



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

April 29, 2016

CERTIFIED MAIL # 7011 1570 0002 7809 5759

Richard Petrich, VP Planning and Business Development  
Franciscan Health System  
1142 Broadway, #300  
Tacoma, Washington 98402

RE: Certificate of Need Application #14-34

Dear Mr. Petrich:

Enclosed is Certificate of Need #1574 approving the establishment of a three-station dialysis center in Bonney Lake, within Pierce County planning area #1. This certificate is based on the department's evaluation dated February 20, 2015, and the Settlement Agreement dated April 11, 2016.

The certificate is not approval for any other local, federal, or state statutes, rules, or regulations. Such a project may also need Department of Health approval for a construction plan and facility licensing or certification, as well as other federal or local jurisdiction permits.

The Certificate of Need is valid for two years. The project must begin during this time. If there is substantial and continuing progress, we may extend the certificate for one six month period. For an extension, you must submit an extension request at least 120 days before the expiration. You cannot begin a project after the expiration date.

We monitor projects until completed or the expiration date, whichever occurs last. We do this with quarterly progress reports. At least 30 days before the report's due date, you will receive a form to complete and return.

If you have any questions, please contact Janis Sigman, Manager of the Certificate of Need Program at (360) 236-2955.

Sincerely,

Bart Eggen, Acting Director  
Office of Community Health Systems

Enclosure



This Certificate is granted under the authority of RCW 70.38. Issuance of this Certificate does not constitute approval under any other local, federal or state statute, implementing rules and regulations. Examples where additional approval may be necessary include, but are not limited to, construction plan approval through the Construction Review Unit of the Department of Health, facility licensing/certification through the Department of Social and Health Services or Department of Health, and other federal or local jurisdiction permits.

**Certificate of Need #1574 is issued to:**

**Legal Name of Applicant:** Franciscan Health System  
**Address of Applicant:** 1717 South J Street, Tacoma, Washington 98405  
**Type of Service:** End Stage Renal Disease Facility  
**Facility Name:** Franciscan Bonney Lake  
**Facility Address:** 19420 State Route 410, Bonney Lake, Washington 98391

**ISSUANCE OF THIS CERTIFICATE OF NEED IS BASED ON THE DEPARTMENT’S RECORD AND EVALUATION DATED FEBRUARY 20, 2015, (CN App #14-34). THIS CERTIFICATE OF NEED IS ALSO BASED ON THE SETTLEMENT AGREEMENT DATED APRIL 11, 2016.**

**Project Description**

Franciscan Health System is approved to establish a three-station dialysis center in Bonney Lake. The Franciscan Bonney Lake facility will serve residents of Pierce County dialysis planning area #1. Franciscan Bonney Lake is approved to provide in-center hemodialysis, backup dialysis service, isolation station, home hemodialysis training, permanent bed station, and shifts beginning after 5pm at Franciscan Bonney Lake. A breakdown of the three stations is below.

Private Isolation Room	1
Permanent Bed Station	1
Other In-Center Stations	1
<b>Total</b>	<b>3</b>

**Service Area**

Pierce County Planning Area #1

**Conditions**

1. Approval of the project description as stated above. Franciscan Health System further agrees that any change to the project as described in the project description is a new project that requires a new Certificate of Need.
2. Franciscan Health System will provide to the department for review and approval a copy of an executed transfer agreement with a local hospital. The executed agreement must be consistent with the draft agreement provided in the application.

**Approved Capital Expenditure**

The approved capital expenditure associated with this project is \$2,172,481, which represents Franciscan Health Systems’ portion of the capital costs, minus the landlords costs of \$183,694.

**This Certificate authorizes commencement of the project from April 29, 2016, to April 29, 2018, unless extended, withdrawn, suspended, or revoked in accordance with applicable sections of the Certificate of Need law and regulations.**

**Date Amended Certificate Issued:** April 29, 2016

  
Bart Eggen, Acting Director  
Office of Community Health Systems

**This Certificate is not transferable**