



STATE OF ILLINOIS  
HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 **RECEIVED**

MEMORANDUM

NOV 20 2012

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

TO: Mike Constantino, Chief - Program Review Section  
Division of Health Systems Development

FROM: Dale Galassie, Chairman  
Illinois Health Facilities and Services Review Board

RE: Permit Renewal Request for Project # 11-054

Facility: Fresenius Medical Care Northfield, Northfield

This is to advise you that I have reviewed the above-captioned permit renewal request within the requirements in 77 IAC 1130.740 and have determined the following:

The request is in compliance with the requirements in 77 IAC 1130.740 and the renewal request is approved.

This request is to be reviewed by the Health Facilities Planning Board.

This request is DENIED effective \_\_\_\_\_ because it does **NOT** comply with the requirements specified in 77 IAC 1130.740.

Other actions as follows:

 11-19-12

Dale Galassie, Chairman  
Illinois Health Facilities and  
Services Review Board

Date



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<b>DOCKET ITEM:</b> NA	<b>BOARD MEETING:</b> NA	<b>PROJECT NUMBER:</b> 11-054
<b>PERMIT HOLDERS(S):</b> Fresenius Medical Care Holdings, Inc. Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Northfield		
<b>FACILITY NAME and LOCATION:</b> Fresenius Medical Care Northfield, Northfield		

**STATE AGENCY REPORT**  
**PERMIT RENEWAL REQUEST**

**I. Background**

On October 13, 2011, the State Board approved Project #10-054. The permit authorized the establishment of a 12-station End Stage Renal Dialysis (ESRD) facility Northfield. The State Agency notes the project is obligated, and the current project completion date is December 31, 2013. Project cost: \$3,596,325.

The State Agency notes the permit holders submitted the permit renewal request on November 13, 2012. This submittal was in accordance with 77 IAC 1130.740(d), which states that renewal requests must be received by the State Agency at least 45 days prior to the permit expiration date.

**II. Findings**

The State Agency notes this is the first renewal request for this project and it appears the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal. A permit renewal fee of \$500.00 accompanied the permit renewal application.

### III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of May 31, 2014. This would extend the project's completion date by five months, from December 31, 2013 to May 31, 2014.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the project has been obligated and a lease has been executed. The following items remain:
- Construction commencement (1/15/13)
  - Certificate of Occupancy granted (5/15/13)
  - 1<sup>st</sup> patient dialyzed (6/15/13)
  - Project completion (2/15/14)
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the following events occurred, which delayed completion of the project:
- The permit holders state the discovery of large amounts of asbestos under the carpeting at the new site required extra time for the landlord to facilitate its removal. The asbestos removal is expected to be complete by November 30, 2012.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate \$2,079,913 (57.8%) of the total project funds have been expended to date, and that sufficient funds exist to complete the project.
- E. Anticipated Final Cost of the Project: The permit holders report the project will be completed in compliance with the originally approved project cost of \$3,596,325.

### IV. Project Description & Other Background Information

The permit authorized the establishment of a 12-station ESRD facility in 8,000 GSF of leased space in Northfield. The project cost is \$3,596,325.

Permit Issuance Date: October 13, 2011

Required Completion Date: December 31, 2013

**Permit Renewal Request**

**Project #11-054**

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Project Obligation Date: December 1, 2011

Proposed Project Completion Date: May 31, 2014

**V. Applicable Rules for Permit Renewal Requests**

77 IAC 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 IAC 1130.740(b) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

77 IAC 1130.740(c) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 IAC 1130.740(d) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 1) the requested completion date; 2) a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date; 3) a statement as to the reasons why the project has not been completed; and 4) confirmatory evidence by the permit holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 IAC 1130.740(e) states IDPH will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFPB criteria, and if this is the first request for this project, then the request, IDPH's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFPB, will approve, deny or refer the request to the HFPB for action. If IDPH finds that all criteria are not positive or, if this is not the first request for this project, or if the Chairman refers this to HFPB for action, then HFPB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 IAC 1130.140). Denial of a permit renewal request constitutes HFPB's Notice of Intent to revoke a permit and the permit holders will be afforded an opportunity for an administrative hearing.

**VI. Other Information**

**Permit Renewal Request**

**Project #11-054**

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Appended to this report are the following: the permit holders' documents for a permit renewal, and a copy of the original State Agency Report.