$$\int y' = \int x + \int y$$

$$y = -\frac{1}{2}x^{2} + \frac{1}{2}y^{2} + C$$

$$2y = -x^{2} + y^{2} + 2C$$
When the initial condition  $y(\sqrt{2}) = 0$ 

$$0 = -2 + 0 + 2C \implies C = 1$$
So,  $x^{2} = y^{2} - 2y + 2$ 

$$x^{2} - 1 = y^{2} - 2y + 1 = (y - 1)^{2}$$

$$y - 1 = \pm \sqrt{x^{2} - 1}$$

 $y(\sqrt{2}) = 1 - \sqrt{2} - 1 = 1 - \sqrt{1} = 0$ 

Choose the negative sign to get the correct branch of the solution.  $y = 1 - \sqrt{x^2 - 1}$