



Fresenius Medical Care

RECEIVED

February 9, 2012

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Re: Additional Information
Project: #11-096, Fresenius Medical Care Cicero

Dear Ms. Avery,

The enclosed pages contain additional information in response to the Intent to Deny given to the above mentioned project at the January 10, 2012 meeting.

Thank you for your time and consideration of this information.

Sincerely,

Lori Wright
Senior CON Specialist

cc: Clare Ranalli

SUPPLEMENTAL INFORMATION FOR #11-096 Fresenius Medical Care Cicero

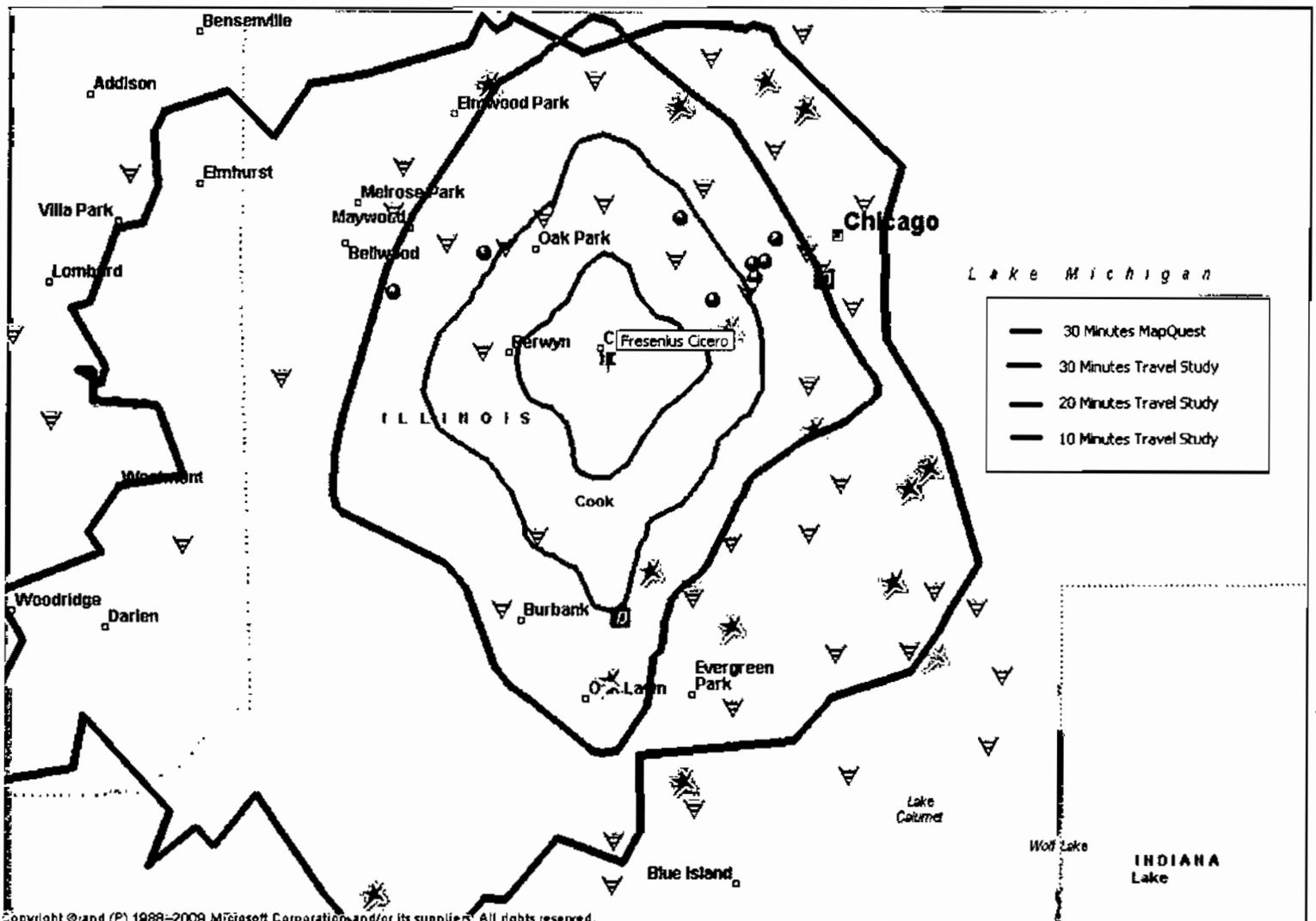
In response to the Intent to Deny issued to project number 11-096, at the January 10, 2012 meeting, Fresenius Medical Care is submitting this additional information for the Board's consideration. The applicant requests the Board reconsider its Intent to Deny based on the following points.

- The facility is being located in a **Federally Designated Medically Underserved Area/Population (MUA/MUP)**
- There is a determined **need for an additional 108 stations** by 2013 in HSA 7 according to the January inventory update.
- Cicero lies on the border of HSA 6 where there is a determined **need of an additional 100 stations** by 2013 and the facility will serve both HSAs.
- The **Berwyn facility is operating over 100% capacity** and the identified pre-ESRD patients are mostly from the Berwyn/Cicero area.
- The project is being supported by various government and health care providers in the area who have no reason to support this facility other than understanding the need for service to the patients in this area.

In evaluating the 30-minute travel radius of the proposed Fresenius Cicero facility, MapQuest x 1.15 as an adjustment for congestion was used. This method calculates the fastest travel time, often using toll-road or expressway travel. Assuming a patient has a car (not necessarily an accurate assumption for a majority of the patients), this is not the preferred route of travel for a patient who is not feeling well after treatment, experiencing other co-existing conditions or is elderly. Also, we respectfully submit that the adjustment factor does not fully account for Chicago area traffic congestion particularly during rush hour time frames (and many patients travel during morning and evening rush hour to go to or leave dialysis treatment).

Due to the high number of facilities that MapQuest places inside of 30 minutes travel from Cicero, conducting an independent travel study to determine distance to each is not feasible due to the excessive amount of time that would be involved and the study cost. Fresenius, therefore, contacted Eriksson Engineering to have a radius study done on the Cicero area to try to produce a more realistic 30-minute travel radius. While this study does not include travel to every clinic, it is being submitted as a helpful tool to obtain a better picture of the travel times in and around Cicero.

Based on the MapQuest adjusted methodology, there would be 56 dialysis clinics considered to be within 30 minutes travel time of Cicero. The travel study conducted finds there are approximately 30 clinics that are more likely within the 30-minute travel radius. It also found that many of the remaining clinics are further away than suggested by MapQuest adjusted. Clinics within 30 minutes are reflected below. See attached certified travel study compiled by Eriksson Engineering.



Overview of Area Underutilized Clinics - Below is a review of some of the closest facilities considered under target utilization.

Fresenius Medical Care Austin – This facility lies in the most heavily populated community of Chicago, which unfortunately also has one of the highest crime rates in the city of Chicago. Fresenius opened this facility at the request of Westside Health Authority and invested in this community to serve its patient population. The development includes The Westside Wellness Center which is anchored by the Austin Cook County Health Center and the Fresenius Austin Community Kidney Center. The facility runs 2 shifts a day. It has yet to begin operating it's last shift of the day, which ends around 8:30-9:30 at night for a couple of reasons. The current patient population does not require it and because Fresenius has not been able to get individuals to work the third shift due to security concerns. We cannot run a third shift if we do not have staff to provide services. Drs. Lohmann and Anderson do not see patients at the Austin facility.

Fresenius Medical Care Midway – This is a new facility that has only been in operation a little over a year. State Board guidelines require a facility to reach 80% utilization in the first two years of operation. The facility has grown quickly and is currently, as of January 2012, up to 53% with 38 patients. It will only take 20 more patients to reach 80%. The Midway clinic is expected to reach target utilization on schedule with the Board's requirements. At that point, in a matter of months, this facility will no longer be an option for the residents of Cicero. The Cicero facility will not be operational for approximately 18 months, which is after the Midway clinic reaches target utilization.

Fresenius Oak Park – This is a 32-station facility, however per #10-012, Fresenius Medical Care River Forest, 20 stations are going to be removed. After that it will become a 12-station facility that will not be able to accommodate the Berwyn/Cicero area patients. The 20 removed stations will be "relocated" to The River Forest facility, which is further away from Cicero. A number of the patients from Oak Park will also transfer to the River Forest facility at that time. Drs. Lohmann and Anderson do not see patients at the Oak Park or River Forest facilities.

Maple Avenue Kidney Center (Oak Park) – This 12-station facility grew quickly and operated above capacity until late 2010 when it was approved to add 6 stations per #E-002-10, for a total of 18 stations. This expansion was to create additional access for patients of Dr. Humayun, who has a separate nephrology practice from Dr. Lohmann's. Dr. Lohmann practices out of McNeal Hospital in Berwyn and most of the patients he sees are from Berwyn and Cicero. Due to historic growth and high utilization, this facility is expected to reach target utilization quickly with different patients than those supporting the Cicero facility.

Fresenius Congress Parkway – Fresenius Chicago Westside

Both of these facilities lie within 30 minutes in "normal" travel time, however city traffic congestion can be highly unpredictable and these travel times will often be higher during rush hour. Especially if a patient has to use public transportation, it could take an hour or more to travel due to bus transfers and waiting times. An ill patient would not choose to, nor should have to travel this way. Due to previously mentioned disadvantages the Berwyn/Cicero patients encounter, travel to these facilities would be difficult to say the least. Dr. Lohmann would not likely, in the patient's best interest, refer his patient to these facilities due to the distance, unless the patient wanted to go there.

The Chicago Westside facility also includes 6 pediatric stations which can only be used for pediatric patients. These stations generally have not operated at full capacity.

An important thing that can be easily overlooked when evaluating a densely populated area such as Cicero, which lies on the border of Chicago, is continuity of care. It may seem easy for a patient to travel 10 or 15 minutes further for treatment, but those patients often lose their ties with their physician and/or hospital.

For instance the majority of the Berwyn/Cicero patients are referred from Dr. Lohmann's Berwyn practice and from Vanguard MacNeal Hospital in Berwyn. If they receive dialysis treatment at Berwyn or Cicero and experience a medical emergency, they will be taken to MacNeal Hospital and be seen by physicians who know them. If these patients have to go to a clinic further away, such as Chicago Westside, they will no longer be seen by Dr. Lohmann because he currently is treating well over 100 patients in Berwyn. This breaks down the patient's relationship with his physician. If an emergency arises during treatment, the patient will be sent to an inner city hospital, not the hospital where the patient generally receives treatment. As a result, he loses access to his healthcare network of physicians and other services.

In summary, we respectfully ask the Board members to consider the patients who reside and seek healthcare services in this community and their unique disadvantages regarding access to these services. We also ask that you consider that the determined need for 108 stations, combined with the Berwyn clinic's high utilization and the status of the area as medically underserved, shows cause for the establishment of the Fresenius Cicero clinic to bring access to dialysis to an underserved population.

We thank you for your time and consideration of this information.

MEMORANDUM

TO: MS. LORI WRIGHT
FRESENIUS MEDICAL CENTER

FROM: STEPHEN B. CORCORAN, P.E., PTOE
DIRECTOR OF TRAFFIC ENGINEERING

DATE: FEBRUARY 8, 2012

RE: TRAVEL TIME SURVEYS
PROPOSED FRESENIUS MEDICAL FACILITY
3030 SOUTH CICERO AVENUE
CICERO, ILLINOIS



This memorandum summarizes the travel time surveys conducted for a proposed Fresenius medical facility to be located at 3030 South Cicero Avenue in Cicero, Illinois. The purpose of the study was to determine the average one-way travel times between existing/planned dialysis centers and the proposed location pursuant to the methodology required by the Illinois Health Facilities and Services Review Board.

Approximately 50 to 60 dialysis centers are located with a 30 minute (plus or minus) travel time from the site. Conducting three travel runs between the proposed site and each location would be prohibitive with 150 to 180 round trips. In lieu of conducting travel runs to and from individual sites, fewer travel runs were conducted to develop an overall travel radius map.

Travel runs were completed from the proposed site at 31st Street and Cicero Avenue (IL 50) to the north and south along Cicero Avenue, east on 31st/35 Streets and west on 31st Street/Ogden Avenue. The distance travelled in miles was recorded at 10, 20, and 30 minute intervals for three travel runs for the outbound runs away from the site. For the inbound runs to the site, the time was recorded from the outbound run's ending point to the proposed FMC site. Total travel time for the inbound run could be the same, higher, or lower than the outbound run. These travel times were then converted into segments with the distance traveled per minute calculated. The travel rate or speed was then used to determine the 10, 20, and 30 minute points in the inbound direction from the end point.

The travel time surveys are attached in **Tables 1 and 2**. They were then plotted on a map and travel time contours were then developed for 10, 20, and 30 minute travel time from the site at 3030 South Cicero Avenue. The travel contours are plotted on **Figure 1**.

FMC Cicero Travel Surveys
February 8, 2012
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Professional Certification

I hereby certify that these documents were prepared or approved by me, and that I am a duly licensed professional engineer under the laws of the State of Illinois. License No. 062.046487, and Expiration Date: November 30, 2013.

I am Professional Traffic Operations Engineer - No. 380 Expiration Date: November 2014.


Stephen B. Corcoran, P.E., PTOE



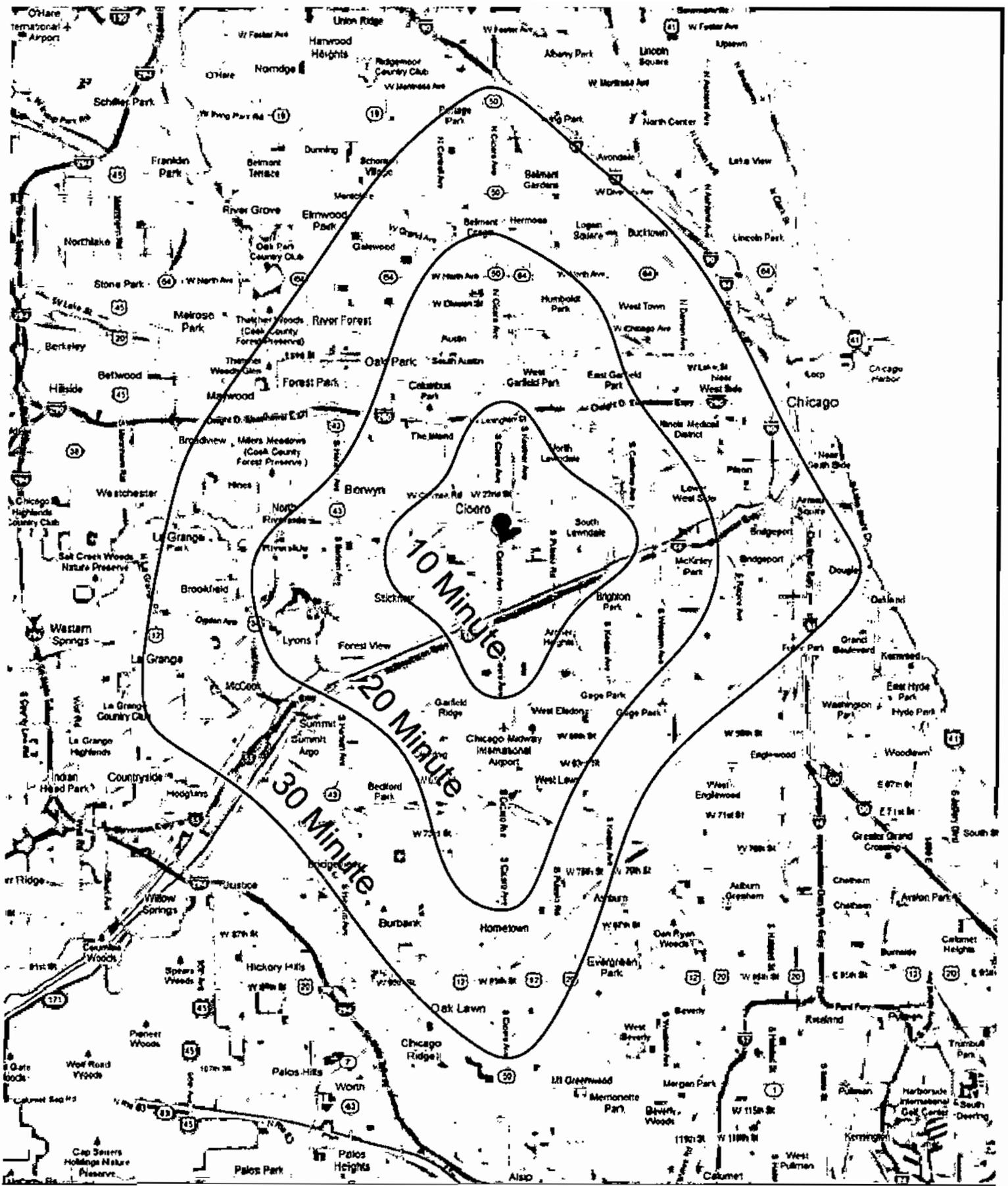


FIGURE 1
CICERO TRAVEL DISTANCE STUDY

Table 1
Travel Times Surveys along Cicero Avenue

Cicero Avenue Southern Runs						Cicero Avenue Northern Runs						
Southbound Outbound		Northbound Inbound				Northbound Outbound		Southbound Inbound				
Thursday 1/26/2012						Thursday 1/26/2012						
Time	Distance	Time	Distance	miles per minute	Calculated	Time	Distance	Time	Distance	miles per minute	Calculated	
12:25 PM	0.0	1:25 PM	10.4	0.3	0.0	1:30 PM	0	2:40 PM	10.1	0.37	0.0	
12:35 PM	3.0	1:17 PM	8	0.43	3.3	1:40 PM	3.5	2:30 PM	6.4	0.29	3.7	
12:45 PM	6.9	1:07 PM	3.7	0.37	7.6	1:50 PM	6.5	2:20 PM	3.5	0.35	6.6	
12:55 PM	10.3	12:57 PM	0		11.3	2:00 PM	10	2:10 PM	0.0		10.1	
Monday 2/6/2012						Monday 2/6/2012						
Time	Distance	Time	Distance			Time	Distance	Time	Distance			
12:06 PM	0.0	1:07 PM	9	0.29	0.0	11:02 AM	0	12:03 PM	7.8	0.26	0.0	
12:16 PM	3.6	1:00 PM	7	0.42	3.3	11:12 AM	2.9	11:56 AM	6.0	0.31	2.7	
12:26 PM	6.5	12:50 PM	2.8	0.28	7.5	11:22 AM	5.1	11:46 AM	2.9	0.29	5.8	
12:36 PM	9.0	12:40 PM	0		10.3	11:32 AM	7.9	11:36 AM	0.0		8.7	
Monday 2/6/2012						Monday 2/6/2012						
4:55 PM	0	5:48 PM	6.5	0.55	0.0	3:50 PM	0	4:52 PM	6.3	0.14	0.0	
5:05 PM	1.3	5:46 PM	5.4	0.22	4.8	4:00 PM	2.5	4:33 PM	5.0	0.25	1.6	
5:15 PM	3.9	5:36 PM	3.2	0.32	7.0	4:10 PM	4.2	4:33 PM	2.5	0.25	4.1	
5:25 PM	6.6	5:26 AM	0		10.2	4:20 PM	6.3	4:23 PM	0.0		6.6	
	Out	Average Time			In		Out				In	Ave
10 min	2.63	10 min	3.21		3.79	10 min	2.97		10 min	2.66	2.81	
20 min	5.77	20 min	6.56		7.35	20 min	5.27		20 min	5.49	5.38	
30 min	8.63	30 min	9.61		10.59	30 min	8.07		30 min	8.46	8.26	

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Table 2
Travel Times Surveys along 31st/35th/Ogden

31st/35th Runs Eastern Runs						31st/Ogden Western Runs					
Westbound Outbound		Eastbound Inbound				Eastbound Outbound		Westbound Inbound			
Thursday 1/26/2012						Thursday 1/26/2012					
Time	Distance	Time	Distance	miles per minute	Calculated	Time	Distance	Time	Distance	miles per minute	Calculated
11:10 AM	0.0	12:15 PM	6.2	0.11	0.0	2:15 PM	0	3:20 PM	9.0	0.26	0.0
11:20 AM	3.0	12:05 PM	5.1	0.26	1.1	2:25 PM	2.5	3:10 PM	6.4	0.29	2.6
11:30 AM	6.9	11:55 AM	2.5	0.25	3.7	2:35 PM	5.2	3:00 PM	3.5	0.35	5.5
11:40 AM	9.7	11:45 AM	0.0		6.2	2:45 PM	9.0	2:50 PM	0.0		9.0
Monday 2/6/2012						Monday 2/6/2012					
Time	Distance	Time	Distance	miles per minute	Calculated	Time	Distance	Time	Distance	miles per minute	Calculated
1:09 PM	0.0	1:37 PM	7.4	0.25	0.0	2:06 PM	0	3:08 PM	7.7	0.14	0.0
1:19 PM	2.9	1:47 PM	4.9	0.21	2.4	2:16 PM	2.2	2:58 PM	6.3	0.29	1.4
1:29 PM	5.7	1:57 PM	2.8	0.28	4.5	2:26 PM	4.4	2:48 PM	3.4	0.34	4.3
1:39 PM	7.4	2:05 PM	0.0		7.3	2:36 PM	8.1	2:38 PM	0.0		7.7
Tuesday 2/7/2012						Tuesday 2/7/2012					
4:24 PM	0.0	5:16 PM	5.1	0.3	0.0	5:17 PM	0	6:16 PM	8.9	0.24	0.0
4:34 PM	0.8	5:15 PM	4.8	0.25	2.9	5:27 PM	2.7	6:09 PM	6.7	0.29	2.5
4:44 PM	2.8	5:05 PM	2.3	0.23	5.4	5:37 PM	5.8	5:59 PM	3.8	0.38	5.4
4:54 PM	5.0	4:55 PM	0.0		7.7	5:47 PM	8.9	5:49 PM	0.0		9.2
	Out	Average Travel			In		Out		In	Ave	
10 min	2.23	2.18			2.13	10 min	2.47	2.16			2.32
20 min	5.13	4.83			4.53	20 min	5.13	5.06			5.10
30 min	7.37	7.21			7.06	30 min	8.67	8.63			8.65

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