

WAC 246-310-800 Kidney disease treatment centers—Definitions.

The definitions in this section apply to WAC 246-310-800 through 246-310-833, unless the context clearly indicates otherwise:

(1) "Affiliate" or "affiliated" means:

(a) Having at least a ten percent but less than one hundred percent ownership in a kidney dialysis facility;

(b) Having at least a ten percent but less than one hundred percent financial interest in a kidney dialysis facility; or

(c) Three years or more operational management responsibilities for a kidney dialysis facility.

(2) "Base year" means the most recent calendar year for which December 31 data is available as of the letter of intent submission date from the *Northwest Renal Network's Modality Report*.

(3) "Capital expenditures," as defined by *Generally Accepted Accounting Principles* (GAAP), means expenditures made to acquire tangible long-lived assets. Long-lived assets represent property and equipment used in a company's operations that have an estimated useful life greater than one year. Acquired long-lived assets are recorded at acquisition cost and include all costs incurred necessary to bring the asset to working order. Capital expenditure includes:

(a) A force account expenditure or acquisition (i.e., an expenditure for a construction project undertaken by a facility as its own contractor).

(b) The costs of any site planning services (architect or other site planning consultant) including, but not limited to, studies, surveys, designs, plans, working drawings, specifications, and other activities (including applicant staff payroll and employee benefit costs, consulting and other services which, under GAAP or Financial Accounting Standards Board (FASB) may be chargeable as an operating or nonoperating expense).

(c) Construction cost of shelled space.

(d) Building owner tenant improvements including, but not limited to: Asbestos removal, paving, concrete, contractor's general conditions, contractor's overhead and profit, electrical, heating, ventilation and air conditioning systems (HVAC), plumbing, flooring, rough and finish carpentry and millwork and associated labor and materials, and utility fees.

(e) Donations of equipment or facilities to a facility.

(f) Capital expenditures do not include routine repairs and maintenance costs that do not add to the utility of useful life of the asset.

(4) "Concurrent review" means the process by which applications competing to provide services in the same planning area are reviewed simultaneously by the department.

(5) "Dialysis facility report (DFR)" means the kidney dialysis facility reports produced annually for Centers for Medicare and Medicaid Services (CMS). The DFR is provided to individual dialysis facilities and contains summary data on each facility compiled from multiple sources. The DFR facilitates comparison of patient characteristics, treatment patterns, transplantation rates, hospitalization rates, and mortality rates to local and national averages.

(6) "Dialysis facility compare (DFC) report" means the kidney dialysis facility compare quarterly report that is produced by CMS and posted on the medicare DFC web site. This report provides information about statistically measurable practice patterns in kidney disease

treatment facilities including, but not limited to, mortality, hospitalization, late shifts, and availability of home training.

(7) "End-of-year data" means data contained in the fourth quarter modality report or successor report from the Northwest Renal Network.

(8) "End-of-year in-center patients" means the number of in-center hemodialysis (HD) and self-dialysis training patients receiving in-center kidney dialysis at the end of the calendar year based on end-of-year data.

(9) "Exempt isolation station" means one certificate of need approved certified station per facility dedicated to patients requiring medically necessary isolation. This station may not be used for nonisolation treatments. This one approved station is included in the kidney dialysis facility's total CMS certified station count. However, for purposes of certificate of need, this one isolation station is not included in the facility's station count for projecting future station need or in calculating existing station use. Providers may operate more than one isolation station, but only one is excluded from the facility's station count for purposes of projecting future station need and in calculating existing station use.

(10) "Kidney disease treatment center" or "kidney dialysis facility" means any place, institution, building or agency or a distinct part thereof equipped and operated to provide services, including outpatient dialysis. In no case will all stations at a given kidney disease treatment center or kidney dialysis facility be designated as self-dialysis training stations. For purposes of these rules, kidney disease treatment center and kidney dialysis facility have the same meaning.

(11) "Maximum treatment floor area square footage" means the sum of (a), (b), (c), and (d) of this subsection:

(a) One hundred fifty square feet multiplied for each general use in-center station and each nonisolation station;

(b) Two hundred square feet multiplied for each isolation station and each permanent bed station as defined in subsection (14) of this section;

(c) Three hundred square feet for future expansion of two in-center treatment stations; and

(d) Other treatment floor space is seventy-five percent of the sum of (a), (b), and (c) of this subsection.

As of the effective date of these rules, maximum treatment floor area square footage identified in a successful application cannot be used for future station expansion, except as provided in (c) of this subsection. For example, the applicant may use the maximum allowable treatment floor area square footage. The number of stations may include one isolation station, one permanent bed station, eight general use in-center stations, two future expansion stations, and maximum other treatment floor space. In this example, the total maximum treatment floor area square footage in this example would equal three thousand three hundred twenty-five square feet.

(12) "Operational" means the date when the kidney dialysis facility provides its first dialysis treatment in newly approved certificate of need stations, including relocated stations.

(13) "Patients per station" means the reported number of in-center patients at the kidney dialysis facility divided by counted certificate of need approved stations. The results are not rounded up. For example, 4.49 is not rounded to 4.5.

(14) "Permanent bed station" means a bed that would commonly be used in a health care setting.

(15) "Planning area" or "service area" means an individual geographic area designated by the department for which kidney dialysis station need projections are calculated. For purposes of kidney dialysis projects, planning area and service area have the same meaning. Each county is considered a separate planning area, except for the planning subareas identified for King, Snohomish, Pierce, and Spokane counties. If the United States Postal Service (USPS) changes zip codes in the defined planning areas, the department will update areas to reflect the revisions to the zip codes to be included in the certificate of need definitions, analyses and decisions. Post office boxes are not included.

(a) King County is divided by zip code into twelve planning areas as follows:

KING ONE	KING TWO	KING THREE
98028 Kenmore	98101 Business District	98070 Vashon
98103 Green Lake	98102 Eastlake	98106 White Center/West Seattle
98105 Laurelhurst	98104 Business District	98116 Alki/West Seattle
98107 Ballard	98108 Georgetown	98126 West Seattle
98115 View Ridge/Wedgwood	98109 Queen Anne	98136 West Seattle
98117 Crown Hill	98112 Madison/Capitol Hill	98146 West Seattle
98125 Lake City	98118 Columbia City	98168 Riverton
98133 Northgate	98119 Queen Anne	
98155 Shoreline/Lake Forest Park	98121 Denny Regrade	
98177 Richmond Beach	98122 Madrona	
98195 University of Washington	98134 Harbour Island	
	98144 Mt. Baker/Rainier Valley	
	98199 Magnolia	
KING FOUR	KING FIVE	KING SIX
98148 SeaTac	98003 Federal Way	98011 Bothell
98158 SeaTac	98023 Federal Way	98033 Kirkland
98166 Burien/Normandy Park		98034 Kirkland
98188 Tukwila/SeaTac		98052 Redmond
98198 Des Moines		98053 Redmond
		98072 Woodinville
		98077 Woodinville
KING SEVEN	KING EIGHT	KING NINE
98004 Bellevue	98014 Carnation	98055 Renton
98005 Bellevue	98019 Duvall	98056 Renton
98006 Bellevue	98024 Fall City	98057 Renton
98007 Bellevue	98045 North Bend	98058 Renton
98008 Bellevue	98065 Snoqualmie	98059 Renton
98039 Medina	98027 Issaquah	98178 Skyway
98040 Mercer Island	98029 Issaquah	
	98074 Sammamish	
	98075 Sammamish	

KING TEN	KING ELEVEN	KING TWELVE
98030 Kent	98001 Auburn	98022 Enumclaw
98031 Kent	98002 Auburn	
98032 Kent	98010 Black Diamond	
98038 Maple Valley	98047 Pacific	
98042 Kent	98092 Auburn	
98051 Ravensdale		

(b) Pierce County is divided into five planning areas as follows:

PIERCE ONE	PIERCE TWO	PIERCE THREE
98354 Milton	98304 Ashford	98329 Gig Harbor
98371 Puyallup	98323 Carbonade	98332 Gig Harbor
98372 Puyallup	98328 Eatonville	98333 Fox Island
98373 Puyallup	98330 Elbe	98335 Gig Harbor
98374 Puyallup	98360 Orting	98349 Lakebay
98375 Puyallup	98338 Graham	98351 Longbranch
98390 Sumner	98321 Buckley	98394 Vaughn
98391 Bonney Lake		

PIERCE FOUR	PIERCE FIVE
98402 Tacoma	98303 Anderson Island
98403 Tacoma	98327 DuPont
98404 Tacoma	98387 Spanaway
98405 Tacoma	98388 Steilacoom
98406 Tacoma	98430 Tacoma
98407 Ruston	98433 Tacoma
98408 Tacoma	98438 Tacoma
98409 Lakewood	98439 Lakewood
98416 Tacoma	98444 Parkland
98418 Tacoma	98445 Parkland
98421 Tacoma	98446 Parkland
98422 Tacoma	98447 Tacoma
98424 Fife	98467 University Place
98443 Tacoma	98498 Lakewood
98465 Tacoma	98499 Lakewood
98466 Fircrest	98580 Roy

(c) Snohomish County is divided into three planning areas as follows:

SNOHOMISH ONE	SNOHOMISH TWO	SNOHOMISH THREE
98223 Arlington	98201 Everett	98012 Mill Creek/ Bothell
98241 Darrington	98203 Everett	98020 Edmonds/ Woodway
98252 Granite Falls	98204 Everett	98021 Bothell
98271 Tulalip Reservation/ Marysville	98205 Everett	98026 Edmonds
98282 Camano Island	98208 Everett	98036 Lynnwood/ Brier
98292 Stanwood	98251 Gold Bar	98037 Lynnwood
	98224 Baring	98043 Mountlake Terrace
	98258 Lake Stevens	98087 Lynnwood
	98270 Marysville	98296 Snohomish
	98272 Monroe	
	98275 Mukilteo	

SNOHOMISH ONE	SNOHOMISH TWO	SNOHOMISH THREE
	98288 Skykomish	
	98290 Snohomish	
	98294 Sultan	

(d) Spokane County is divided into two planning areas as follows:

SPOKANE ONE	SPOKANE TWO
99001 Airway Heights	99003 Chattaroy
99004 Cheney	99005 Colbert
99011 Fairchild Air Force Base	99006 Deer Park
99012 Fairfield	99009 Elk
99016 Greenacres	99021 Mead
99018 Latah	99025 Newman Lake
99019 Liberty Lake	99026 Nine Mile Falls
99022 Medical Lake	99027 Otis Orchards
99023 Mica	99205 Spokane
99030 Rockford	99207 Spokane
99031 Spangle	99208 Spokane
99036 Valleyford	99217 Spokane
99037 Veradale	99218 Spokane
99201 Spokane	99251 Spokane
99202 Spokane	
99203 Spokane	
99204 Spokane	
99206 Spokane Valley	
99212 Spokane Valley	
99216 Spokane/Spokane Valley	
99223 Spokane	
99224 Spokane	

(16) "Projection year" means the fifth calendar year after the base year. For example, reviews using 2015 end-of-year data as the base year will use 2020 as the projection year.

(17) "Quality incentive program" or "QIP" means the end-stage renal disease (ESRD) quality incentive program (QIP) administered by the Centers for Medicare and Medicaid Services (CMS). The QIP measures kidney dialysis facility performance based on outcomes assessed through specific performance and quality measures that are combined to create a total performance score (TPS). The QIP and TPS are updated annually and are publicly available on the CMS DFC web site.

(18) "Quintile" means any of five groups into which a population can be divided according to the distribution of values of a particular variable.

(19) "Resident in-center patients" means in-center hemodialysis (HD) patients who reside within the planning area. If more than fifty percent of a kidney dialysis facility's patients reside outside Washington state, these out-of-state patients would be considered resident in-center patients.

(20) "Shelled space" means space that is constructed to meet future needs; it is a space enclosed by a building shell but otherwise unfinished inside unless the space designated for future needs is part of an existing, finished building prior to an applicant's proposed project. In that case, there is no requirement to degrade the space. The shelled space may include:

- (a) Electrical and plumbing that will support future needs;
- (b) Insulation;

(c) Sheet rock that is taped or other similar wall coverings that are otherwise unfinished; and

(d) Heating, ventilation, and air conditioning.

(21) "Training services" means services provided by a kidney dialysis facility to train patients for home dialysis. Home training spaces are not used to provide in-center dialysis treatments. Spaces used for training are not included in the facility's station count for projecting future station need or in calculating existing station use. Stations previously designated as "training stations" may be used as in-center dialysis stations and will continue to be included in the facility's current station count for projecting future station need or in calculating existing station use. For the purpose of awarding the point for home training in the superiority criteria section (WAC 246-310-823), training services include the following:

(a) Home peritoneal dialysis (HPD); and

(b) Home hemodialysis (HHD).

[Statutory Authority: RCW 70.38.135. WSR 17-04-062, § 246-310-800, filed 1/27/17, effective 1/1/18.]