STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

SARAH PALIN, GOVERNOR

P.O. BOX 110601 JUNEAU, ALASKA 99811-0601 PHONE: (907) 465-3030

FAX: (907) 465-3068

February 14, 2008

Certified, Return Receipt Requested

Jean Stevens Regional Vice President Fresenius Medical Care 2121 SW Broadway, Suite 111 Portland, OR 97201

Dear Ms. Stevens:

In accordance with A.S. 18.07.031-111 and 7 AAC 07.010-130, I have determined that Fresenius Medical Care's application to establish a 7-station dialysis treatment facility in Soldotna, Alaska has met the applicable certificate of need standards for approval by the State of Alaska Department of Health and Social Services.

The approved Certificate of Need reads as follows:

In accordance with A.S. 18.07.031-111 and 7 AAC 07.010-130, Fresenius Medical Care is authorized to build out leased space and purchase equipment for a new 7-station dialysis facility in Soldotna, Alaska for a total cost of \$1,186,278. One station will be set up as an isolation station for use by patients with communicable illness when needed. The authorized completion date for the project is December 31, 2008.

The Certificate of Need is enclosed along with a copy of the review document

Under 7 AAC 07.08, if you are dissatisfied with this decision you are entitled to a hearing if the request for a hearing is received in writing by the department no later than 30 days from the date of this letter.

Sincerely.

Karleen K. Jackson, Ph.D.

Commissioner

Attachment: Certificate of Need

CON Review

Cc: Mark Caputo, Liberty Dialysis

Ryan Smith, Central Peninsula General Hospital