	24	1,920
Bed station / non-isolation	100	sf/station	0	0
Isolation station <sup>1</sup>	144	sf/station	0	0
Future expansion stations <sup>2</sup>	80	sf/station	0	0
Subtotal				1,920
Other treatment				1,764
<b>Actual Treatment S.F. Area</b>				<b>3,684</b>
Non-Treatment Floor Space				4,864
<b>Actual Total Clinic S.F. Area</b>				<b>8,548</b>

<sup>1</sup>FKC Cowlitz has not yet operationalized/certified the one (1) exempt isolation station it is CN-approved for under the one-time isolation adjustment.

<sup>2</sup>No space available for two additional stations at existing site.

<b>Total Maximum Treatment SF</b>	7,175	>	<b>ACTUAL Treatment SF</b>	3,684
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**Exhibit 3A.**  
**Financial Statement—Historical**

**Fresenius Kidney Care - Cowlitz Dialysis Center  
Historical Statement of Revenues and Expenses, 2020 - 2023**

	Full Year 2020	Full Year 2021	Full Year 2022	Full Year 2023
<b>Revenues</b>				
Net Revenue Before Bad Debt	\$ 10,208,404	\$ 8,566,323	\$ 8,217,077	\$ 8,362,351
Charity Care	\$ (89,834)	\$ (75,384)	\$ (72,310)	\$ (73,589)
Bad Debt	\$ (409,678)	\$ (272,451)	\$ (329,636)	\$ (487,602)
<b>Total Net Revenue</b>	<b>\$ 9,708,892</b>	<b>\$ 8,218,488</b>	<b>\$ 7,815,130</b>	<b>\$ 7,801,161</b>
<b>Expenses</b>				
Total Personnel	\$ (3,414,058)	\$ (3,243,494)	\$ (2,886,506)	\$ (2,942,994)
Total Med Supplies	\$ (748,224)	\$ (923,775)	\$ (773,316)	\$ (750,466)
Total Ancillary	\$ (746,682)	\$ (748,901)	\$ (806,793)	\$ (878,573)
Other Med	\$ (170,727)	\$ (215,812)	\$ (227,501)	\$ (281,955)
House Keeping & Utilities	\$ (122,794)	\$ (119,137)	\$ (113,706)	\$ (119,669)
Total Admin*	\$ (1,044,596)	\$ (972,247)	\$ (1,139,410)	\$ (1,059,415)
Rent Expense**	\$ (275,116)	\$ (281,493)	\$ (290,333)	\$ (148,540)
Depr/Amort + Interest Expense	\$ (282,191)	\$ (248,759)	\$ (127,092)	\$ (39,503)
<b>Total Expenses w/o Physician compensation</b>	<b>\$ (6,804,388)</b>	<b>\$ (6,753,618)</b>	<b>\$ (6,364,658)</b>	<b>\$ (6,221,115)</b>
<b>Profit From Operations (Excludes Physician compensation)</b>	<b>\$ 2,904,504</b>	<b>\$ 1,464,869</b>	<b>\$ 1,450,472</b>	<b>\$ 1,580,046</b>
Physician Compensation (Medical Director's Fee)	\$ (63,024)	\$ (109,515)	\$ (201,000)	\$ (204,015)
<b>Net Income Before Taxes (includes Allocations)</b>	<b>\$ 2,841,480</b>	<b>\$ 1,355,355</b>	<b>\$ 1,249,472</b>	<b>\$ 1,376,031</b>

\*Total Admin includes administrative expenses and management service fees

\*\*Note: the rent payment is full service gross, so separate property operating expenses/taxes is not applicable.

**Fresenius Kidney Care - Cowlitz Dialysis Center  
Historical Balance Sheet, 2020 - 2023**

	Actual			
	2020	2021	2022	2023
<b>ASSETS</b>				
Cash and Equivalents	\$ 6,600,071	\$ 8,774,030	\$ 5,782,895	\$ 6,101,832
Accounts Receivable	\$ 1,357,202	\$ 1,608,956	\$ 1,421,467	\$ 1,323,446
Other Current Assets	\$ 263,768	\$ 179,343	\$ 218,075	\$ 229,162
Current Assets	\$ 8,221,042	\$ 10,562,329	\$ 7,422,436	\$ 7,654,441
Property, Plant, & Equip	\$ 865,614	\$ 886,674	\$ 960,952	\$ 1,140,607
Accumulated Depreciation & Amortization	\$ (202,977)	\$ (358,643)	\$ (481,359)	\$ (561,567)
Net PP&E	\$ 662,637	\$ 528,031	\$ 479,593	\$ 579,040
Other + Intangible Assets	\$ 13,764,143	\$ 13,974,406	\$ 13,608,887	\$ 13,530,404
<b>Total Assets</b>	<b>\$ 22,647,822</b>	<b>\$ 25,064,765</b>	<b>\$ 21,510,917</b>	<b>\$ 21,763,884</b>
<b>LIABILITIES AND OWNER EQUITY</b>				
Accounts Payable	\$ 963,303	\$ 1,228,306	\$ 1,075,591	\$ 1,198,241
Other Current Liabilities	\$ 629,732	\$ 1,291,476	\$ 652,038	\$ 424,964
Subtotal, Current Liabilities	\$ 1,593,035	\$ 2,519,782	\$ 1,727,629	\$ 1,623,205
Long Term Liabilities	\$ 277,965	\$ 412,807	\$ 151,639	\$ -
Total Liabilities	\$ 1,871,000	\$ 2,932,589	\$ 1,879,268	\$ 1,623,205
Contributed Capital	\$ 18,145,910	\$ 18,145,910	\$ 18,145,910	\$ 18,145,910
Equity Distribution + Retained Earnings	\$ 2,630,912	\$ 3,986,266	\$ 1,485,739	\$ 1,994,769
Subtotal, Owner Equity	\$ 20,776,822	\$ 22,132,176	\$ 19,631,649	\$ 20,140,679
<b>Total Liabilities and Owner Equity</b>	<b>\$ 22,647,822</b>	<b>\$ 25,064,765</b>	<b>\$ 21,510,917</b>	<b>\$ 21,763,884</b>



**Exhibit 3B.**  
**Financial Statement—Forecasts**

**Fresenius Kidney Care - Cowlitz Dialysis Center**  
**Statement of Revenues and Expenses**

	<u>May 2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
<b>Months of Operation</b>	8	12	12	12
<b>Patients and Treatments</b>				
I/C PAT	116	116	116	116
<u>Total Home PAT</u>	34	34	34	34
<b>Total PAT</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>
I/C TMT	10,994	16,491	16,491	16,491
<u>Total Home TMT</u>	3,454	5,181	5,181	5,181
<b>Total TMT</b>	<b>14,448</b>	<b>21,672</b>	<b>21,672</b>	<b>21,672</b>
<b>Revenue</b>				
In-Center Revenue	4,168,445	6,252,668	6,252,668	6,252,668
Home Revenue	1,309,606	1,964,409	1,964,409	1,964,409
Bad Debt	(219,757)	(329,636)	(329,636)	(329,636)
Charity Care	(48,207)	(72,310)	(72,310)	(72,310)
<b>Total Net Revenue</b>	<b>5,210,087</b>	<b>7,815,130</b>	<b>7,815,130</b>	<b>7,815,130</b>
<b>Expenses</b>				
<b>Total Personnel</b>	<b>1,973,032</b>	<b>2,959,548</b>	<b>2,959,548</b>	<b>2,959,548</b>
I/C Med Supplies	392,296	588,444	588,444	588,444
Home Med Supplies	123,248	184,872	184,872	184,872
<b>Total Med Supplies</b>	<b>515,544</b>	<b>773,316</b>	<b>773,316</b>	<b>773,316</b>
Ancillary	537,862	806,793	806,793	806,793
Other Med	151,667	227,501	227,501	227,501
House Keeping & Utilities	75,804	113,706	113,706	113,706
Admin expenses (Excluding Management Service Fees)	410,480	615,720	615,720	615,720
Management Service Fee	385,371	592,508	607,320	622,503
Rent Expense	60,480	90,720	92,081	93,462
Other Property	9,072	13,608	13,812	14,019
Depr/Amort (Existing) + Interest	50,837	63,546	50,837	38,128
Depr/Amort (Post-CN1909 Completion Relocation PP&E)	295,421	443,132	443,132	443,132
Depr/Amort (CN1909 PP&E)	8,711	13,067	13,067	13,067
<b>Total Other Expense</b>	<b>1,985,706</b>	<b>2,980,301</b>	<b>2,983,969</b>	<b>2,988,032</b>
<b>Total Expenses w/o Physician Compensation</b>	<b>4,474,282</b>	<b>6,713,165</b>	<b>6,716,834</b>	<b>6,720,896</b>
<b>Profit From Operations (Excludes Physician Comp)</b>	<b>735,805</b>	<b>1,101,965</b>	<b>1,098,297</b>	<b>1,094,234</b>
Physician Compensation	142,577	216,534	219,782	223,079
<b>Net Income</b>				
<b>Net Income Before Taxes (includes Allocations)</b>	<b>593,228</b>	<b>885,431</b>	<b>878,514</b>	<b>871,156</b>

**FKC Cowlitz**  
*Pro Forma Assumptions*

The pro forma for this cost amendment has been modeled to be consistent with the projections reviewed and approved by the Department in June 2024 for FKC Cowlitz planned relocation (CN App #23-02A2, CN2007) except for the one key revision of updating the CN1909 related capital costs and associated depreciation expenses from the original \$97,305 approved amount to the \$196,006 final project cost presented in this cost amendment.

**Patient Volumes**

Utilization projections, including the assumptions used to derive the forecasts, are presented in the application and screening responses.

It is assumed the number of treatments per patient is 142.2/year for in-center and 152.4/year for home based on annualized full year 2022 actuals ("2022 actuals", "actuals").

**Revenues**

In-center revenues are based on FKC Cowlitz 2022 actuals, given it is an existing facility. Payer mix statistics have also been obtained from FKC Cowlitz actuals. Revenues are calculated by payer and treatment. Bad debt and charity care are subtracted from revenues to yield net revenue figures.

**Charity Care**

Calculated at 0.88% of revenue based on the experience of Fresenius' facilities in Washington State.

**Bad Debt**

Calculated on a per treatment basis from FKC Cowlitz actuals.

**Expenses**

Unless otherwise noted, expenses have been calculated on a per treatment basis from FKC Cowlitz actuals.

Personnel expenses are based on identified patient to staff ratios and incorporates a 10% non-productive factor. Wage figures have been compiled from current rates as of screening at the FKC Cowlitz facility.

Management Services Fees: management service fees have been carved out from other admin expenses. Pursuant to Section 3.1 of the Administrative Services Agreement, management monthly service fees are calculated at \$23.00 per dialysis treatment and escalated 2.5% every year beginning on January 1, 2021.

Rent Expense is based on Lease Section 3.1. Rent commencement assumed to begin January 2025.

Other Property is set to 15% of base rent based on general experience of Fresenius' facilities in Washington State. The new lease agreement does not identify a specific dollar estimate for these expenses. Further, FKC Cowlitz's existing lease is full service gross; therefore, it does not have a historical 'Other Property as % of Base Rent' estimate available.

Existing depreciation/amortization and interest expense are based on 2022 Cowlitz actuals, including accounting adjustments applicable under International Financial Reporting Standards (IFRS). It is assumed that approximately 10% of the 2022 depreciation/amortization and interest ( $\$127,092 * 10\% = \$12,709$ ) will decrease per year over the forecast as many of the existing assets will be past their useful life. Please see below for discussion of project-related depreciation.

Post-CN1909 Relocation-related Depreciation is straight-line; assumes 15 year useful-life on \$5,174,199 in construction and A&E fees and 10 year useful-life on \$981,851 in equipment.

CN1909-related Depreciation is straight-line; assumes 15 year useful-life on \$196,006 in construction and A&E fees.

Physician Compensation: see MDA Sections 3.01.1 and 3.01.2.

**Fresenius Kidney Care - Cowlitz Dialysis Center  
(Relocation Post-CN1909 Completion)**

<b>Productive FTEs, by Type</b>	<b>May 2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Admin/Management	1.00	1.00	1.00	1.00
Outpatient RN	6.00	6.00	6.00	6.00
Patient Care Technician	15.00	15.00	15.00	15.00
Equipment Technician	1.20	1.20	1.20	1.20
Social Worker	1.20	1.20	1.20	1.20
Dietitian	1.20	1.20	1.20	1.20
Secretary	1.20	1.20	1.20	1.20
Home Manager	0.16	0.16	0.16	0.16
Home RN	2.44	2.44	2.44	2.44
<b>Total</b>	<b>29.40</b>	<b>29.40</b>	<b>29.40</b>	<b>29.40</b>

<b>Productive + Non-Productive FTEs, by Type</b>	<b>May 2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Admin/Management	1.10	1.10	1.10	1.10
Outpatient RN	6.60	6.60	6.60	6.60
Patient Care Technician	16.50	16.50	16.50	16.50
Equipment Technician	1.32	1.32	1.32	1.32
Social Worker	1.32	1.32	1.32	1.32
Dietitian	1.32	1.32	1.32	1.32
Secretary	1.32	1.32	1.32	1.32
Home Manager	0.18	0.18	0.18	0.18
Home RN	2.68	2.68	2.68	2.68
<b>Total</b>	<b>32.34</b>	<b>32.34</b>	<b>32.34</b>	<b>32.34</b>

*Non-Productive = 10% of Productive time.*

<b>FKC Cowlitz</b>				
<b>Total Wages and Salaries</b>	<b>May 2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Admin/Management	\$ 71,971	\$ 107,957	\$ 107,957	\$ 107,957
Outpatient RN	\$ 434,079	\$ 651,119	\$ 651,119	\$ 651,119
Patient Care Technician	\$ 532,189	\$ 798,283	\$ 798,283	\$ 798,283
Equipment Technician	\$ 53,137	\$ 79,705	\$ 79,705	\$ 79,705
Social Worker	\$ 53,722	\$ 80,583	\$ 80,583	\$ 80,583
Dietitian	\$ 69,866	\$ 104,800	\$ 104,800	\$ 104,800
Secretary	\$ 39,646	\$ 59,470	\$ 59,470	\$ 59,470
Home Manager	\$ 12,769	\$ 19,153	\$ 19,153	\$ 19,153
Home RN	\$ 194,725	\$ 292,088	\$ 292,088	\$ 292,088
<b>Total, All FTEs</b>	<b>\$ 1,462,105</b>	<b>\$ 2,193,158</b>	<b>\$ 2,193,158</b>	<b>\$ 2,193,158</b>

**Fresenius Kidney Care - Cowlitz Dialysis Center**  
**(Relocation Post-CN1909 Completion)**

<b>FKC Cowlitz</b>				
<b>Total Benefits</b>	<b>May 2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Admin/Management	\$ 25,150	\$ 37,725	\$ 37,725	\$ 37,725
Outpatient RN	\$ 151,687	\$ 227,531	\$ 227,531	\$ 227,531
Patient Care Technician	\$ 185,971	\$ 278,957	\$ 278,957	\$ 278,957
Equipment Technician	\$ 18,568	\$ 27,853	\$ 27,853	\$ 27,853
Social Worker	\$ 18,773	\$ 28,160	\$ 28,160	\$ 28,160
Dietitian	\$ 24,415	\$ 36,622	\$ 36,622	\$ 36,622
Secretary	\$ 13,854	\$ 20,781	\$ 20,781	\$ 20,781
Home Manager	\$ 4,462	\$ 6,693	\$ 6,693	\$ 6,693
Home RN	\$ 68,046	\$ 102,069	\$ 102,069	\$ 102,069
<b>Total, All FTEs</b>	<b>\$ 510,927</b>	<b>\$ 766,390</b>	<b>\$ 766,390</b>	<b>\$ 766,390</b>

<b>FKC Cowlitz</b>				
<b>Total Wages, Salaries Benefits</b>	<b>May 2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Admin/Management	\$ 97,121	\$ 145,682	\$ 145,682	\$ 145,682
Outpatient RN	\$ 585,767	\$ 878,650	\$ 878,650	\$ 878,650
Patient Care Technician	\$ 718,160	\$ 1,077,240	\$ 1,077,240	\$ 1,077,240
Equipment Technician	\$ 71,705	\$ 107,557	\$ 107,557	\$ 107,557
Social Worker	\$ 72,495	\$ 108,743	\$ 108,743	\$ 108,743
Dietitian	\$ 94,281	\$ 141,421	\$ 141,421	\$ 141,421
Secretary	\$ 53,501	\$ 80,251	\$ 80,251	\$ 80,251
Home Manager	\$ 17,231	\$ 25,846	\$ 25,846	\$ 25,846
Home RN	\$ 262,771	\$ 394,157	\$ 394,157	\$ 394,157
<b>Total, All FTEs</b>	<b>\$ 1,973,032</b>	<b>\$ 2,959,548</b>	<b>\$ 2,959,548</b>	<b>\$ 2,959,548</b>

**Exhibit 3C.**  
**Financial Statement—Combined**

**Fresenius Kidney Care - Cowlitz Dialysis Center**  
**Statement of Revenues and Expenses**  
**COMBINED (Relocation Post-CN1909 Completion)**

	2020	2021	2022	2023	2024	2025	Jan - Apr 2026	May 2026	Full Year 2026	2027	2028	2029
<b>Revenues</b>												
Net Revenue Before Bad Debt and Charity Care	\$ 10,208,404	\$ 8,566,323	\$ 8,217,077	\$ 8,362,351	\$ 8,217,077	\$ 8,217,077	\$ 2,787,450	\$ 5,478,051	\$ 8,265,502	\$ 8,217,077	\$ 8,217,077	\$ 8,217,077
Charity Care	\$ (89,834)	\$ (75,384)	\$ (72,310)	\$ (73,589)	\$ (72,310)	\$ (72,310)	\$ (24,530)	\$ (48,207)	\$ (72,736)	\$ (72,310)	\$ (72,310)	\$ (72,310)
Bad Debt	\$ (409,678)	\$ (272,451)	\$ (329,636)	\$ (487,602)	\$ (329,636)	\$ (329,636)	\$ (162,534)	\$ (219,757)	\$ (382,291)	\$ (329,636)	\$ (329,636)	\$ (329,636)
<b>Total Net Revenue</b>	<b>\$ 9,708,892</b>	<b>\$ 8,218,488</b>	<b>\$ 7,815,130</b>	<b>\$ 7,801,161</b>	<b>\$ 7,815,130</b>	<b>\$ 7,815,130</b>	<b>\$ 2,600,387</b>	<b>\$ 5,210,087</b>	<b>\$ 7,810,474</b>	<b>\$ 7,815,130</b>	<b>\$ 7,815,130</b>	<b>\$ 7,815,130</b>
<b>Expenses</b>												
Total Personnel	\$ (3,414,058)	\$ (3,243,494)	\$ (2,886,506)	\$ (2,942,994)	\$ (2,886,506)	\$ (2,886,506)	\$ (980,998)	\$ (1,973,032)	\$ (2,954,030)	\$ (2,959,548)	\$ (2,959,548)	\$ (2,959,548)
Total Med Supplies	\$ (748,224)	\$ (923,775)	\$ (773,316)	\$ (750,466)	\$ (773,316)	\$ (773,316)	\$ (250,155)	\$ (515,544)	\$ (765,700)	\$ (773,316)	\$ (773,316)	\$ (773,316)
Ancillary	\$ (746,682)	\$ (748,901)	\$ (806,793)	\$ (878,573)	\$ (806,793)	\$ (806,793)	\$ (292,858)	\$ (537,862)	\$ (830,720)	\$ (806,793)	\$ (806,793)	\$ (806,793)
Other Med	\$ (170,727)	\$ (215,812)	\$ (227,501)	\$ (281,955)	\$ (227,501)	\$ (227,501)	\$ (93,985)	\$ (151,667)	\$ (245,652)	\$ (227,501)	\$ (227,501)	\$ (227,501)
House Keeping & Utilities	\$ (122,794)	\$ (119,137)	\$ (113,706)	\$ (119,669)	\$ (113,706)	\$ (113,706)	\$ (39,890)	\$ (75,804)	\$ (115,694)	\$ (113,706)	\$ (113,706)	\$ (113,706)
Total Admin Expenses	\$ (1,044,596)	\$ (972,247)	\$ (1,139,410)	\$ (1,059,415)	\$ (1,139,410)	\$ (1,139,410)	\$ (353,138)	\$ (795,851)	\$ (1,148,989)	\$ (1,208,227)	\$ (1,223,040)	\$ (1,238,223)
Rent Expense + Other Property Expense	\$ (275,116)	\$ (281,493)	\$ (290,333)	\$ (148,540)	\$ (290,333)	\$ (290,333)	\$ (49,513)	\$ (69,552)	\$ (119,065)	\$ (104,328)	\$ (105,893)	\$ (107,481)
Preoperational Interim Rent Expense + Base Rent Expense + Other Property Expense at New Site					\$ (12,500)	\$ (104,328)	\$ (34,776)		\$ (34,776)			
Depr/Amort + Interest Expense	\$ (282,191)	\$ (248,759)	\$ (127,092)	\$ (39,503)	\$ (39,503)	\$ (39,503)	\$ (13,168)	\$ (50,837)	\$ (64,004)	\$ (63,546)	\$ (50,837)	\$ (38,128)
Depr/Amort (Post-CN1909 Completion Relocation PP&E)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (295,421)	\$ (295,421)	\$ (443,132)	\$ (443,132)	\$ (443,132)
Depr/Amort (CN1909 PP&E)				\$ (7,078)	\$ (7,078)	\$ (13,067)	\$ (4,356)	\$ (8,711)	\$ (13,067)	\$ (13,067)	\$ (13,067)	\$ (13,067)
<b>Total Expenses w/o Physician compensation</b>	<b>\$ (6,804,388)</b>	<b>\$ (6,753,618)</b>	<b>\$ (6,364,658)</b>	<b>\$ (6,221,115)</b>	<b>\$ (6,296,647)</b>	<b>\$ (6,394,464)</b>	<b>\$ (2,112,837)</b>	<b>\$ (4,474,282)</b>	<b>\$ (6,587,119)</b>	<b>\$ (6,713,165)</b>	<b>\$ (6,716,834)</b>	<b>\$ (6,720,896)</b>
<b>Profit From Operations (Excludes Physician compensation)</b>	<b>\$ 2,904,504</b>	<b>\$ 1,464,869</b>	<b>\$ 1,450,472</b>	<b>\$ 1,580,046</b>	<b>\$ 1,518,483</b>	<b>\$ 1,420,666</b>	<b>\$ 487,550</b>	<b>\$ 735,805</b>	<b>\$ 1,223,355</b>	<b>\$ 1,101,965</b>	<b>\$ 1,098,297</b>	<b>\$ 1,094,234</b>
Physician Compensation (Medical Director's Fee)	\$ (63,024)	\$ (109,515)	\$ (201,000)	\$ (204,015)	\$ (201,000)	\$ (201,000)	\$ (68,005)	\$ (142,577)	\$ (210,582)	\$ (216,534)	\$ (219,782)	\$ (223,079)
<b>Net Income Before Taxes (includes Allocations)</b>	<b>\$ 2,841,480</b>	<b>\$ 1,355,355</b>	<b>\$ 1,249,472</b>	<b>\$ 1,376,031</b>	<b>\$ 1,317,483</b>	<b>\$ 1,219,666</b>	<b>\$ 419,545</b>	<b>\$ 593,228</b>	<b>\$ 1,012,773</b>	<b>\$ 885,431</b>	<b>\$ 878,514</b>	<b>\$ 871,156</b>

\*Total Admin includes administrative expenses and management service fees

**Intervening Periods (2024, 2025, and Jan-Apr 2026)**

Held constant at full year 2022 actuals, adjusted by effective number of months.

Preoperational interim rent expense and base rent expense and other property expense at new site assumes a delivery date of Aug 2024 and commencement date of Jan 2025. Therefore, per Lease Section 3.1, there are five months of interim rent at \$2,500 per month between the delivery date and commencement date. Further, there is 16 months of base rent incurred in between Jan 2025 - Apr 2026 with other property expenses estimated at 15% of base rent. For example, calendar year 2025 represents twelve months at lease year 1 rates with an additional 15% for other property expenses.

Depr/Amort (CN1909 PP&E) is straight-line; assumes 15 year useful-life on \$196,006 in construction and A&E fees. Completion June 14, 2024. Therefore, annual depreciation of \$7,078 (\$1,089 per month for 6.5 months).

**Fresenius Kidney Care - Cowlitz Dialysis Center**  
**Cash Flow Statement**

	Intervening		Forecast			
			Year 0	Year 1	Year 2	Year 3
	2024	2025	2026	2027	2028	2029
Months	12	12	12	12	12	12
<b>OPERATING ACTIVITIES</b>						
Net income	\$ 1,317,483	\$ 1,219,666	\$ 1,012,773	\$ 885,431	\$ 878,514	\$ 871,156
Depreciation	\$ 46,581	\$ 52,570	\$ 372,493	\$ 519,745	\$ 507,035	\$ 494,326
Accounts Receivable <sup>1</sup>	\$ (1,325,816)	\$ (1,325,816)	\$ (1,325,026)	\$ (1,325,816)	\$ (1,325,816)	\$ (1,325,816)
A/R From Prior Year	\$ 1,323,446	\$ 1,325,816	\$ 1,325,816	\$ 1,325,026	\$ 1,325,816	\$ 1,325,816
Accounts Payable <sup>1</sup>	\$ 1,210,520	\$ 1,227,752	\$ 1,205,668	\$ 1,202,806	\$ 1,206,489	\$ 1,210,254
A/P From Prior Year	\$ (1,198,241)	\$ (1,210,520)	\$ (1,227,752)	\$ (1,205,668)	\$ (1,202,806)	\$ (1,206,489)
<b>Cash Flow from Operating Activities</b>	<b>\$ 1,373,974</b>	<b>\$ 1,289,467</b>	<b>\$ 1,363,973</b>	<b>\$ 1,401,523</b>	<b>\$ 1,389,233</b>	<b>\$ 1,369,248</b>
<b>INVESTING ACTIVITIES</b>						
PP&E (Relocation Post CN1909) <sup>2</sup>		\$ (6,156,050)				
PP&E (CN1909) <sup>3</sup>	\$ (196,006)					
<b>Cash Flow from Investing Activities</b>	<b>\$ (196,006)</b>	<b>\$ (6,156,050)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FINANCING ACTIVITIES</b>						
Capital Contributed (Relocation)		\$ 6,156,050				
Capital Contributed (CN1909)	\$ 196,006					
<b>Cash Flow from Financing Activities</b>	<b>\$ 196,006</b>	<b>\$ 6,156,050</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Annual Increase (Decrease)</b>	<b>\$ 1,373,974</b>	<b>\$ 1,289,467</b>	<b>\$ 1,363,973</b>	<b>\$ 1,401,523</b>	<b>\$ 1,389,233</b>	<b>\$ 1,369,248</b>
<b>Beginning Balance</b>	<b>\$ 6,101,832</b>	<b>\$ 7,475,806</b>	<b>\$ 8,765,273</b>	<b>\$ 10,129,246</b>	<b>\$ 11,530,769</b>	<b>\$ 12,920,002</b>
<b>Ending Balance</b>	<b>\$ 7,475,806</b>	<b>\$ 8,765,273</b>	<b>\$ 10,129,246</b>	<b>\$ 11,530,769</b>	<b>\$ 12,920,002</b>	<b>\$ 14,289,250</b>

<sup>1</sup> Assumes 61.92 days on hand for net revenue and 68.49 days on hand for operating expenses

<sup>2</sup> For simplicity, all post-CN1909 relocation-related PP&E capital expenditures are placed in the intervening 2025 calendar year period.

<sup>3</sup> For simplicity, all CN1909 PP&E capital expenditures are placed in the intervening 2024 calendar year period.



**Fresenius Kidney Care - Cowlitz Dialysis Center**  
**Balance Sheet**

	Actual 2023	Intervening		-----Forecast-----			
		2024	2025	Year 0	Year 1	Year 2	Year 3
				2026	2027	2028	2029
<b>ASSETS</b>							
Cash and Equivalents	\$ 6,101,832	\$ 7,475,806	\$ 8,765,273	\$ 10,129,246	\$ 11,530,769	\$ 12,920,002	\$ 14,289,250
Accounts Receivable	\$ 1,323,446	\$ 1,325,816	\$ 1,325,816	\$ 1,325,026	\$ 1,325,816	\$ 1,325,816	\$ 1,325,816
Other Current Assets	\$ 229,162	\$ 229,162	\$ 229,162	\$ 229,162	\$ 229,162	\$ 229,162	\$ 229,162
Current Assets	\$ 7,654,441	\$ 9,030,784	\$ 10,320,252	\$ 11,683,434	\$ 13,085,748	\$ 14,474,980	\$ 15,844,228
Property, Plant, & Equip	\$ 1,140,607	\$ 1,336,613	\$ 7,492,663	\$ 7,492,663	\$ 7,492,663	\$ 7,492,663	\$ 7,492,663
Accumulated Depreciation & Amortization	\$ (561,567)	\$ (608,148)	\$ (660,718)	\$ (1,033,211)	\$ (1,552,955)	\$ (2,059,991)	\$ (2,554,317)
Net PP&E	\$ 579,040	\$ 728,465	\$ 6,831,945	\$ 6,459,452	\$ 5,939,707	\$ 5,432,672	\$ 4,938,346
Other + Intangible Assets	\$ 13,530,404	\$ 13,530,404	\$ 13,530,404	\$ 13,530,404	\$ 13,530,404	\$ 13,530,404	\$ 13,530,404
<b>Total Assets</b>	<b>\$ 21,763,884</b>	<b>\$ 23,289,653</b>	<b>\$ 30,682,600</b>	<b>\$ 31,673,290</b>	<b>\$ 32,555,859</b>	<b>\$ 33,438,056</b>	<b>\$ 34,312,977</b>
<b>LIABILITIES AND OWNER EQUITY</b>							
Accounts Payable	\$ 1,198,241	\$ 1,210,520	\$ 1,227,752	\$ 1,205,668	\$ 1,202,806	\$ 1,206,489	\$ 1,210,254
Other Current Liabilities	\$ 424,964	\$ 424,964	\$ 424,964	\$ 424,964	\$ 424,964	\$ 424,964	\$ 424,964
Subtotal, Current Liabilities	\$ 1,623,205	\$ 1,635,485	\$ 1,652,716	\$ 1,630,632	\$ 1,627,770	\$ 1,631,453	\$ 1,635,219
Long Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ 1,623,205	\$ 1,635,485	\$ 1,652,716	\$ 1,630,632	\$ 1,627,770	\$ 1,631,453	\$ 1,635,219
Contributed Capital	\$ 18,145,910	\$ 18,341,916	\$ 24,497,966	\$ 24,497,966	\$ 24,497,966	\$ 24,497,966	\$ 24,497,966
Equity Distribution + Retained Earnings	\$ 1,994,769	\$ 3,312,252	\$ 4,531,918	\$ 5,544,692	\$ 6,430,122	\$ 7,308,637	\$ 8,179,792
Subtotal, Owner Equity	\$ 20,140,679	\$ 21,654,168	\$ 29,029,884	\$ 30,042,658	\$ 30,928,089	\$ 31,806,603	\$ 32,677,759
<b>Total Liabilities and Owner Equity</b>	<b>\$ 21,763,884</b>	<b>\$ 23,289,653</b>	<b>\$ 30,682,600</b>	<b>\$ 31,673,290</b>	<b>\$ 32,555,859</b>	<b>\$ 33,438,056</b>	<b>\$ 34,312,977</b>

**Exhibit 4.**  
**Contractor Affidavit**

CONDITIONAL – FINAL - WAIVER AND RELEASE

Property Name: Cowlitz County #100915-1-EX-W-BO-2021  
Project Location: 600 BROADWAY ST , LONGVIEW, Washington 98632

Undersigned's Customer: FRESENIUS MEDICAL CARE N.A. and FRESENIUS KIDNEY CARE LONGVIEW, LLC

Invoice/Payment Application Number: 2-40368

Payment Amount: \$ 151462.33

Payment Period: 5/1/24

Amount of Disputed claims: \$ 0

Upon receipt by the undersigned of a check in the above referenced Payment Amount payable to the undersigned, and when the check has been properly endorsed and has been paid by the bank on which it is drawn, without any bankruptcy filing by Undersigned's Customer within ninety days thereafter, this document becomes effective to release and the undersigned shall be deemed to waive any notice of lien, any private bond right, and claim for payment and any rights under any similar ordinance, rule or statute related to payment rights that the undersigned has on the above described Property to the following extent.

This release covers the final payment to the undersigned for all work, materials, or equipment furnished by the undersigned to the Property or the Undersigned's Customer and does not cover payment for

Dated: 6-18-24 (Today's Date)

Western Construction Services, Inc.

By: LARLYN FITZPATRICK (Printed Name)

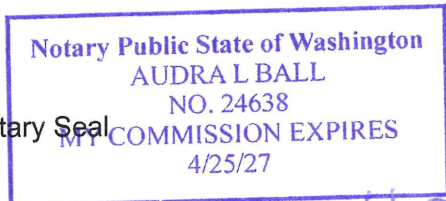
Larlyn Fitzpatrick, Controller (Signature)

Its: Controller (Title)

STATE OF: WA

COUNTY OF: Clark

The foregoing instrument was acknowledged before me this 18 day of June, 2024 by Larlyn Fitzpatrick, who has acknowledged before me that he/she executed the foregoing instrument for the uses and purposes therein set forth. He/she is personally known to me or has produced WDC as identification.



Notary Seal

My Commission Expires: 4-25-27

Audra L Ball

Notary Signature

Print Name: Audra L Ball

Notary Public, State of: WA



**Exhibit 5A.**

**Balance Sheet—Fresenius Kidney Care Longview, LLC.**

**FRESENIUS KIDNEY CARE LONGVIEW, LLC**  
**BALANCE SHEET**

	<u>December 31,</u> <u>2021</u>	<u>December 31,</u> <u>2022</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2024</u>
<b>Assets</b>				
Current assets:				
Cash and Cash Equivalents	\$ 8,774,030	\$ 5,782,895	\$ 6,101,832	\$ 6,692,834
Net Accounts Receivable	1,608,956	1,421,467	1,323,446	1,324,688
Inventory	153,380	197,865	212,796	197,373
Other Current Assets	25,963	20,210	16,367	31,642
<b>Total Current Assets</b>	<b>10,562,329</b>	<b>7,422,436</b>	<b>7,654,441</b>	<b>8,246,537</b>
Property, Plant, and Equipment, Net	528,031	479,593	579,040	555,096
Net Right of Use	472,259	188,904	192,583	341,594
Intangible Assets	13,502,147	13,419,984	13,337,820	13,296,739
<b>Total Assets</b>	<b>\$ 25,064,765</b>	<b>\$ 21,510,917</b>	<b>\$ 21,763,884</b>	<b>\$ 22,439,966</b>
<b>Liabilities</b>				
Current liabilities:				
Due to Manager	\$ 660,129	\$ 580,327	\$ 579,407	\$ 490,727
Accounts Payable, Other	107,933	116,322	141,509	102,047
Accrued Salaries and Wages	135,077	142,347	151,134	127,731
Unreconciled Payments	1,182,481	607,388	367,082	379,993
Short Term Lease Liability	325,167	236,595	326,191	393,048
Other Current Liabilities	108,996	44,651	57,883	67,297
<b>Total Current Liabilities</b>	<b>2,519,782</b>	<b>1,727,629</b>	<b>1,623,205</b>	<b>1,560,842</b>
Long Term Lease Liability	412,807	151,639	0	51,395
<b>Total Liabilities</b>	<b>2,932,589</b>	<b>1,879,268</b>	<b>1,623,205</b>	<b>1,612,238</b>
<b>Stockholders' Equity</b>				
Contributed Capital, Total	18,145,910	18,145,910	18,145,910	18,145,910
Total Retained Earnings	3,986,266	5,235,739	6,611,769	7,298,818
Equity Distribution, Total		(3,750,000)	(4,617,000)	(4,617,000)
<b>Total Stockholders' Equity</b>	<b>22,132,176</b>	<b>19,631,649</b>	<b>20,140,679</b>	<b>20,827,728</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 25,064,765</b>	<b>\$ 21,510,917</b>	<b>\$ 21,763,884</b>	<b>\$ 22,439,966</b>

**Exhibit 5B.**  
**Financial Statements—Fresenius Medical Care**  
**(2023 Annual Report)**

**Exhibit 5C.**  
**Financial Statements—Fresenius Medical Care**  
**(2022 Annual Report)**

**Exhibit 5D.**  
**Financial Statements—PeaceHealth Networks**  
**(2023-2022)**



**Exhibit 5E.**  
**Financial Statements— PeaceHealth Networks**  
**(2022-2021)**