



## Fresenius Medical Care

August 21, 2012

**RECEIVED**

AUG 22 2012

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

Ms. Courtney Avery  
Administrator  
Illinois Health Facilities and Services Review Board  
525 W. Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62716

Re: Opposition - #12-052, DaVita Tazewell County

Dear Ms. Avery:

My name is Lori Wright and I am the Senior CON Specialist at Fresenius Medical Care. I prepared the CON application for the North Pekin project which the Board denied on July 24<sup>th</sup>, as well as the pending application to relocate the current Pekin Hospital facility and add two stations (see attached). I was instructed to prepare this application after our North Pekin project received an intent-to-deny in the event it received a final denial. It meets the Board's need criteria, while the establishment of an 8 or 9 station facility (like our North Pekin project and the DaVita Tazewell County project) does not. We have been at the Pekin Hospital site for 17 years, and cannot expand there, despite the need for three stations in the Pekin area per the Board's need formula (this need will be reduced to two stations if project #12-046, Fresenius Spoon River relocation and one station addition is approved at the September 11<sup>th</sup> meeting). However, we understood from the Board that while there may be a number of patients in the area that will require dialysis, there already was excess capacity at the Peoria facilities to treat them. These facilities do have the ability to open a third shift and will do so if necessary to alleviate the need for the patients identified in DaVita's Tazewell County application.

The nephrologists supporting DaVita's Tazewell County facility have privileges at the Fresenius facilities. Their patients can be treated at these facilities and thus will have access to dialysis treatment if DaVita's proposed project is not approved. The excess capacity and need issues which this Board relied upon in denying Fresenius's North Pekin application are the same regarding DaVita's proposed Tazewell clinic, and so it should also be denied.

It also appears that DaVita's Tazewell application has some issues. It was filed on June 6, 2012 and at that time Dr. Usman had 4 patients on dialysis. In the application, he claimed he will refer 39 patients for dialysis in the next 18 months. This would amount to 2.1 patients per month. However, he has not referred any patients in the past two months, which suggests that his estimate may be too high. Also, Dr. Usman's practice is one year old and consists only of him and his partner, rendering it much smaller than the existing Renal Care Associates practice with 12 doctors, which referred only 19 patients for dialysis in the past 12 months. I have no doubt Dr. Usman believes that he may generate additional referrals in the future, but his historical

**Fresenius Medical Services ♦ North Division**

One Westbrook Corporate Center, Suite 1000 Westchester, IL 60154 708-562-0371

referrals do not support his ability to keep an eight station clinic full. This would only exacerbate the Board's expressed concerns when it considered and denied the Fresenius North Pekin application which was denied, i.e. the excess capacity at the Peoria area facilities. Please see attached review of DaVita's Tazewell application for a more detailed analysis of application claims.

I hope you consider these points and deny the Tazewell County application. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wright".

Lori Wright  
Senior CON Specialist

Review of #12-052  
DaVita Tazewell County

**Review of #12-052, DaVita Tazewell County**

**Patient Referral Information**

- Dr. Usman claims he has 46 CKD patients in the Pekin zip code of 61554. In comparison, Renal Care Associates (RCA) has 31 CKD patients in the same zip code. It is questionable that Dr. Usman, who has been practicing in the area for approximately a year, would have nearly 20% more patients than a large well-established practice. If Dr. Usman's numbers are accurate, the growth of ESRD patients in zip code 61554 from 2011 to 2012 has doubled, which is unprecedented, as seen in the chart below.

**Area ESRD by Zip Code**

Zip Code	Network ESRD Patients					Dr. Usman Pre ESRD		RCA Pre ESRD	
	2007	2008	2009	2010	2011	Zip	Pts	Zip Code	Pre ESRD
61455	6	7	9	7	10	61455	1	61535	3
61520	12	17	11	13	14	61520	1	61550	8
61523	6	5	6	5	7	61523	2	<b>61554</b>	<b>31</b>
61532	1	1	1	0	0	61532	1	61607	5
61533	3	3	3	3	1	61533	1	61610	14
61534	0	1	2	1	1	61534	1	<b>Total</b>	<b>61</b>
61537	1	2	2	2	2	61537	1		
61544	1	0	0	0	0	61544	1		
61546	2	5	6	3	2	61546	5		
<b>61554</b>	<b>48</b>	<b>57</b>	<b>43</b>	<b>44</b>	<b>43</b>	<b>61554</b>	<b>46</b>		
61564	0	0	1	2	2	61564	2		
61567	2	1	0	0	0	61567	1		
61611	18	18	14	13	11	61611	1		
61734	2	2	2	1	2	61734	4		
61747	1	1	1	0	0	61747	1		
62682	1	0	1	1	2	62682	1		
<b>Total</b>	<b>104</b>	<b>120</b>	<b>102</b>	<b>95</b>	<b>97</b>	<b>Total</b>	<b>70</b>		

(61554 = Pekin)

- Dr. Usman does not list any historical patients in his support letter as required by the Board rules. He states in his letter, that his is a new practice and he does not have any.
- Despite no prior referrals, Dr. Usman suggests he will have 39 patients initiating dialysis within the next 18 months at the Tazewell Co. clinic. This is very high considering RCA, who has been treating all area CKD/ESRD patients referred only 19 patients to the current Pekin facility in the past 12 months.
  - Again, if all data is accurate there will be a doubling of ESRD patients in Pekin, not likely given the historical growth.
- According to his letter, Dr. Usman has referred only 3 patients for dialysis at area Fresenius facilities in the past 9 months. These actually were not new referrals but current ESRD patients of RCA. This equates to less than one new referral in 9 months. Again, Dr. Usman claims he will refer 39 patients to dialysis in the next 18 months. If this is accurate, his new referrals will dramatically jump from zero for ¾ of the year to approximately 26 per year. While his practice may be new to the area, this is unheard of growth, and should be viewed as suspect.

## Statements within Application

- “If Peoria were viable, FMC would be sending patients there rather than filling their own Pekin unit.” ***We agree Peoria is not a good alternative for patients living in the Pekin area, but do have to send them there when the Pekin clinic is full. However, if the HFSRB believes Peoria has capacity and thus Fresenius should not establish a facility in North Pekin, the same is true for DaVita’s proposed joint venture with Dr. Usman.***
- “My growing patient population deserves to be under my medical direction.” ***Dr. Usman has privileges at the Pekin Fresenius facility and at the Peoria facilities. His patients are under his medical direction at these facilities.***
- “It is difficult to obtain optimal shifts and truly direct my patients because the facility is under the medical direction of a group that would rather be the only nephrology provider in town. We believe it is important for another nephrology group to play a more pivotal role in this market.” ***As stated, Dr. Usman has only 3 patients that were already on dialysis and being treated by RCA. If they did not have shift choice, it is because the Pekin facility is full. RCA has no issue with there being another nephrology practice in town. But that is irrelevant (or should be) to HFSRB – it is not charged with assuring choice of providers or that multiple physician practices are in each zip code or market area.***
- “DaVita’s entry into this market will not only ensure that consumers have access to these life saving services, but it will permit patients to willingly choose their provider and utilize superior health education programs.” ***Again, provider choice and competition are not issues for HFSRB. In fact, competition in the health care field as proven to be costly and to lower quality and result in unnecessary expenditure of tax payers dollars - and these concerns have proven the bases of CON laws such as that of the State of Illinois. Further, Fresenius appreciates the fact that DaVita believes it offers “superior” programs. However, quality data from Pro Publica reflects Fresenius in the central Illinois market near Pekin, on average, outperforms DaVita facilities.***
- “DaVita Inc. and its affiliates are safety net providers of dialysis services to residents of the State of Illinois.” ***Dialysis Providers are not generally considered Safety Net providers. They are not hospitals and the numbers of dialysis patients who require uncompensated care (“Charity”) are minimal (approximately 1-2% of Fresenius Illinois patients are considered uncompensated care). If DaVita is actually trying to say here that they serve a high Medicaid population this is somewhat irrelevant in the Pekin/Peoria market where less than 10% of the dialysis patients are Medicaid.***
- ***Fresenius Medical Care serves more medically underserved areas in the State of Illinois than any other provider. This includes the underserved area of Peoria where the Fresenius Peoria Downtown facility has been located for over 17 years (see chart on following page).***

## Dialysis Clinics in Medically Underserved Areas of Illinois

County	Clinic	Fresenius	DaVita	Ind	Total
Champaign	DaVita Illini				
	Fresenius Champaign	1	1		2
Christian	DaVita Taylorville		1		1
Cook	DaVita Buffalo Grove				
	DaVita Chicago Heights				
	DaVita Markham				
	Direct Dialysis Crestwood				
	Fresenius Blue Island				
	Fresenius Cicero				
	Fresenius Des Plaines				
	Fresenius Melrose Park				
	Fresenius North Avenue				
	Fresenius Palatine				
	Fresenius Rolling Meadows				
	Fresenius West Suburban				
	Loyloa Dialysis	8	3	2	13
Cook/Chicago	Circle Medical Management				
	DaVita Emerald				
	DaVita Lakepark				
	DaVita Little Village				
	DaVita Logan Square				
	DaVita Woodlawn				
	Fresenius Austin Community				
	Fresenius Chatham				
	Fresenius Chicago Kidney Center				
	Fresenius Chicago Westside				
	Fresenius Congress Parkway				
	Fresenius Logan Square				
	Fresenius Northwestern				
	Fresenius Praine				
	Fresenius Rogers Park				
	Fresenius Roseland				
	Fresenius South Chicago				
	Fresenius South Deering				
	Fresenius South Shore				
	Fresenius West Willow				
Fresenius West Belmont					
Garfield Kidney Center					
University of Illinois Chicago	15	5	3	23	
Effingham	DaVita Effingham		1		1
Fayette	DaVita Vandalia		1		1
Franklin	DaVita Benton		1		1
Jackson	Fresenius Carbondale	1			1
Jefferson	DaVita Mount Vernon		1		1
Kankakee	Manteno Dialysis				
	Provena St. Mary's			2	2
Lake	DaVita Waukegan				
	Fresenius Waukegan	1	1		2
Macon	DaVita Decatur East Wood		1		1
Massac	Fresenius Metropolis	1			1
McDonough	Fresenius Macomb				
	DaVita Rushville	1	1		2
Mercer	Aledo Kidney Center Q			1	1
Peoria	Fresenius Peoria Downtown	1			1
Pike	DaVita Pittsfield		1		1
Saline	Fresenius Saline County	1			1
Shelby	Shelby Community Dialysis			1	1
St. Clair	DaVita Metro East				
	DaVita Sauget				
	DaVita Shiloh		3		3
Stephenson	DaVita Driftwood		1		1
Vermillion	Danville Dialysis			1	1
Will	Fresenius Bolingbrook				
	Fresenius Joliet				
	USR Bolingbrook	2		1	3
Williamson	DaVita Marion				
	Fresenius Williamson County	1	1		2
		33	23	11	67

**#12-069 RCG Pekin**  
**Relocation Application**

File

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: <i>RCG Pekin*</i>
Street Address: <i>120 N. Parkway Drive</i>
City and Zip Code: <i>Pekin, 61554</i>
County: <i>Tazewell</i> Health Service Area <i>2</i> Health Planning Area:

\*Facility will be renamed Fresenius Medical Care Pekin after relocation.

Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: <i>Dialysis Centers of America - Illinois, Inc., d/b/a RCG Pekin</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Rice Powell</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>
Telephone Number: <i>800-662-1237</i>

Type of Ownership of Applicant

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
	<input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an Illinois certificate of good standing.
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM

**Co-Applicant Identification**

Provide for each co-applicant [refer to Part 1130.220]

Exact Legal Name: <i>Fresenius Medical Care Holdings, Inc.</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Rice Powell</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>
Telephone Number: <i>800-662-1237</i>

**Type of Ownership of Co-Applicant**

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an **Illinois Certificate of Good Standing**.
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

**APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Primary Contact**

Name: <i>Lori Wright</i>
Title: <i>Senior CON Specialist</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154</i>
Telephone Number: <i>708-498-9121</i>
E-mail Address: <i>lori.wright@fmc-na.com</i>
Fax Number: <i>708-498-9334</i>

**Additional Contact**

[Person who is also authorized to discuss the application for permit]

Name: <i>Richard Stotz</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154</i>
Telephone Number: <i>708-498-9165</i>
E-mail Address: <i>richard.stotz@fmc-na.com</i>
Fax Number: <i>708-498-9283</i>

**Post Permit Contact**

[Person to receive all correspondence subsequent to permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960

Name: <i>Lori Wright</i>
Title: <i>Senior CON Specialist</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154</i>
Telephone Number: <i>708-498-9121</i>
E-mail Address: <i>lori.wright@fmc-na.com</i>
Fax Number: <i>708-498-9334</i>

**Additional Contact**

[Person who is also authorized to discuss the application for permit]

Name: <i>Clare Ranalli</i>
Title: <i>Attorney</i>
Company Name: <i>Holland &amp; Knight, LLP</i>
Address: <i>131 S. Dearborn, 30<sup>th</sup> Floor, Chicago, IL 60603</i>
Telephone Number: <i>312-578-6567</i>
E-mail Address: <i>clare.ranalli@hklaw.com</i>
Fax Number: <i>312-578-6666</i>

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>DTHC Property Land Trust</i>
Address of Site Owner: <i>105 N. Parkway Drive, Pekin, IL 61554</i>
Street Address or Legal Description of Site: <i>120 N. Parkway Drive, Pekin, 61554</i>
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
<b>APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**Operating Identity/Licensee**

[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: <i>Dialysis Centers of America – Illinois, Inc., d/b/a RCG Pekin</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> <li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li> <li>o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li> <li>o <b>Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</b></li> </ul>
<b>APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**Organizational Relationships**

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

**APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Flood Plain Requirements**

[Refer to application instructions.] **NOT APPLICABLE – PROJECT IS NOT NEW CONSTRUCTION**

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at [www.FEMA.gov](http://www.FEMA.gov) or [www.illinoisfloodmaps.org](http://www.illinoisfloodmaps.org). **This map must be in a readable format.** In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

**APPEND DOCUMENTATION AS ATTACHMENT-5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Historic Resources Preservation Act Requirements**

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

**APPEND DOCUMENTATION AS ATTACHMENT-6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**DESCRIPTION OF PROJECT**

**1. Project Classification**

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

- Substantive
- Non-substantive

Part 1120 Applicability or Classification:  
[Check one only.]

- Part 1120 Not Applicable
- Category A Project
- Category B Project
- DHS or DVA Project

## 2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

*Dialysis Centers of America - Illinois, Inc. proposes to discontinue its RCG Pekin 9-station ESRD facility located at 600 S. 13<sup>th</sup> Street, Pekin, IL. In conjunction with this discontinuation we will establish a replacement 11-station hemodialysis facility, expanding by 2 additional stations. This establishment will be located at 120 N. Parkway Drive, Pekin, IL which is approximately 1 mile away from the current location. This is a free-standing building and the interior of the leased space will be built out by the applicant.*

*Both locations are in HSA 2. According to the July 2012 station inventory there is a need for an additional 3 stations in this HSA.*

*This project is "substantive" under Planning Board rule 1110.10(b) as it entails the discontinuation and establishment (relocation) of a health care facility that will provide in-center chronic renal dialysis services.*

**Project Costs and Sources of Funds**

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

<b>Project Costs and Sources of Funds</b>				
<b>USE OF FUNDS</b>		<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Preplanning Costs		N/A	N/A	N/A
Site Survey and Soil Investigation		N/A	N/A	N/A
Site Preparation		N/A	N/A	N/A
Off Site Work		N/A	N/A	N/A
New Construction Contracts		N/A	N/A	N/A
Modernization Contracts		966,000	N/A	966,000
Contingencies		95,970	N/A	95,970
Architectural/Engineering Fees		106,000	N/A	106,000
Consulting and Other Fees		N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)		296,000	N/A	296,000
Bond Issuance Expense (project related)		N/A	N/A	N/A
Net Interest Expense During Construction (project related)		N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	1,067,500 167,100	1,234,600	N/A	1,234,600
Other Costs To Be Capitalized		N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)		N/A	N/A	N/A
<b>TOTAL USES OF FUNDS</b>		<b>2,698,570</b>	<b>N/A</b>	<b>2,698,570</b>
<b>SOURCE OF FUNDS</b>		<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Cash and Securities		1,463,970	N/A	1,463,970
Pledges		N/A	N/A	N/A
Gifts and Bequests		N/A	N/A	N/A
Bond Issues (project related)		N/A	N/A	N/A
Mortgages		N/A	N/A	N/A
Leases (fair market value)		1,234,600	N/A	1,234,600
Governmental Appropriations		N/A	N/A	N/A
Grants		N/A	N/A	N/A
Other Funds and Sources		N/A	N/A	N/A
<b>TOTAL SOURCES OF FUNDS</b>		<b>2,698,570</b>	<b>N/A</b>	<b>2,698,570</b>

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Related Project Costs**

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	

The project involves the establishment of a new facility or a new category of service  
 Yes  No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ 76,371.

**Project Status and Completion Schedules**

Indicate the stage of the project's architectural drawings:

None or not applicable  Preliminary  
 Schematics  Final Working

Anticipated project completion date (refer to Part 1130.140): October 31, 2014

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

Purchase orders, leases or contracts pertaining to the project have been executed.  
 Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies  
 Project obligation will occur after permit issuance.

**APPEND DOCUMENTATION AS ATTACHMENT-B, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**State Agency Submittals**

Are the following submittals up to date as applicable:

Cancer Registry  
 APORS  
 All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted  
 All reports regarding outstanding permits

**Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.**

### Cost Space Requirements

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
<b>REVIEWABLE</b>							
Total Clinical							
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>							
<b>APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>							

**CERTIFICATION**

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Dialysis Centers of America - Illinois, Inc. \* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

*[Handwritten Signature]*

SIGNATURE

PRINTED NAME **Mark Fawcett**  
**Vice President & Treasurer**

PRINTED TITLE

Notarization:  
Subscribed and sworn to before me

this \_\_\_\_ day of \_\_\_\_\_ 2012

*[Handwritten Signature]*

SIGNATURE

PRINTED NAME **Bryan Mello**  
**Assistant Treasurer**

PRINTED TITLE

Notarization:  
Subscribed and sworn to before me

this 18 day of July 2012

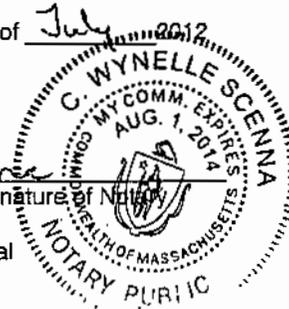
*[Handwritten Signature]*

Signature of Notary

Seal

Signature of Notary

Seal



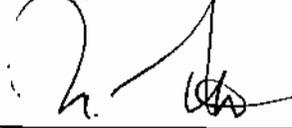
\*Insert EXACT legal name of the applicant

**CERTIFICATION**

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Fresenius Medical Care Holdings, Inc. \* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

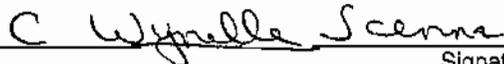
  
 SIGNATURE  
 Mark Fawcett  
 PRINTED NAME  
 Vice President & Asst. Treasurer  
 PRINTED TITLE

  
 SIGNATURE  
 Bryan Mello  
 PRINTED NAME  
 Assistant Treasurer  
 PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this \_\_\_ day of \_\_\_\_\_ 2012

Notarization:  
Subscribed and sworn to before me  
this 18 day of July 2012

Signature of Notary  
Seal



Signature of Notary  
Seal



\*Insert EXACT legal name of the applicant

**SECTION II. DISCONTINUATION**

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

**Criterion 1110.130 - Discontinuation**

READ THE REVIEW CRITERION and provide the following information:

**GENERAL INFORMATION REQUIREMENTS**

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

**REASONS FOR DISCONTINUATION**

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

**IMPACT ON ACCESS**

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

**APPEND DOCUMENTATION AS ATTACHMENT-10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

### SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

#### Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

##### BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

**APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11**

##### PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded if any. For facility projects, include statements of age and condition and regulatory citations if any. For equipment being replaced, include repair and maintenance records.

**NOTE: Information regarding the "Purpose of the Project" will be included in the State Agency Report.**

**APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-5) MUST BE IDENTIFIED IN ATTACHMENT 12**

**ALTERNATIVES**

- 1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
  - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
  - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
  - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

**APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**

**Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

**SIZE OF PROJECT:**

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
  - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
  - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;
  - c. The project involves the conversion of existing space that results in excess square footage.

**Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.**

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

**APPEND DOCUMENTATION AS ATTACHMENT-14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**PROJECT SERVICES UTILIZATION:**

**This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.**

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

**A table must be provided in the following format with Attachment 15.**

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

**APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**UNFINISHED OR SHELL SPACE: NOT APPLICABLE – THERE IS NO UNFINISHED SHELLSPACE**

Provide the following information:

1. Total gross square footage of the proposed shell space;
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function;
3. Evidence that the shell space is being constructed due to
  - a. Requirements of governmental or certification agencies; or
  - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
  - a. Historical utilization for the area for the latest five-year period for which data are available; and
  - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

**APPEND DOCUMENTATION AS ATTACHMENT-16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**ASSURANCES: NOT APPLICABLE – THERE IS NO UNFINISHED SHELL SPACE**

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

**APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**G. Criterion 1110.1430 - In-Center Hemodialysis**

1. Applicants proposing to establish, expand and/or modernize In-Center Hemodialysis must submit the following information:
2. Indicate station capacity changes by Service: Indicate # of stations changed by action(s):

Category of Service	# Existing Stations	# Proposed Stations
<input checked="" type="checkbox"/> In-Center Hemodialysis	09	11

3. READ the applicable review criteria outlined below and submit the required documentation for the criteria:

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.1430(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.1430(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.1430(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.1430(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service	N/A	X	
1110.1430(b)(5) - Planning Area Need - Service Accessibility	X		
1110.1430(c)(1) - Unnecessary Duplication of Services	X		
1110.1430(c)(2) - Maldistribution	X		
1110.1430(c)(3) - Impact of Project on Other Area Providers	X		
1110.1430(d)(1) - Deteriorated Facilities	N/A		X
1110.1430(d)(2) - Documentation	N/A		X
1110.1430(d)(3) - Documentation Related to Cited Problems	N/A		X
1110.1430(e) - Staffing Availability	X	X	
1110.1430(f) - Support Services	X	X	X
1110.1430(g) - Minimum Number of Stations	X		
1110.1430(h) - Continuity of Care	X		
1110.1430(j) - Assurances	X	X	X

**APPEND DOCUMENTATION AS ATTACHMENT-26, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

4. Projects for relocation of a facility from one location in a planning area to another in the same planning area must address the requirements listed in subsection (a)(1) for the "Establishment of Services or Facilities", as well as the requirements in Section 1110.130 - "Discontinuation" and subsection 1110.1430(i) - "Relocation of Facilities".

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

**VIII. - 1120.120 - Availability of Funds**

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

<u>1,463,970</u>	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> <li>1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and</li> <li>2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;</li> </ol>
<u>N/A</u>	<p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
<u>N/A</u>	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
<u>1,234,600</u>	<p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> <li>1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;</li> <li>2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;</li> <li>3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;</li> <li>4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;</li> <li>5) For any option to lease, a copy of the option, including all terms and conditions.</li> </ol>
<u>N/A</u>	<p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;</p>
<u>N/A</u>	<p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p>
<u>N/A</u>	<p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
<u>2,698,570</u>	<b>TOTAL FUNDS AVAILABLE</b>

**IX. 1120.130 - Financial Viability**

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

**Financial Viability Waiver**

The applicant is not required to submit financial viability ratios if:

1. All of the projects capital expenditures are completely funded through internal sources
2. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
3. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

**APPEND DOCUMENTATION AS ATTACHMENT-40 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion. When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				
Current Ratio	<b>APPLICANT MEETS THE FINANCIAL VIABILITY WAIVER CRITERIA IN THAT ALL OF THE PROJECTS CAPITAL EXPENDITURES ARE COMPLETELY FUNDED THROUGH INTERNAL SOURCES, THEREFORE NO RATIOS ARE PROVIDED.</b>			
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

**2. Variance NOT APPLICABLE**

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

**APPEND DOCUMENTATION AS ATTACHMENT-41 IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**X. 1120.140 - Economic Feasibility**

This section is applicable to all projects subject to Part 1120.

**A. Reasonableness of Financing Arrangements**

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
  - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
  - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

**B. Conditions of Debt Financing**

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

**C. Reasonableness of Project and Related Costs**

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD									
Contingency									
<b>TOTALS</b>									

\* Include the percentage (%) of space for circulation

**D. Projected Operating Costs**

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

**E. Total Effect of the Project on Capital Costs**

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

**APPEND DOCUMENTATION AS ATTACHMENT 42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**XI. Safety Net Impact Statement**

**SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:**

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

**Safety Net Impact Statements shall also include all of the following:**

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

**A table in the following format must be provided as part of Attachment 43.**

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
<b>Total</b>			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
<b>Total</b>			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			

Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

**APPEND DOCUMENTATION AS ATTACHMENT-43, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**XII. Charity Care Information**

Charity Care information **MUST** be furnished for **ALL** projects.

- All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
- If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
- If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care\* means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3) Charity Care **must** be provided at cost.

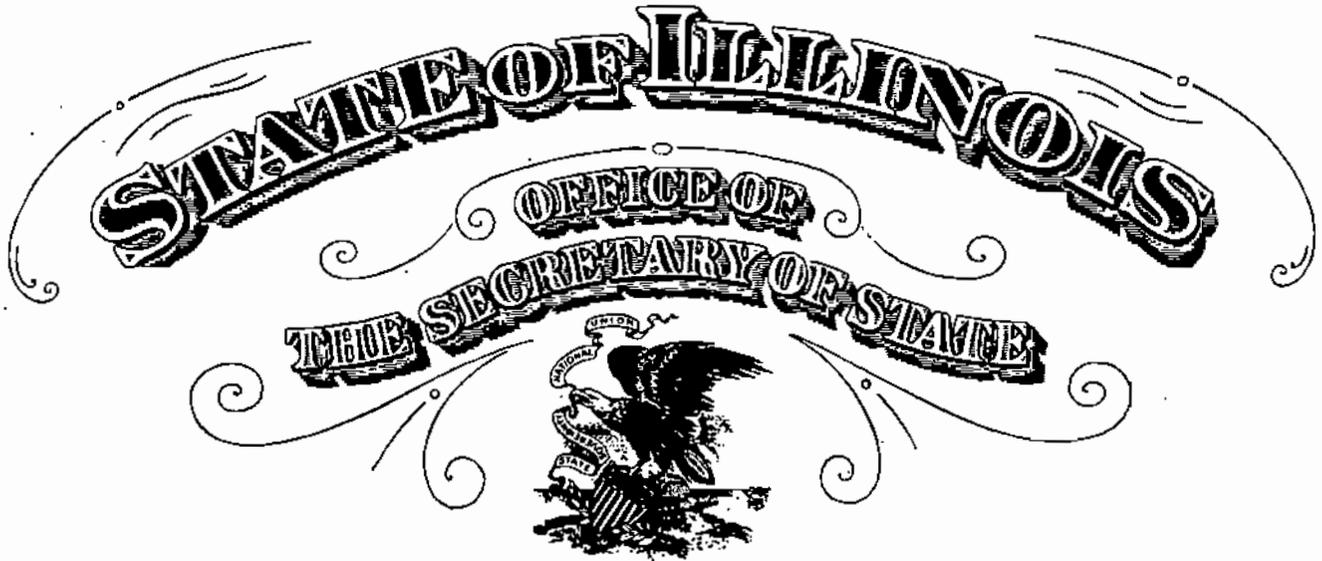
A table in the following format must be provided for all facilities as part of Attachment 44.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

**APPEND DOCUMENTATION AS ATTACHMENT-44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

<b>INDEX OF ATTACHMENTS</b>		
<b>ATTACHMENT NO.</b>		<b>PAGES</b>
1	Applicant/Co-applicant Identification including Certificate of Good Standing	23-24
2	Site Ownership	25-31
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	32
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	33
5	Flood Plain Requirements	34
6	Historic Preservation Act Requirements	35
7	Project and Sources of Funds Itemization	36-37
8	Obligation Document if required	38
9	Cost Space Requirements	39
10	Discontinuation	40-41
11	Background of the Applicant	42-47
12	Purpose of the Project	48
13	Alternatives to the Project	49-50
14	Size of the Project	51
15	Project Service Utilization	52
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	<b>Service Specific:</b>	
20	Medical Surgical Pediatrics, Obstetrics, ICU	
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	53-84
27	Non-Hospital Based Ambulatory Surgery	
28	General Long Term Care	
29	Specialized Long Term Care	
30	Selected Organ Transplantation	
31	Kidney Transplantation	
32	Subacute Care Hospital Model	
33	Post Surgical Recovery Care Center	
34	Children's Community-Based Health Care Center	
35	Community-Based Residential Rehabilitation Center	
36	Long Term Acute Care Hospital	
37	Clinical Service Areas Other than Categories of Service	
38	Freestanding Emergency Center Medical Services	
	<b>Financial and Economic Feasibility:</b>	
39	Availability of Funds	85-97
40	Financial Waiver	98-99
41	Financial Viability	
42	Economic Feasibility	100-104
43	Safety Net Impact Statement	105-106
44	Charity Care Information	107-114
Appendix 1	MapQuest Travel Times	115-119
Appendix 2	Physician Referral Letters & Patient Referrals	120-126



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

DIALYSIS CENTERS OF AMERICA-ILLINOIS, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 11, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 3RD day of JULY A.D. 2012



Jesse White

Authentication #: 1218501380

Authenticate at: <http://www.cyberdriveillinois.com>

SECRETARY OF STATE

Certificate of Good Standing ATTACHMENT - 1

**Co - Applicant Identification**

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: <i>Fresenius Medical Care Holdings, Inc.</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Mats Wahlstrom</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02541</i>
Telephone Number: <i>781-669-9000</i>

**APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Type of Ownership**

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an Illinois certificate of good standing.
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>DTHC Property Land Trust</i>
Address of Site Owner: <i>105 N. Parkway Drive, Pekin, IL 61554</i>
Street Address or Legal Description of Site: <i>120 N. Parkway Drive, Pekin, 61554</i> Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
<b>APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM</b>



Cushman & Wakefield of  
 Illinois, Inc.  
 455 N. Cityfront Plaza Drive  
 Suite 2800  
 Chicago, IL 60611-5555  
 (312) 470-1800 Tel  
 (312) 470-3800 Fax  
 www.cushwake.com

July 28, 2012

Mr. Dan Maloof  
 Maloof Commercial Real Estate  
 2411 Cornerstone Ct.  
 Peoria, IL 61614

RE: Fresenius Medical Care, LLC.  
Letter of Intent - Pekin, IL

Dear Dan,

Cushman & Wakefield has been exclusively authorized by FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, to present the following letter of intent to lease space from your company.

FRESENIUS MEDICAL CARE is the world's leading provider of dialysis products and services. The company manages in excess of 2,500 kidney dialysis clinics and 50 billing centers and regional offices throughout North America.

LANDLORD: Todd Clanahan, Trustee  
 DTHC Property Land Trust  
 105 N. Parkway Dr.  
 Pekin, IL 61554

TENANT: FRESENIUS MEDICAL CARE.

LOCATION: 120 N Parkway Drive  
 Pekin, IL

INITIAL SPACE REQUIREMENTS: Approximately 7,000 contiguous usable square feet.

FRESENIUS MEDICAL CARE may have the need and therefore must have the option to increase or decrease the area by up to ten percent (10%) until approval of final construction drawings.

PRIMARY TERM: An initial lease term of twelve (12) years. The Lease and rent would commence on the date that the facility starts treating patients. For purposes of establishing an actual occupancy date, both parties will execute an amendment after occupancy has occurred, setting forth dates for purposes of calculations, notices, or other events in the Lease that may be tied to a commencement date.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

**DELIVERY OF PREMISES:**

Landlord shall deliver the Premises to FRESANIUS MEDICAL CARE for completion of the Tenant Improvements upon substantial completion of the shell.

**OPTIONS TO RENEW:**

Three (3), five (5) year options to renew the Lease. Option rental rates shall be based upon the lower of Fair Market Value or the increase in the Consumer Price Index over the previous five years, capped at 2.5% per year. FRESANIUS MEDICAL CARE shall provide sixty (60) days' prior written notification of its desire to exercise the option.

**RENTAL RATE:**

\$13.00 Net per rentable square foot. Taxes and Operating Expenses approximately \$3.00.

**ESCALATION:**

\$.50 per year beginning in the second lease year.

**TENANT ALLOWANCE:**

Please see Building Shell Exhibit. (See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)

**CONCESSIONS:**

A rent free period of 3 months upon commencement.

**USE:**

FRESANIUS MEDICAL CARE shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes except those authorized in writing by Landlord, which shall not be unreasonably withheld, conditioned or delayed. FRESANIUS MEDICAL CARE may operate on the Premises, at FRESANIUS MEDICAL CARE's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

**DEMISED PREMISES**

**SHELL:**

Landlord is responsible for delivery a shell building in conformance with FRESANIUS MEDICAL CARE's specifications attached as (See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)

**CONTRACTOR FOR TENANT IMPROVEMENTS:**

FRESANIUS MEDICAL CARE will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FRESANIUS MEDICAL CARE shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any.

**HVAC:**

Landlord will provide HVAC service to the space to meet FRESANIUS MEDICAL CARE's requirements as outlined in Exhibit A. FRESANIUS MEDICAL CARE requires HVAC service 24 hours per day, 7 days per week. (See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)

**DELIVERIES:**

FRESANIUS MEDICAL CARE requires delivery access to the Premises 24 hours per day, 7 days per week.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

**EMERGENCY GENERATOR:**

FRESENIUS MEDICAL CARE shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.

**SPACE PLANNING/  
ARCHITECTURAL AND  
MECHANICAL DRAWINGS:**

FRESENIUS MEDICAL CARE will provide all space planning and architectural and mechanical drawings required to build out the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the FRESENIUS MEDICAL CARE's responsibility.

**PRELIMINARY  
IMPROVEMENT PLAN:**

At this time, please provide AutoCAD files that include one-eighth inch scale architectural drawings of the proposed demised premises and detailed building specifications.

**PARKING:**

Landlord will provide designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at Landlord's sole cost and expense).

**BUILDING CODES:**

FRESENIUS MEDICAL CARE requires that the site, shell and all interior structures constructed or provided by the Landlord to meet all local, State, and Federal building code requirements, including all provisions of ADA.

**CORPORATE  
IDENTIFICATION:**

Tenant shall have signage rights in accordance with local code.

**COMMON AREA EXPENSES  
AND REAL ESTATE TAXES:**

Tenant shall be responsible for all Real Estate Taxes and Operating Expenses associated with its premises.

**ASSIGNMENT/  
SUBLETTING:**

FRESENIUS MEDICAL CARE requires the right to assign or sublet all or a portion of the demised premises to any subsidiary or affiliate without Landlord's consent. Any other assignment or subletting will be subject to Landlord's prior consent, which shall not be unreasonably withheld or delayed.

**MAINTENANCE:**

Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the exterior portions and structural portions of the Building to keep the building weather and water tight and structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, doors and windows, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, footings as well as any elevators, water mains, gas and sewer lines, sidewalks, private roadways, landscape, parking areas, common areas, and loading docks, if any, on or appurtenant to the Building or the Premises.

With respect to the parking and other exterior areas of the Building and subject to reasonable reimbursement by Tenant, Landlord shall perform the

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

following, pursuant to good and accepted business practices throughout the term: repainting the exterior surfaces of the building when necessary, repairing, resurfacing, repaving, re-stripping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

Tenant shall maintain and keep the interior of the Premises in good repair, free of refuse and rubbish and shall return the same at the expiration or termination of the Lease in as good condition as received by Tenant, ordinary wear and tear, and damage or destruction by fire, flood, storm, civil commotion or other unavoidable causes excepted. Tenant shall be responsible for maintenance and repair of Tenant's equipment in the Premises.

**UTILITIES:**

Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of any of Tenant's utility specifications in the Premises. Landlord agrees to bring water, electricity, gas and sanitary sewer to the Premises in sizes and to the location specified by Tenant and pay for the cost of meters to meter their use. Landlord shall pay for all impact fees and tapping fees associated with such utilities.

**SURRENDER:**

At any time prior to the expiration or earlier termination of the Lease, Tenant may remove any or all the alterations, additions or installations, installed by or on behalf of Tenant, in such a manner as will not substantially injure the Premises. Tenant agrees to restore the portion of the Premises affected by Tenant's removal of such alterations, additions or installations to the same condition as existed prior to the making of such alterations, additions, or installations. Upon the expiration or earlier termination of the Lease, Tenant shall turn over the Premises to Landlord in good condition, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commotion, or other unavoidable cause excepted. All alterations, additions, or installations not so removed by Tenant shall become the property of Landlord without liability on Landlord's part to pay for the same.

**ZONING AND  
RESTRICTIVE COVENANTS:**

Landlord confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no restrictive covenants imposed by the development, owner, and/or municipality that would in any way limit or restrict the operation of FRESANIUS MEDICAL CARE's dialysis clinic

**FLOOD PLAIN:**

Landlord confirms that the property and premises is not in a Flood Plain.

**CAPITALIZATION TEST:**

Landlord will complete the attached Accounting Classification Form to ensure FRESANIUS MEDICAL CARE is not entering into a capitalized lease arrangement.

**FINANCING:**

Landlord will provide a non-disturbance agreement.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

**EXCLUSIVITY**

Landlord will not, during the term of the Lease and any option terms, lease space in a 5 mile radius to any other provider of hemodialysis services.

**ENVIRONMENTAL:**

A Phase One Environmental Study will be conducted.

**DRAFT LEASE:**

FRESENIUS MEDICAL CARE requires the use of its Standard Form Lease, which is attached.

**BROKERAGE FEE:**

Cushman & Wakefield of Illinois, is the exclusive real estate services provider to FMCNA, its subsidiaries and affiliates. The Landlord will pay a market commission to Cushman & Wakefield of Illinois. The real estate commission shall be payable 50% upon lease execution and 50% upon occupancy. FRESENIUS MEDICAL CARE and FMCNA shall retain the right to offset rent for failure to pay the real estate commission.

**LEASE EXECUTION:**

Both parties agree that they will make best efforts to reach a fully executed lease document within thirty days of the execution of this letter of intent.

**LEASE SECURITY:**

Fresenius Medical Holdings Corp shall fully guarantee the lease.

**CONFIDENTIAL:**

The material contained herein is confidential. It is intended for use of Landlord and Tenant solely in determining whether they desire to enter into a Lease, and it is not to be copied or discussed with any other person.

**EXCLUSIVE NEGOTIATING PERIOD:**

The parties agree that they will negotiate on an exclusive basis for a period of thirty (30) days from the execution of this document.

**NON-BINDING NATURE:**

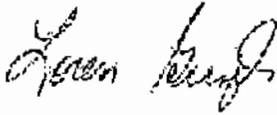
This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive Lease agreement has been fully executed and delivered by the parties. The parties agree that this proposal is not intended to create any agreement or obligation by either party to negotiate a definitive Lease agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive, fully executed agreement, and without any liability to the other party, either party may (i) propose different terms from those summarized herein, (ii) enter into negotiations with other parties and/or (iii) unilaterally terminate all negotiations with the other party hereto.

If you are in agreement with these terms, please execute the document below and return a copy for our records.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

You may email the proposal to [loren.guzik@cushwake.com](mailto:loren.guzik@cushwake.com). Thank you for your time and cooperation in this matter, should you have any questions please call me at 312.470.1897.

Sincerely,



Loren Guzik  
Senior Director  
Office Group  
Phone: 312-470-1897  
Fax: 312-470-3800  
e-mail: [loren\\_guzik@cushwake.com](mailto:loren_guzik@cushwake.com)

CC: Mr. Bill Popken

**AGREED AND ACCEPTED** this \_\_\_\_ day of \_\_\_\_\_, 2012

By \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED** this \_\_\_\_ day of \_\_\_\_\_, 2012

By: \_\_\_\_\_

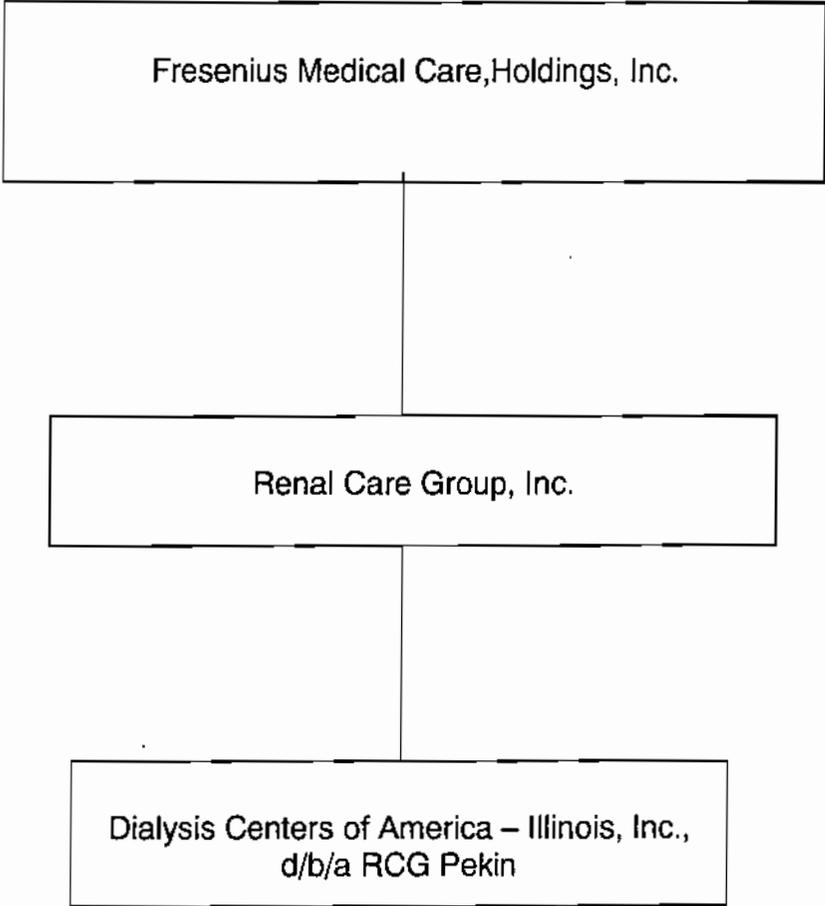
Title: \_\_\_\_\_

## Operating Identity/Licensee

[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: <i>Dialysis Centers of America – Illinois, Inc. d/b/a RCG Pekin</i>			
Address: <i>920 Winter Street, Waltham, MA 02451</i>			
<input type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship
		<input type="checkbox"/>	Other
<ul style="list-style-type: none"><li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li><li>o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li><li>o <b>Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</b></li></ul>			

## Certificate of Good Standing at Attachment – 1.



The project is not new construction and is a build out of the interior of existing leased space, therefore this criterion is not applicable.



Illinois Historic  
Preservation Agency

FAX (217) 782-8161

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • [www.illinois-history.gov](http://www.illinois-history.gov)

Tazewell County  
Pekin

CON - Lease for Relocation of 11-Station Dialysis Clinic  
120 N. Parkway Dr.  
IHPA Log #007071112

July 25, 2012

Jean Gibellin  
Fresenius Medical Care  
1 Westbrook Corporate Center, Suite 1000  
Westchester, IL 60154

Dear Ms. Gibellin:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact me at 217/785-5027.

Sincerely,

Anne E. Haaker  
Deputy State Historic  
Preservation Officer

## SUMMARY OF PROJECT COSTS

### Modernization Contracts

General Conditions	49,600
Temp Facilities, Controls, Cleaning, Waste Management	2,500
Concrete	12,300
Masonry	14,000
Metal Fabrications	7,200
Carpentry	85,000
Thermal, Moisture & Fire Protection	17,000
Doors, Frames, Hardware, Glass & Glazing	66,000
Walls, Ceilings, Floors, Painting	156,000
Specialities	12,000
Casework, FI Mats & Window Treatments	5,700
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	309,100
Wiring, Fire Alarm System, Lighting	186,200
Miscellaneous Construction Costs	43,400
<b>Total</b>	<b>966,000</b>

### Contingencies

Contingencies **\$95,970**

### Architectural/Engineering

Architecture/Engineering Fees **\$106,000**

**Movable or Other Equipment**

Dialysis Chairs	\$18,000
Misc. Clinical Equipment	15,000
Clinical Furniture & Equipment	21,000
Office Equipment & Other	30,000
Furniture	
Water Treatment	100,000
TVs & Accessories	50,000
Telephones	12,000
Generator	30,000
Facility Automation	17,000
Other miscellaneous	3,000
<b>Total</b>	<b>\$296,000</b>

**Fair Market Value Leased Space & Equipment**

FMV Leased Space (7,000 GSF)	\$1,067,500
FMV Leased Dialysis Machines	161,100
FMV Leased Computers	6,000
<b>Total</b>	<b>\$1,234,600</b>

Project obligation will occur after permit issuance.

### Cost Space Requirements

Provide in the following format, the department/area GSF and cost. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
<b>REVIEWABLE</b>							
In-Center Hemodialysis	2,698,570		7,000		7,000		
Total Clinical	2,698,570		7,000		7,000		
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>	2,698,570		7,000		7,000		
<b>APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>							

## **1110.130 – DISCONTINUATION**

### **General Information Requirements**

Dialysis Centers of America - Illinois, Inc. proposes to discontinue its 9-station ESRD facility located at 600 S. 13<sup>th</sup> Street, Pekin, on the campus of Pekin Hospital, currently operating at 85% utilization with 46 patients and relocate it to 120 N. Parkway Drive, Pekin. This is approximately one mile from the current site and both sites are in HSA 2. We plan to add 2 stations at the new location for a total of 11 stations. All patients are expected to transfer to the new facility and therefore all medical records will be transferred to the new site as well.

The discontinuation is expected to occur simultaneously with the opening of the new facility. This is expected to occur prior to December 31, 2014, and most likely by May 2013. There will be no break in service to the patients involved. The evacuated site at 600 S. 13<sup>th</sup> Street is leased space so will be released back to the landlord.

### **Reasons for Discontinuation**

We are discontinuing this facility due to the denial of the 12 station North Pekin facility per Board rules of excess capacity within 30 minutes. The Pekin facility is located in Pekin Hospital and the lease is expiring December 31, 2014 and we had planned to remain at this site, but due to the denial of the North Pekin facility we urgently need to address the much needed additional access for Pekin area pre-ESRD patients. The facility is in cramped space and there is no room for expansion. Moving the facility into a larger space will allow expansion to accommodate current and future growth in a more cost effective manner, and will also meet Board rules.

As far as physical plant concerns at the current site, the space restrictions allow little room to move about in wheelchairs or ambulance gurneys. Storage space is almost non-existent creating difficulties ordering and storing supplies. It is also on the 3<sup>rd</sup> floor which makes patient access more difficult.

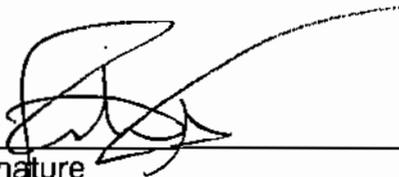
### **Impact On Access**

It is determined that the "relocation" and addition of two stations at the Pekin facility to an alternate site also in Pekin will not have any impact on any area ESRD providers. All patients are expected to relocate to the new site and Renal Care Associates has additional pre-ESRD patients to support the relocated facility. No patients are being transferred from any other facility.

**IMPACT ON ACCESS STATEMENT PER PART 1110.130**

The proposed discontinuation of the Pekin 9-station end stage renal disease (ESRD) facility will not have an adverse effect upon access to care for the residents of the healthcare market area in which it is situated. Along with this discontinuation, a replacement 11-station ESRD facility will be established at 120 N. Parkway Drive in Pekin, IL. The Pekin facility is essentially being relocated approximately 1 mile away. All patients are expected to transfer to the replacement facility. There will be no break in service to patients.

There will be no adverse impact to any facilities within a 45-minute travel time. All clinics within 45-minutes are Fresenius Medical Care clinics; therefore a letter requesting an impact statement was not needed.

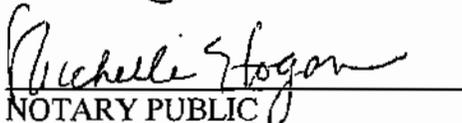


Signature

Richard Stotz  
Printed Name

Regional Vice President  
Title

SUBSCRIBED AND SWORN TO  
BEFORE ME THIS 20th DAY  
OF July, 2012.

  
NOTARY PUBLIC

Seal



## Fresenius Medical Care

Fresenius Medical Care is the leading provider of dialysis products and services in the world and as such has a long-standing commitment to adhere to quality standards that are higher than required by regulatory bodies, to provide compassionate patient centered care, educate patients to become in charge of their health decisions, implement programs to improve clinical outcomes while reducing mortality & hospitalizations and to stay on the cutting edge of technology in development of dialysis related products.

The size of the company and range of services provides healthcare partners/employees and patients with an expansive range of resources from which to draw experience, knowledge and best practices.

Quality Measures – Fresenius Medical Care continually tracks five quality measures on all patients. These are:

- eKdrt/V – tells us if the patient is getting an adequate treatment
- Hemoglobin – monitors patients for anemia
- Albumin – monitors the patient's nutrition intake
- Phosphorus – monitors patient's bone health and mineral metabolism
- Catheters – tracks patients access for treatment, the goal is no catheters which leads to better outcomes

The above measures as well as other clinic operations are discussed each month with the Medical Directors, Clinic Managers, Social Workers, Dietitians, Area Managers and referring nephrologists at each clinic's Quality Assessment Performance Improvement (QAI) meeting to ensure the provision of high quality care, patient safety, and regulatory compliance.

Some of the initiatives that Fresenius has implemented to bring about better outcomes and increase the patient's quality of life are the TOPS program, Right Start Program and The Catheter Reduction Program.

TOPs Program (Treatment Options) – This is a company-wide program designed to reach the pre-ESRD patient (also known as CKD – Chronic Kidney Disease) to educate them about available treatment options when they enter end stage renal disease. TOPs programs are held routinely at local hospitals and physician offices. Treatment options include transplantation, in-center hemodialysis, home hemodialysis, peritoneal dialysis and nocturnal dialysis.

Right Start Program – This is an intensive 90-day intervention program for the new dialysis patient centering on education, anemia management, adequate dialysis dose, nutrition, reduction of catheter use, review of medications and logistical and psychosocial support. The Right Start Program results in improved morbidity and mortality in the long term but also notably in the first 90 days of the start of dialysis.

Catheter Reduction Program – This is a key strategic clinical initiative to support nephrologists and clinical staff with increasing the number of patients dialyzed with a permanent access, preferably a venous fistula (AVF) versus a central venous catheter (CVC) venous fistula). Starting dialysis with or converting patients to an AVF can significantly lower serious complications, hospitalizations and mortality rates. Overall adequacy of dialysis treatment also increases with the use of the AVF.

## FRESENIUS MEDICAL CARE CASE MANAGEMENT PROGRAM

# *Wins National Award*

Fresenius Medical Care's Renal Inpatient Care Management (RICM) program received the 2012 Case In Point Platinum award for the best provider-based case management program in Washington D.C. on May 9th. The Case in Point Platinum Awards program recognizes the most successful case management and care coordination programs and individuals working to make the healthcare delivery system safer, more productive and more cost-effective.

Entry criteria for this award required submission of how the program demonstrated stellar achievements over the past year in the areas of creativity, innovation, leadership, behavioral change, cost containment and patient education, empowerment and engagement. Also required was measurable data and supporting materials, such as outcomes and statistical evidence.

FMCNA's RICM program partners with acute care hospitals to improve patient outcomes and reduce length of stay while optimizing care coordination and providing a smooth transition from inpatient to outpatient care. Through the RICM program, the Company provides the services of a dedicated Renal Inpatient Care Manager, who is a registered nurse with significant dialysis experience, to acute care hospitals to help ensure a comprehensive plan of care for



Renal Inpatient Care Management is one of the Case Management programs overseen by VP of UltraCare Customer Connection **Fern Parlier** (left), and managed by Director of Hospital Case Management **Debra Marshall** (right)



(From left) **Teresa Bottoms**, **Debra Marshall**, **Fern Parlier**, **Donna Garcia**, **Barbara Williams** and **Patrick Henry** were on hand to accept the Case in Point Platinum Award.

renal patients. The scope of services includes patient assessment, care coordination, patient education services, discharge planning and continuous quality improvement. This program has achieved some tremendous outcomes due to the collaborative case management interventions. **Fern Parlier** and her Case Management Department would like to acknowledge all Fresenius Medical Care employees who have contributed to this program's development and success. ■

Fresenius Medical Care Holdings, Inc. In-center Clinics in Illinois

Clinic	Provider #	Address	City	Zip	Fac >10% Medicaid Treatments*
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803	
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002	10.2%
Aurora	14-2515	455 Mercy Lane	Aurora	60506	
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651	26.5%
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402	16.7%
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406	11.6%
Bolingbrook	14-2605	538 E. Boughton Road	Bolingbrook	60440	
Breese		160 N. Main Street	Breese	62230	
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609	30.4%
Burbank	14-2641	4811 W. 77th Street	Burbank	60459	13.3%
Carbondale	14-2514	725 South Lewis Lane	Carbondale	62901	
Champaign	14-2588	1405 W. Park Street	Champaign	61801	
Chatham		333 W. 87th Street	Chicago	60620	
Chicago Dialysis	14-2506	820 West Jackson Blvd.	Chicago	60607	45.2%
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608	45.1%
Cicero		3030 S. Cicero	Chicago	60804	
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624	29.9%
Crestwood	14-2538	4861W. Cal Sag Road	Crestwood	60445	
Decatur East	14-2503	1830 S. 44th St.	Decatur	62521	
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015	
Des Plaines		1625 Oakton Place	Des Plaines	60018	
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515	
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185	17.4%
DuQuoin	14-2595	#4 West Main Street	DuQuoin	62832	
East Peoria	14-2562	3300 North Main Street	East Peoria	61611	
Elgin	14-2726	2130 Point Boulevard	Elgin	60123	
Elk Grove	14-2507	901 Biesterfield Road, Ste. 400	Elk Grove	60007	10.4%
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126	
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201	16.4%
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805	
Fairview Heights		821 Lincoln Highway	Fairview Heights	62208	
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609	20.8%
Glendale Heights	14-2617	520 E. North Avenue	Glendale Heights	60139	17.6%
Glenview	14-2551	4248 Commercial Way	Glenview	60025	
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619	16.7%
Gurnee	14-2549	101 Greenleaf	Gurnee	60031	20.9%
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429	
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195	18.8%
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649	29.8%
Joliet		721 E. Jackson Street	Joliet	60432	
Kewanee	14-2578	230 W. South Street	Kewanee	61443	
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044	11.6%
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613	22.0%
Lincolnland		1112 Centre West Drive	Springfield	62704	
Logan Square		2734 N. Milwaukee Avenue	Chicago	60647	
Lombard	14-2722	1940 Springer Drive	Lombard	60148	
Macomb	14-2591	523 E. Grant Street	Macomb	61455	
Marquette Park	14-2566	6515 S. Western	Chicago	60636	18.1%
McHenry	14-2672	4312 W. Elm St.	McHenry	60050	
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704	
Melrose Park	14-2554	1111 Superior St., Ste. 204	Melrose Park	60160	16.7%
Merrionette Park	14-2667	11630 S. Kedzie Ave.	Merrionette Park	60803	
Metropolis	14-2705	20 Hospital Drive	Metropolis	62960	
Midway	14-2713	6201 W. 63rd Street	Chicago	60638	
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448	
Morris	14-2596	1401 Lakewood Dr., Ste. B	Morris	60450	
Mundelein	14-2731	1400 Townline Road	Mundelein	60060	
Naperbrook		2451 S Washington	Naperville	60565	
Naperville	14-2543	100 Spalding Drive Ste. 108	Naperville	60566	
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563	
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714	10.8%
Norridge	14-2521	4701 N. Cumberland	Norridge	60656	11.2%

Facility List

North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160	
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630	20.8%
Northcenter	14-2531	2620 W. Addison	Chicago	60618	19.6%
Northfield		480 Central Avenue	Northfield	60093	
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611	11.6%
Oak Park	14-2504	773 W. Madison Street	Oak Park	60302	
Orland Park	14-2550	9160 W. 159th St.	Orland Park	60462	
Oswego	14-2677	1051 Station Drive	Oswego	60543	
Ottawa	14-2576	1601 Mercury Circle Drive, Ste. 3	Ottawa	61350	
Palatine	14-2723	691 E. Dundee Road	Palatine	60074	
Pekin	14-2571	600 S. 13th Street	Pekin	61554	
Peoria Downtown	14-2574	410 W Romeo B. Garrett Ave.	Peoria	61605	
Peoria North	14-2613	10405 N. Juliet Court	Peoria	61615	
Plainfield	14-2707	2320 Michas Drive	Plainfield	60544	
Polk	14-2502	557 W. Polk St.	Chicago	60607	19.9%
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764	
Prairie	14-2569	1717 S. Wabash	Chicago	60616	13.1%
Randolph County	14-2589	102 Memorial Drive	Chester	62233	
River Forest		103 Forest Avenue	River Forest	60305	
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645	19.2%
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008	11.3%
Roseland	14-2690	135 W. 111th Street	Chicago	60628	19.1%
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621	17.6%
Round Lake	14-2616	401 Nippersink	Round Lake	60073	16.8%
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946	
Sandwich	14-2700	1310 Main Street	Sandwich	60548	
Skokie	14-2618	9801 Wood Dr.	Skokie	60077	
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617	20.4%
South Deering		10559 S. Torrence Ave.	Chicago	60617	
South Holland	14-2542	17225 S. Paxton	South Holland	60473	12.2%
South Shore	14-2572	2420 E. 79th Street	Chicago	60649	16.8%
South Side	14-2508	3134 W. 76th St.	Chicago	60652	21.8%
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461	
Southwestern Illinois	14-2535	Illinois Rts 3&143, #7 Eastgate Plz.	East Alton	62024	
Spoon River	14-2565	210 W. Walnut Street	Canton	61520	
Spring Valley	14-2564	12 Wolfer Industrial Drive	Spring Valley	61362	
Steger	14-2725	219 E. 34th Street	Steger	60475	
Streator	14-2695	2356 N. Bloomington Street	Streator	61364	
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640	16.9%
Waukegan Harbor	14-2727	101 North West Street	Waukegan	60085	
West Batavia	14-2729	2580 W. Fabyan Parkway	Batavia	60510	
West Belmont	14-2523	4943 W. Belmont	Chicago	60641	42.3%
West Chicago	14-2702	1859 N. Neltnor	West Chicago	60185	13.1%
West Metro	14-2536	1044 North Mozart Street	Chicago	60622	24.6%
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302	15.6%
West Willow	14-2730	1444 W. Willow	Chicago	60620	
Westchester	14-2520	2400 Wolf Road, Ste. 101A	Westchester	60154	
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959	
Willowbrook	14-2632	6300 S. Kingery Hwy, Ste. 408	Willowbrook	60527	

\*Medicaid percentages are reflected in treatments, not patients. Any patient can have more than one type of coverage in any given year, therefore treatment numbers reflects more accurately the clinic's % of coverage. Only clinics above 10% Medicaid are reported here to show those facilities with significant Medicaid numbers.

All Illinois Clinics are Medicare certified, and do not discriminate against patients based on their ability to pay or payor source.

All clinics are open to all physicians who meet credentialing requirements.

Certification & Authorization

Dialysis Centers of America - Illinois, Inc.

In accordance with Section III, A (2) of the Illinois Health Facilities Planning Board Application for Certificate of Need; I do hereby certify that no adverse actions have been taken against Dialysis Centers of America - Illinois, Inc. by either Medicare or Medicaid, or any State or Federal regulatory authority during the 3 years prior to the filing of the Application with the Illinois Health Facilities Planning Board; and

In regards to section III, A (3) of the Illinois Health Facilities Planning Board Application for Certificate of Need; I do hereby authorize the State Board and Agency access to information in order to verify any documentation or information submitted in response to the requirements of this subsection or to obtain any documentation or information that the State Board or Agency finds pertinent to this subsection.

By: 

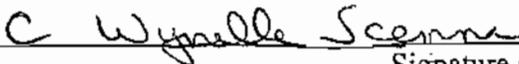
ITS: Mark Fawcett  
Vice President & Treasurer

By: 

ITS: Bryan Mello  
Assistant Treasurer

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2012

Notarization:  
Subscribed and sworn to before me  
this 18 day of July, 2012

  
Signature of Notary

Seal



Seal

Certification & Authorization

Fresenius Medical Care Holdings, Inc.

In accordance with Section III, A (2) of the Illinois Health Facilities Planning Board Application for Certificate of Need; I do hereby certify that no adverse actions have been taken against Fresenius Medical Care Holdings, Inc. by either Medicare or Medicaid, or any State or Federal regulatory authority during the 3 years prior to the filing of the Application with the Illinois Health Facilities Planning Board; and

In regards to section III, A (3) of the Illinois Health Facilities Planning Board Application for Certificate of Need; I do hereby authorize the State Board and Agency access to information in order to verify any documentation or information submitted in response to the requirements of this subsection or to obtain any documentation or information that the State Board or Agency finds pertinent to this subsection.

By: [Signature]

ITS: Mark Fawcett  
Vice President & Asst. Treasurer

By: [Signature]

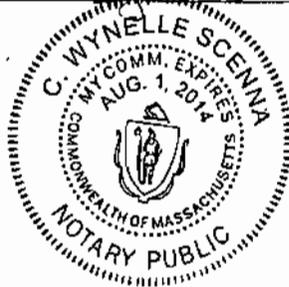
ITS: Bryan Mello  
Assistant Treasurer

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2012

Notarization:  
Subscribed and sworn to before me  
this 18 day of July, 2012

C Wynelle Scenna  
Signature of Notary

Seal



Seal

## Criterion 1110.230 – Purpose of Project

The purpose of this project is to provide much needed and requested additional access to life-sustaining dialysis services to the Pekin market area and to address space restrictions at the current facility by relocating RCG Pekin to a larger site also located in Pekin.

The current facility is in leased space at Pekin Community Hospital, which expires December 31, 2014. The facility has been operating between 85% and 100% utilization and an expansion is needed, however the current space is too small for additional stations. Per the Board's inventory there is a need for an additional 3 stations in HSA 2 and we are proposing to relocate the 9 station facility and add 2 more stations, thereby meeting the need criteria of this Board.

Extra space is also needed for adequate maneuverability through the clinic for patients and for storage of supplies.

This project will also address concerns/suggestions from competing providers and physicians that the best way to create additional access for Pekin residents would be to relocate the current Pekin facility and add stations. We have heard their requests and we are answering them.

There are only two facilities within 30 minutes of Pekin and they are 20 miles away in Peoria and approximately 25 minutes "normal" travel time. Fresenius Medical Care's goal is to relocate this facility to keep dialysis services accessible to this rural patient population.

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. The quality outcomes for the Pekin facility for the past year have been above the State standard:

- o 99% of patients had a URR  $\geq$  65%
- o 97% of patients had a Kt/V  $\geq$  1.2

## Alternatives

### 1) All Alternatives

Fresenius Medical Care has exhausted nearly all possible alternatives to this project and now agrees with suggestions from DaVita and Dr. Usman that we relocate the Pekin facility and add stations to meet the need in the Pekin area and meet Board rules.

#### A. Proposing a project of greater or lesser scope and cost.

Three alternatives were considered that would entail a lesser scope and cost than the project proposed in this application, however they were determined not to be feasible options.

- The alternative of doing nothing is not feasible. The lease at the current site will expire December 31, 2014, therefore we eventually will have to vacate. Due to historic and continued high utilization at the Pekin clinic additional space is needed to expand and none is available onsite.
- The alternative of relocating only the 9 stations and not adding the 2 extra stations would not address the high utilization and needed access for future patients. The cost for this would only be about \$45,000 less than the current project.

#### B. Pursuing a joint venture or similar arrangement with one or more providers of entities to meet all or a portion of the project's intended purposes' developing alternative settings to meet all or a portion of the project's intended purposes.

This facility is not currently a joint venture and it does not make sense to enter into a joint venture only for the purposes of relocating. Whether or not it is a joint venture does not address the need for additional stations. The preferred Fresenius model of ownership is for our facilities to be wholly owned, however we do enter into joint ventures on occasion.

#### C. Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project

This alternative is currently being acted upon. There are many patients who are now driving excessive distances from rural Tazewell County to Peoria for treatment. These patients have been voicing their difficulties in doing so and have requested additional stations in the Pekin area. There is no cost to this alternative except to the patient in travel hardships and transportation costs.

Fresenius proposed a clinic in North Pekin to meet the patient's needs, however was turned down in part due to excess capacity.

The alternative of providing additional capacity to alleviate high utilization by relocating the current Pekin clinic and adding two stations is unanimous. It addresses the access and need issue, meets Board requirements and correlates with the inventory station need at this time. The cost of this project is \$2,698,570

**2) Comparison of Alternatives**

	<b>Total Cost</b>	<b>Patient Access</b>	<b>Quality</b>	<b>Financial</b>
Maintain Status Quo	\$0	Pekin area would lose complete access to dialysis services as facility reaches capacity.	Quality would remain similar if patients had to travel out of area to other Fresenius facilities for treatment.	Patients would experience excessive transportation costs and difficulties driving to Peoria.
Relocate only the 9 current stations	\$2,653,570	Pekin area would lose complete access to dialysis services as facility reaches capacity.	Patient clinical quality would remain above standards	Continued excessive transportation costs and difficulties driving to Peoria.  Fresenius would spend money to relocate and not gain any additional access for patients.
Joint Venture	\$1,619,142 \$1,079,428	No effect on Access  Cost to Fresenius Cost to JV Partner	No effect	Fresenius would maintain control of the facility and costs/revenues would be shared 40/60.
Relocate the 9 station Pekin facility and add two stations to address need	\$2,698,570	Improved access with 1 <sup>st</sup> floor access and increased space for patients and staff.  Access to additional treatment times	Patient clinical quality would remain above standards  Patient satisfaction would improve with easier access and additional treatment time choices	The cost of relocation is necessary to keep dialysis services accessible in the Pekin area and is a cost only to Fresenius Medical Care.

**3. Empirical evidence, including quantified outcome data that verifies improved quality of care, as available.**

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. RCG Pekin has had above standard quality outcomes.

- 99% of patients had a URR  $\geq$  65%
- 97% of patients had a Kt/V  $\geq$  1.2

**Criterion 1110.234, Size of Project**

<b>SIZE OF PROJECT</b>				
<b>DEPARTMENT/SERVICE</b>	<b>PROPOSED BGSF/DGSF</b>	<b>STATE STANDARD</b>	<b>DIFFERENCE</b>	<b>MET STANDARD?</b>
ESRD IN-CENTER HEMODIALYSIS	7,000 (11 Stations)	360-520 DGSF	116 DGSF Per Station	No

As seen in the chart above, the State Standard for ESRD is between 360-520 DGSF per station. This project is being accomplished in leased space with the interior to be built out by the applicant therefore the standard being applied is expressed in departmental gross square feet. The proposed 7,000 DGSF amounts to 636 DGSF per station and is over the State standard. However, the additional space is needed for a home dialysis department, administrative offices future expansion and for nocturnal dialysis which requires additional space for a hospital type bed.

**Criterion 1110.234, Project Services Utilization**

<b>UTILIZATION</b>					
	<b>DEPT/SERVICE</b>	<b>HISTORICAL UTILIZATION</b>	<b>PROJECTED UTILIZATION</b>	<b>STATE STANDARD</b>	<b>MET STANDARD?</b>
	IN-CENTER HEMODIALYSIS	With 9 stations 85%		80%	Yes
<b>YEAR 1</b>	IN-CENTER HEMODIALYSIS	N/A	With 11 stations 71%	80%	No
<b>YEAR 2</b>	IN-CENTER HEMODIALYSIS	N/A	With 11 stations 83%	80%	Yes

Renal Care Associates (RCA) has identified 63 pre-ESRD patients who will require dialysis services in the first two years after relocation of the facility. It is expected that approximately 30% of these will no longer require dialysis services by the time the facility is in operation due to death, transplant or moving out of the area. Therefore approximately 44 patients will begin dialysis at the relocated Pekin facility in the first two years of operation. Utilization above accounts patient losses while on dialysis due to death, transplant or transferring out.

Fresenius Medical Care will monitor the growth of the clinic and if needed add additional stations every two years per Board rules or will come back before the Board to gain approval for extra stations as needed.

**A. Planning Area Need - Formula Need Calculation:**

Fresenius Medical Care Pekin is located in Pekin, IL in Tazewell County in HSA 2. There is currently a need for 3 additional stations in this HSA.

**2. Planning Area Need – Service To Planning Area Residents:**

- A. The primary purpose of this project is to provide in-center hemodialysis services to the residents of Tazewell County in HSA 2, more specifically the Pekin market area. Of the combined current ESRD and pre-ESRD patients identified for this project, 98% reside in HSA 2.

<b>Current 46 Patients and 63 Pre-ESRD Patients Who Will Be Referred To Fresenius Medical Care Pekin</b>			
<b>County</b>	<b>HSA</b>	<b>#Patients</b>	<b>% of Patients</b>
Peoria	2	5	5%
Tazewell	2	100	92%
Fulton	2	1	1%
Mason	3	2	1%
McLean	4	1	1%
<b>Totals</b>		<b>109</b>	<b>100%</b>



# Illinois Kidney Disease & Hypertension Center

## Nephrology Associates

Phillip J. Olson, M.D., F.A.C.P.  
Robert T. Sparrow, M.D., F.A.S.H.  
Benjamin R. Pflederer, M.D.  
David C. Rosborough, M.D.  
Timothy A. Pflederer, M.D.  
Paul T. Dreyer, M.D.  
Gordon W. James, M.D.  
Robert Bruha, M.D.  
Samer B. Sader, M.D.  
Anthony R. Horinek, M.D.  
Alexander J. Alonso, M.D.  
Smitha R. Pamulaparthi, M.D.

## Surgery Associates

Beverly L. Ketel, M.D.  
Timothy P. O'Connor, M.D., F.A.C.S.

## Physician Assistants

Julie A. DeSutter, P.A.-C.  
Holly R. Walker, P.A.-C.

## Nurse Practitioners

Tonya K. McDougall, M.S.N., F.N.P.  
Karen A. Helfers, M.S.N., F.N.P.  
Judith A. Dansizen, A.P.R.N.-B.C.

## Administrator

Beth A. Shaw, MBA

200 E. Pennsylvania Ave., Suite 212  
Peoria, IL 61603  
Office 309.676.8123  
Fax 309.676.8455

1404 Eastland Drive, Suite 103  
Bloomington, IL 61701  
Office 309.663.4766  
Fax 309.663.7238

2355 Broadway Rd.  
Pekin, IL 61554

1100 E. Norris Drive  
Ottawa, IL 61350

501 E. Grant St.  
Macomb, IL 61455

920 West Street  
Medical Office Building, Suite 212  
Peru, IL 61354

Perry Memorial Hospital  
530 Park Avenue East, Room 335  
Princeton, IL 61356

107 Tremont Street  
Hopedale, IL 61741

Graham Hospital  
210 W. Walnut  
1st Floor, Outpatient Clinic  
Canton, IL 61520

1405 E. 12th St., Suite 600  
Mendota, IL 61342

205 South Park  
Sreator, IL 61364

July 25, 2012

Ms. Courtney Avery  
Administrator  
Illinois Health Facilities & Services Review Board  
525 W. Jefferson St., 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Ms. Avery:

My name is Tim Pflederer, M.D. and I am a nephrologist practicing in central Illinois with Renal Care Associates (RCA) and am the medical director of the Fresenius Pekin dialysis center. I am writing to support the relocation of the current Fresenius Pekin dialysis clinic and addition of two more stations. This facility has been operating over 80% utilization for many years which severely limits available treatment times to this largely rural patient population. Recently because of the high utilization, some patients have had to drive excessive distances to Peoria for treatment. Many of the patients here live in rural areas and are hesitant driving such long distances. In order to create the additional access to treatment times, a larger space is needed for the additional stations.

I along with my partners at Renal Care Associates have referred 208 new patients for hemodialysis services over the past twelve months. We were treating 563 hemodialysis patients at the end of 2009, 635 at the end of 2010, 728 at the end of 2011 and as of June 30, 2012 we were treating 688. We have over 900 patients in our practice in various stages of kidney failure. There are currently 46 patients dialyzing at the Pekin clinic that are expected to transfer to the new location. There are an additional 63 patients living in the Pekin market that I expect would begin dialysis at that facility (accounting for a 30% loss of patients prior to dialysis commencement approximately 44 will be referred in the first two years after relocation of the clinic).

RCA strongly encourages patients to explore other treatment choices such as transplantation and home dialysis through pre-dialysis education. We currently have 125 patients who dialyze at home. The central Illinois clinics at which we serve as medical director have had a combined average of 37 transplants per year over the last four years.



55  
Planning Area Need - Service Demand - Physician Referral Letter  
RenalCare  
Associates, S.C.  
ATTACHMENT - 26b - 3

Renal Care Associates respectfully ask the Board to approve the relocation and addition of two stations to the RCG Pekin facility to provide continued dialysis access to the rural patients of the Pekin area. Thank you for your consideration.

Sincerely,



Tim Pfloderer, M.D.

State of Illinois  
Notarization: County of Peoria  
Subscribed and sworn to before me  
this 26<sup>th</sup> day of July, 2012  
Alice J. Musselman  
Signature of Notary  
(seal)



**NEW HEMODIALYSIS REFERRALS OF RENAL CARE ASSOCIATES FOR  
THE TIME PERIOD 07/01/2011 – 06/30/2012**

Zip Code	Fresenius Medical Care												Total
	Bloomington	Spoon River	East Peoria	Kewanee	Macomb	Ottawa	Pekin	Peoria Downtown	Peoria North	Pontiac	Spring Valley	Streator	
60531						2							2
61301											3		3
61329											1		1
61341						2							2
61342											1		1
61348						1					2		3
61350						11							11
61356											5		5
61359											1		1
61360						1							1
61362											1		1
61364												6	6
61369										1		1	2
61370						1							1
61377												1	1
61379											1		1
61422					1								1
61441		1											1
61443				4									4
61455					3								3
61520		4					2						6
61523									3				3
61529		1	1										2
61531		1											1
61534							1						1
61536			1						1				2
61537									1				1
61540									1				1
61542								1					1
61546							2						2
61548			1										1
61550			2					1					3
61554			2				12						14
61559				1					1				2
61560									1		1		2
61569		1											1
61571			8										8
61572		1											1
61603								8	1				9
61604			1					9	3				13
61605								7					7
61606			1										1
61607			4					2					6
61610								1					1
61611			8										8
61614			1					4	4				9
61615								3	3				6
61616								1	1				2
61701	14									1			15
61702	2												2
61704	7												7
61721	1												1
61725	1												1
61727	2												2
61728										1			1
61739										1			1
61745	2												2
61747							1						1
61761	2												2
61764										4			4
61774	1												1
61776	1												1
62644		1											1
63115	1												1
<b>Total</b>	<b>34</b>	<b>10</b>	<b>30</b>	<b>5</b>	<b>4</b>	<b>18</b>	<b>18</b>	<b>37</b>	<b>20</b>	<b>8</b>	<b>16</b>	<b>8</b>	<b>208</b>

**HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2009**

ZIP CODE	FRESHBURY MEDICAL CARE												TOTAL
	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PEON	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	
60146							1						1
62420								3					3
62460								1					1
60470							1					1	1
60530												1	1
62538					1								1
62543					1								1
60971								3					3
62936								2					2
62936								1					1
61282				1									1
61301								2			11		13
61312											1		1
61314			1										1
61217											1		1
61219								2			1		3
61221	1												1
61222											5		5
61227											2		2
61229											2		2
61235											1		1
61336											1		1
62541					6								6
61242											4		4
61248											5		5
61320					13						1		14
61254											8		8
61256			1								9		10
61340					1								1
61361			1					1					2
61362					4						8		12
61364											17		17
61375					2								2
61377											2		2
61401								1					1
61420					5								5
61422					3								3
61434			1										1
61441					1								1
61442			13										13
61445					1								1
61450					1								1
61455					8								8
61483			2										2
61484				1									1
61491								1					1
61517								1					1
61520									9				9
61523						1	6		1				8
61524									1				1
61525						1							1
61528						1							1
61529									1				1
61531									1				1
61531									3				3
61534						1							1
61536									1				1
61537		1								2			3
61541									2				2
61546						1							1
61548		8											8
61550		6				1	1						8
61572							1						1
61554		3				24	1		2				30
61595						2							2
61359								1					1
61581	1	1											2
61582								1					1
61584						2							2
61589						2							2
61589									1				1
61571		12					1						13
61682							1						1
61603		6					13	2					21
61604		5					27	8					40
61605		4					43	8					49
61606							4						4
61607						1	5	1					7
61610		2					1						3
61611		18						1					19
61612							1						1
61614		6					7	11					24
61615		1					6	8					15
61616		1					4	3					8
61650							1						1
61650							1						1
61650		1					1	1					3
61701	23						1	1					25
61702	2												2
61704	11												11
61705	1												1
61721	1												1
61722	1												1
61730	1												1
61732	1												1
61734						3							3
61738	2												2
61741								1					1
61745	2												2
61747						1							1
61748	1							1					2
61757	7												7
61757								1					1
61755		1											1
61758						1							1
61761	23							1					24
61764								12					12
61769								1					1
61777	2												2
61822								1					1
61842	2												2
62901													2

# HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2010

ZIP	PERIPHERAL BUREAU CAPS													TOTAL
	EDMONTON	EAST PEORIA	KYLVANE	MACDOW	OTTAWA	PEORIA	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPRING VALLEY	STRAVON	EDMONTON	TOTAL	
00000														
00001														
00002														
00003														
00004														
00005														
00006														
00007														
00008														
00009														
00010														
00011														
00012														
00013														
00014														
00015														
00016														
00017														
00018														
00019														
00020														
00021														
00022														
00023														
00024														
00025														
00026														
00027														
00028														
00029														
00030														
00031														
00032														
00033														
00034														
00035														
00036														
00037														
00038														
00039														
00040														
00041														
00042														
00043														
00044														
00045														
00046														
00047														
00048														
00049														
00050														
00051														
00052														
00053														
00054														
00055														
00056														
00057														
00058														
00059														
00060														
00061														
00062														
00063														
00064														
00065														
00066														
00067														
00068														
00069														
00070														
00071														
00072														
00073														
00074														
00075														
00076														
00077														
00078														
00079														
00080														
00081														
00082														
00083														
00084														
00085														
00086														
00087														
00088														
00089														
00090														
00091														
00092														
00093														
00094														
00095														
00096														
00097														
00098														
00099														
00100														



**CURRENT PEKIN CLINIC PATIENTS EXPECTED TO TRANSFER  
TO THE RELOCATION SITE**

<b>Zip Code</b>	<b>Patients</b>
61520	1
61534	1
61546	1
61547	1
61554	32
61555	1
61564	2
61568	1
61607	1
61705	1
61734	1
61747	1
62644	1
62682	1
<b>Total</b>	<b>46</b>

**PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE PEKIN  
FACILITY THE 1<sup>ST</sup> TWO YEARS AFTER RELOCATING**

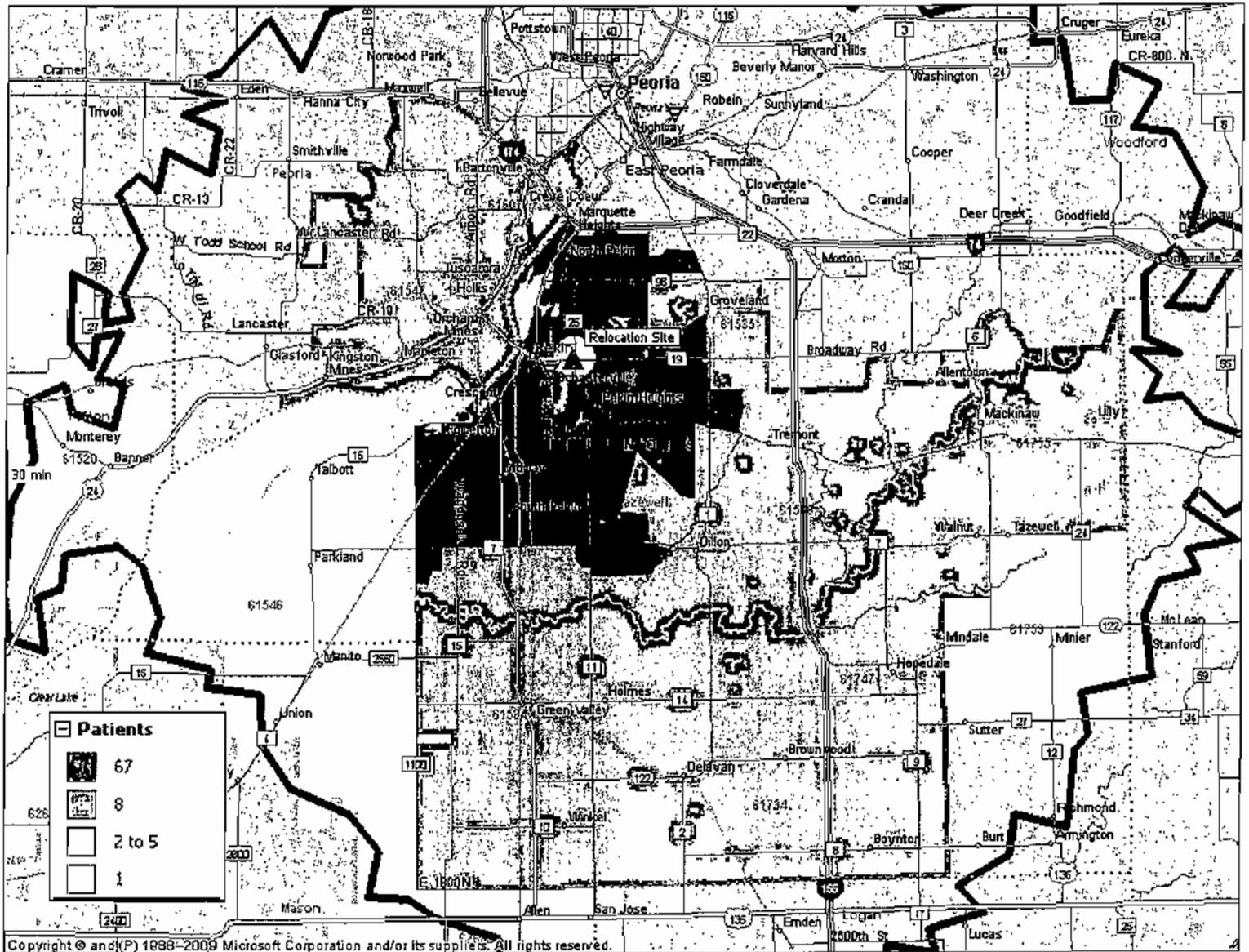
<b>Zip Code</b>	<b>Town</b>	<b>County</b>	<b>Patients</b>
61534	Green Valley	Tazewell	2
61535	Groveland	Tazewell	3
61547	Mapleton	Peoria	2
61554	Pekin	Tazewell	35
61568	Tremont	Tazewell	4
61607	Bartonville	Peoria	3
61734	Delavan	Tazewell	7
61747	Hopedale	Tazewell	3
61755	Mackinaw	Tazewell	3
61759	Minier	Tazewell	1
<b>Total</b>			<b>63</b>

(It is expected that approximately 30% of the above patients will no longer require dialysis services by the time the facility is relocated due to death, transplant or moving out of the area. Therefore approximately 44 of the above patients will actually begin dialysis services at the relocated Pekin facility.)

## Service Accessibility – Service Restrictions

- The establishment (relocation) of the 9-station RCG Pekin facility and addition of two stations, along with the discontinuation of the 9-station current Pekin facility, is going to address the Board determined need for additional stations in HSA 2. There is a need for 3 additional stations in HSA 2. The nearest facilities with availability are between 10-20 miles away, near 30 minutes and are currently operating at capacity on the preferred 1<sup>st</sup> and 2<sup>nd</sup> shift of the day.
- Problems that exist for the Pekin area patients pertain to loss of access to treatment within a reasonable travel distance and to amenable treatment schedule times. While it may appear to be a quick drive from Pekin to Peoria, where there is some availability on the 3<sup>rd</sup> shift of the day, it is not easily travelled by the dialysis patient. Most are elderly and travelling long distances on rural roads, especially at night or in inclement weather is a hardship. The first two daytime shifts are operating at capacity and patients are left with no choices as to when they receive their dialysis treatment. This can greatly interfere with jobs, transportation options and family life. Additional access is needed in Pekin to address this access issue.
- The current Pekin clinic is located on the third floor at Pekin Community Hospital. Dialysis centers are generally best located on the ground floor due to the excessive amounts of water used in the facility, which often causes leaks on floors below. The space is cramped and there is little room to move about in wheelchairs and gurneys. Storage space is almost nonexistent creating difficulties for staff. This facility has seen continual patient growth and the current site has no room to expand.
- The proposed site at 120 N. Parkway Drive, Pekin, will improve the patient's physical access to the ground floor and will allow for a more modern facility to receive treatment in as well as providing the ability to expand services currently and in the future as the prevalence of ESRD increases.

**Demographics of the 63 Pre ESRD & Current\* 46 ESRD Patients Identified Who Will Be Referred to Fresenius Medical Care Pekin**



63

## Unnecessary Duplication/Maldistribution

1. (A-B-C) The ratio of ESRD stations to population in zip codes within a 30 minute radius of Fresenius Medical Care Pekin is 1 station per 4,345 residents according to the 2010 census (based on 317,190 residents and 73 stations). The State ratio is 1 station per 3,311 residents (based on the US Census 2010 of 12,830,632 Illinois residents and the July 2012 Board station inventory of 3,875).

ZIP Code	Population	Stations	Facilities
61525	9,021		
61528	2,668		
61530	6,713		
61532	534		
61533	2,427		
61534	1,737		
61535	1,629		
61536	2,919		
61546	4,276		
61547	3,779		
61550	17,721		
61554	43,810	9	Fresenius Pekin
61568	4,459		
61571	23,744		
61602	1,055		
61603	17,600		
61604	31,647		
61605	16,303	32	Fresenius Peoria Downtown
61606	8,051		
61607	10,941		
61610	5,476		
61611	25,268	24	Fresenius East Peoria
61614	27,628		
61615	22,432	17	Fresenius Peoria North
61616	6,116		
61625	385		
61721	613		
61729	1,073		
61732	2,096		
61733	1,124		
61734	2,867		
61742	1,144		
61747	1,560		
61755	4,669		
61759	1,534		
62635	738		
62643	526		
62682	907		
<b>Total</b>	<b>317,190</b>	<b>82</b>	<b>1/3,868</b>

2. This ratio indicates need. If the current 9 stations at Pekin are factored into the count the ratio is 1/3,868 still indicating need. Therefore, allowing the relocation and addition of two stations will have little effect on the area ratio and there is a current need for 3 additional stations in this HSA. Not all facilities are operating above target utilization, however the Pekin clinic has been operating between 85% and 100% and the nearest clinics with availability are near 30 minutes away.

**Facilities within 30-Minutes Travel Time of Fresenius Pekin**

Facility	Address	City	State	Zip Code	Miles	Time	Stns	Mar-12	
								Pts	Util
Fresenius Pekin*	600 S 13th St	Pekin	IL	61554	1.26	3	9	51	94.44%
Fresenius Peoria DT	410 W Romeo B Garrett Av	Peoria	IL	61605	10.44	21	32	127	66.15%
Fresenius E Peoria	3300 N Main St	E Peoria	IL	61611	12.16	22	24	76	52.78%
Fresenius Peoria N	10405 N Juliet Ct	Peoria	IL	61615	22.19	29	17	67	65.69%
*Existing clinic to be relocated									

- 3a. Fresenius Medical Care Pekin will not have an adverse effect on any other area ESRD provider in that 46 current patients will transfer to the new site and additional patients identified for this facility are new referrals of Renal Care Associates. Dr. Pflederer and his partners will still refer patients to the other ESRD facilities they currently refer to, on an ongoing basis per the patient's preference and home address.
- b. Not applicable – applicant is not a hospital; however the utilization will not be lowered at any other ESRD facility due to the establishment/relocation of the facility.

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Timothy A. Pfleiderer is currently the Medical Director for RCG Pekin and will continue to be the Medical Director at the relocated/renamed Fresenius Medical Care Pekin. Attached is his curriculum vitae.

B. All Other Personnel

The Pekin facility currently employs the following staff:

- Clinic Manager who is a Registered Nurse
- 2 Full-time Registered Nurses, 1 Part-time
- 1 Part-time LPN
- 4 Full-time Patient Care Technicians, 2 Part-time
- 1 Part-time Registered Dietitian
- 1 Part-time Social Worker
- 2 Part-time Equipment Technicians
- 1 Part-time Ward Clerk

1 additional part-time Patient Care Technician will be hired for the 2 station expansion.

- 3) All patient care staff and licensed/registered professionals will meet the State of Illinois requirements. Any additional staff hired must also meet these requirements along with completing a 9 week orientation training program through the Fresenius Medical Care staff education department.

Annually all clinical staff must complete OSHA training, Compliance training, CPR Certification, Skills Competency, CVC Competency, Water Quality training and pass the Competency Exam.

- 4) The above staffing model is required to maintain a 4 to 1 patient-staff ratio at all times on the treatment floor. A RN will be on duty at all times when the facility is in operation.

## CURRICULUM VITAE

Timothy A. Pfiederer, M.D.

### PERSONAL INFORMATION

Date of Birth: March 13, 1962  
Place of Birth: Chicago, Illinois  
Home Telephone: 309/925-5012

Work Address: RenalCare Associates, S.C.  
515 NE Glen Oak Avenue, Ste. 108  
Peoria, IL 61603

Work Telephone: 309/676-8123  
Work Fax: 309/676-8455  
E-Mail: tap@renalcareassoc.com

### UNDERGRADUATE EDUCATION

B.S., Agriculture, University of Illinois at Urbana/Champaign, 1984

### MEDICAL SCHOOL EDUCATION

M.D. (with honors), University of Illinois College of Medicine at Peoria, 1988

#### Activities:

President, Student Council  
Teaching Assistant, Undergraduate Anatomy  
Tutor, M2 Curriculum

### POST-GRADUATE EDUCATION

Internal Medicine Residency, University of Iowa Hospitals & Clinics, Iowa City, 1988-1991  
Nephrology Fellowship, University of Iowa Hospitals & Clinics, Iowa City, 1991-1993

### ACADEMIC APPOINTMENTS

1996-present Clinical Assistant Professor, University of Illinois College of Medicine at Peoria  
1995-present Medical Director of Kidney Transplant Services, St. Francis Medical Center  
1997-present Medical Director, Innovative Vascular Access Database (InnoVAD)  
1997-present Director of Dialysis Access CQI, RenalCare Associates and Midwest Kidney Centers  
2003-present Medical Director, Renal Intervention Center  
2004-present Director, Interventional Nephrology Training Program

67

## CERTIFICATION AND LICENSURE

1988 National Boards, Parts I, II, III  
9/25/91 American Board of Internal Medicine, Certificate # 137046  
7/31/92 Illinois Medical License, # 36-084038  
1/26/95 American Board of Internal Medicine, Nephrology

## HOSPITAL STAFF APPOINTMENTS

1993 - present St. Francis Medical Center, Peoria, Illinois, active staff  
1993 - present Methodist Medical Center, Peoria, Illinois, courtesy staff  
1993 - present Proctor Hospital, Peoria, Illinois, active staff  
1993 - present BroMenn Health Care, Normal, Illinois, courtesy staff  
1993 - present St. Joseph Medical Center, Bloomington, Illinois, consulting staff  
1993 - present Graham Hospital, Canton, Illinois, affiliate staff  
1993 - present St. Margaret Hospital, Spring Valley, Illinois, consulting staff  
1995 - present Pekin Hospital, Pekin, Illinois, consulting staff  
2005 - present Hopedale Medical Complex, Hopedale, Illinois, courtesy staff

## PROFESSIONAL AFFILIATIONS (including offices held)

1991-1995 American College of Physicians  
1992-present Renal Physicians Association  
1992-present National Kidney Foundation  
1993-present International Society of Nephrology  
1994-present American Society of Transplant Physicians  
2000-present The American Society of Diagnostic and Interventional Nephrology  
American Society of Nephrology

## AWARDS AND HONORS

1984 Gamma Sigma Delta Honor Society  
1984 Alpha Lambda Delta Honor Society  
1988 Tom C. Reeves Award for Excellence in Internal Medicine  
1988 Alpha Omega Alpha Honor Medical Society  
1991 Resident of the Year

## PUBLICATIONS

Flanigan MJ, Lim VS, Pflederer TA. Tidal Peritoneal Dialysis: Kinetics and Protein Balance. American Journal of Kidney Diseases. Nov; 22(5):700-7; 1993.

Flanigan MJ, Pflederer TA, Lim VS. Is Eight Hours of Nightly Peritoneal Dialysis Enough? American Society of Artificial Internal Organs Journal. Jan-Mar; 40(1):24-6; 1994

Ladenheim, E, Pflederer, BR, Sparrow, RT, and Pflederer, TA. Management of Nonfunctional Peritoneal Dialysis Catheters by Therapeutic Laparoscopy. Peritoneal Dialysis International. 1996; Vol. 16, Supplement, 2, s53. (Abstract).

Darras FS, Mastrangelo, M, Pflederer, TA. Optimal Use in Cadaver Renal Transplantation of Kidneys from Less than Optimal Donors. Journal of Urology (Suppl.) 432, 1997.

Welch, KA, Hocking K, Pflederer, TA. Establishing the Vascular Access Coordinator: Breaking Ground for Better Outcomes. Nephrology News and Issues. 12(11):43-46, November 1998.

Pflederer, TA, Darras, FS, Welch, KW, Knudsen, J. How to Organize Hemodialysis Vascular Access Quality Assurance Efforts Into a Cohesive Whole for Better Patient Outcomes. Contemporary Dialysis & Nephrology. 21(6):18-21; June 15, 2000.

## **PRESENTATIONS**

Pflederer TA, Flanigan MJ. Is Eight Hours of Nightly Peritoneal Dialysis Enough? ASAIO Meeting. New Orleans, LA, 1993.

Pflederer TA. Acute Renal Failure. American Nephrology Nurses Association Regional Meeting. Bloomington, IL, 1994.

Pflederer, TA. Acute Renal Failure. Medical Staff Meeting of Macomb Hospital. Macomb, IL, December 1994.

Pflederer TA. Emergency Fluid Management. Interstate Postgraduate Medical Association Primary Care Update. San Francisco, CA, October 1995.

Pflederer, TA. Renal Osteodystrophy: Pathophysiology, Evaluation, and Management. American Nephrology Nurses= Association Regional Meeting. Peoria, IL, January 1996.

Darras, FS, Pflederer, TA. Treatment of Prolonged Post-Transplant Lymphatic Leak by Percutaneous Fibrin Glue Ablation. American Urological Association Meeting, New Orleans, LA, April 16, 1997.

Darras, FS, Mastrangelo, MJ, Pflederer, TA. Optimal Use in Cadaver Renal Transplantation of Kidneys from Less than Optimal Donors. American Urological Association, New Orleans, LA, April 16, 1997.

Darras, FS, Mastrangelo, MJ, Gilman, A., Pflederer, TA. Optimal Use in Cadaver Renal Transplantation of Kidneys from Less than Optimal Donors. American Society of Transplant Physicians Meeting, Chicago, IL, May 12-14, 1997.

Pflederer, T, et al. The Cost of Coordinated Access Care (Poster Presentation.) 1998 American Society of Nephrology meeting.

## **FUNDED RESEARCH ACTIVITY**

Beta Radiation for Treatment of Arterial – Venous Graft Outflow (**BRAVO**), Sponsor, Novoste Corporation, \$5,000, 2002

CUTTING Balloon – HEMoDialysis Access ManAGEment Trial (Cutting EDGE), Sponsor, Boston Scientific Scimed, Inc., \$15,000, 2002

Clopidogrel Prevention of Early AV Fistula Thrombosis, Sponsor NIH/NIDDK, \$50,000, 2002-2006.

Aggrenox Prevention of Access Stenosis, Sponsor, NIH/NIDDK, \$50,000, 2002-2006.

**RENALCARE ASSOCIATES, SC**

515 N.E. Glen Oak Ave., #108

Peoria, IL 61603

T: 309/676-8123

F: 309/676-8455

**Nephrologists**

Horvath, Frederick, MD

Olsson, Phillip J., MD

Sparrow, Robert T., MD

Pflederer, Benjamin R., MD

Rosborough, David C., MD

Pflederer, Timothy A., MD

Dreyer, Paul T., MD

James, Gordon W., MD

Bland, Andrew C. MD

Bruha, Robert, MD

Sader, Samer B., MD

Horinek, Anthony R., MD

**Physician Assistants**

Miller, Richard A., PA-C

DeSutter, Julie A., PA-C

Walker, Holly A., PA-C

**Nurse Practitioners**

McDougall, Tonya K., APN

Helfers, Karen A., APN

Sarimento, Tammy C., APN

Wiemer, Cheryl M., APN

**Clinical Nurse Specialist**

Dansizen, Judith, CNS

**Surgeons**

Ketel, Beverley, MD

O'Connor, Timothy P., MD

**TIMOTHY A. PFLEDERER, MD**

OSF St. Francis Medical Center  
530 NE Glen Oak Ave.  
Peoria, IL 61637  
Peoria County  
T: 309/655-6769  
F: 309/624-8933  
Active - 11/93

OSF St. Joseph Medical Center  
2200 E. Washington St.  
Bloomington, IL 61701  
McLean County  
T: 309/662-3311  
F: 309/662-0008  
Active - 11/93

Methodist Medical Center  
221 NE Glen oak Ave.  
Peoria, IL 61636  
Peoria County  
T: 309/672-4830  
F: 309/672-4517  
Courtesy - 10/93

BroMenn Healthcare  
P.O. Box 2850  
Bloomington, IL 61702  
McLean County  
T: 309/454-1400  
F: 309/451-2949  
Consulting - 9/93

Proctor Hospital  
5409 N. Knoxville Ave.  
Peoria, IL 61614  
Peoria County  
T: 309/691-1037  
F: 309/691-1631  
Active - 10/93

Graham Hospital  
210 W. Walnut St.  
Canton, IL 61520  
Fulton County  
T: 309/647-5240  
F: 309/649-5101  
Affiliate - 7/93

Pekin Memorial Hospital  
600 S. First St.  
Pekin, IL 61554  
Tazewell County  
T: 309/353-0560  
F: 309/353-0561  
Consulting - 4/95

St. Margaret's Hospital  
600 E. First St.  
Spring Valley, IL 61382  
Bureau County  
T: 815/664-1362  
F: 815/664-1335  
Consulting - 5/93

Hopedale Medical Complex  
107 Tremont St.  
Hopedale, IL 61747  
Tazewell County  
T: 309/449-3321  
F: 309/449-5441  
Courtesy - 9/05

**TIMOTHY A. PFLEDERER, MD**  
**FRESENIUS DIALYSIS GROUP**

Recert date: 1/1/05

For Verifications:

Carole Sekula, Area Manager  
Fresenius  
3300 N. Main Street  
East Peoria, IL 61611

Bloomington  
1505 Eastland Medical Plaza  
Lower Level  
Bloomington, IL 61701  
T: 309/663-7165  
F: 309/663-1031

Pekin  
600 S. 13 St. - 3<sup>rd</sup> Floor  
Pekin, IL 61554  
T: 309/353-7629  
F: 309/353-7997

Canton  
210 W. Walnut  
Canton, IL 61520  
T: 309/647-0731  
F: 309/647-1625

Peoria North  
10405 N. Juliet Court  
Peoria, IL 61615  
T: 309/243-2200  
F: 309/243-2240

Peoria Downtown  
410 R.B. Garrett Ave.  
Peoria, IL 61605  
T: 309/637-4100  
F: 309/637-3455

Pontiac  
804 W. Madison St.  
Pontiac, IL 61764  
T: 815/844-4340  
F: 815/844-2870

East Peoria  
3300 N. Main St.  
East Peoria, IL 61611  
T: 309/698-8300  
F: 309/698-8491

Spring Valley  
12 Wolfer Industrial Dr.  
Spring Valley, IL 61362  
T: 815/664-4585  
F: 815/663-1430

Kewanee  
511 Pine St.  
Kewanee, IL 61443  
T: 309/854-0917  
F: 309/854-9062

Macomb Dialysis - Managed  
523 E. Grant Street  
Macomb, IL 61455  
T: 309/836-1662  
F: 309/836-1661

Ottawa  
1601 Mercury Cr., #3  
Ottawa, IL 61350  
T: 815/433-4039  
F: 815/434-2527

**Criterion 1110.1430 (e)(5) Medical Staff**

I am the Regional Vice President of the Central Illinois Region of the North Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Pekin, I certify the following:

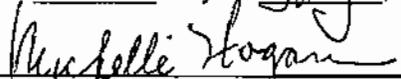
Fresenius Medical Care Pekin will be an "open" unit with regards to medical staff. Any Board Licensed nephrologist may apply for privileges at the Pekin facility, just as they currently are able to at all Fresenius Medical Care facilities.

  
Signature

Richard Stotz  
Printed Name

Regional Vice President  
Title

Subscribed and sworn to before me  
this 20th day of July, 2012

  
Signature of Notary



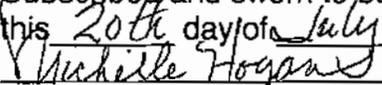
Criterion 1110.1430 (f) – Support Services

I am the Regional Vice President of the Central Illinois Region of the North Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, I certify to the following:

- Fresenius Medical Care utilizes the Proton patient data tracking system in all of its facilities.
- These support services are will be available at Fresenius Medical Care - Pekin during all six shifts:
  - Nutritional Counseling
  - Psychiatric/Social Services
  - Home/self training
  - Clinical Laboratory Services – provided by Spectra Laboratories
- The following services will be provided via referral to OSF St. Francis Medical Center, Peoria:
  - Blood Bank Services
  - Rehabilitation Services
  - Psychiatric Services

  
\_\_\_\_\_  
Signature

Richard Stotz/Regional Vice President  
Name/Title

Subscribed and sworn to before me  
this 20th day of July, 2012  
  
\_\_\_\_\_  
Signature of Notary



**Criterion 1110.1430 (g) – Minimum Number of Stations**

Fresenius Medical Care Pekin is located in the Peoria Metropolitan Statistical Area (MSA). A minimum of eight dialysis stations is required to establish an in-center hemodialysis center in an MSA. Fresenius Medical Care Pekin will have 11 dialysis stations thereby meeting this requirement.

13

**TRANSFER AGREEMENT**  
between  
**OSF HEALTHCARE SYSTEM,**  
**SAINT FRANCIS MEDICAL CENTER**  
and  
**DIALYSIS CENTERS OF AMERICA - ILLINOIS**

THIS TRANSFER-AGREEMENT ("Agreement") is made and executed on the last date written below, by and between OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, having its Corporate Office in Peoria, Illinois, owner and operator of SAINT FRANCIS MEDICAL CENTER, located and doing business in Peoria, Illinois, (such System and Hospital are collectively referred to as "Receiving Hospital") and DIALYSIS CENTERS OF AMERICA - ILLINOIS, which owns and operates renal dialysis facilities, whose locations are set forth in Exhibit A, attached hereto and made a part hereof (all hereinafter referred to as "Transferring Facility").

RECITALS:

A. The Transferring Facility and the Receiving Hospital desire, by means of this Agreement, to assist physicians in the treatment of patients.

B. The parties hereto specifically wish to facilitate: (a) the timely transfer of patients and the medical records and other information necessary or useful for the care and treatment of patients transferred; (b) the determination as to whether such patients can be adequately cared for other than by either of the parties hereto; (c) the continuity of care and treatment appropriate to the needs of the transferred patient; and (d) the utilization of knowledge and other resources of both healthcare entities in a coordinated and cooperative manner to improve the professional healthcare of patients.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and in reliance upon the recitals, set forth above and incorporated by reference herein, the parties hereto agree as follows:

I. DUTIES AND RESPONSIBILITIES.

- 1.1 Joint Responsibilities. In accordance with the policies and procedures of the Transferring Facility and upon the recommendation of the patient's attending physician that such a transfer is medically appropriate, such patient shall be transferred from the Transferring Facility to the Receiving Hospital as long as the Receiving Hospital has bed availability, staff availability, is able to provide the services requested by the Transferring Facility, including on-call specialty physician availability, and pursuant to any other necessary criteria established by the Receiving Hospital. In such cases, the Receiving Hospital and the Transferring Facility agree to exercise best efforts to provide for prompt admission of the patient. If applicable, the parties shall comply with all EMTALA requirements with respect to such transfers. Receiving Hospital and Transferring Facility

Transfer Agreement  
OSF HEALTHCARE SYSTEM,  
Saint Francis Medical Center  
DIALYSIS CENTERS OF AMERICA - ILLINOIS

Page 2

shall meet periodically to review the transfer process, of policies and procedures in order to improve the process, including efficiency, clinical care and patient safety.

- 1.2 Receiving Hospital. The Receiving Hospital shall accept patients in need of transfer from the Transferring Facility pursuant to the criteria set forth in Section 1.1. Further, Receiving Hospital shall designate a person to coordinate with Transferring Facility in order to establish acceptable and efficient transfer guidelines.
- 1.3 Transferring Facility. Transferring Facility shall request transfers of patients to Receiving Hospital pursuant to the criteria set forth in Section 1.1. Further, Transferring Facility shall:
  - a. Have responsibility for obtaining the patient's informed consent for the potential transfer to Receiving Hospital, if the patient is competent. If the patient is not competent, the consent of the legal guardian, agent with power of attorney for health care, or surrogate decision maker of the patient shall be obtained.
  - b. Notify Receiving Hospital as far in advance as possible of the impending transfer.
  - c. Transfer to Receiving Hospital the patient's personal effects, including money and valuables, and information related thereto. A standard form shall be adopted and used by both parties listing such personal effects and appropriate documentation and transfer procedure. Transferring Facility shall be responsible for such personal effects until such standard form has been signed by the Receiving Hospital and Receiving Hospital has received such personal effects.
  - d. Affect the transfer to Receiving Hospital through qualified personnel and appropriate transfer equipment and transportation, including the use of necessary and medically appropriate life support measures. Receiving Hospital's responsibility for the patient's care shall begin when the patient is admitted to Receiving Hospital.
  - e. Transfer, and supplement as necessary, all relevant medical records, or in the case of an emergency, as promptly as possible, transfer an abstract of the pertinent medical and other records necessary in order to continue the patient's treatment without interruption and to provide identifying and other information,

Transfer Agreement  
OSF HEALTHCARE SYSTEM,  
Saint Francis Medical Center  
DIALYSIS CENTERS OF AMERICA - ILLINOIS

Page 3

including contact information for referring physician, name of physician(s) at Receiving Hospital contacted with regard to the patient (and to whom the patient is to be transferred), medical, social, nursing and other care plans. Such information shall also include, without limitation and if available, current medical and lab findings, history of the illness or injury, diagnoses, advanced medical directives, rehabilitation potential, brief summary of the course of treatment at the Transferring Facility, medications administered, known allergies, nursing, dietary information, ambulation status and pertinent administrative, third party billing and social information.

- 1.4 Non Discrimination. The parties hereto acknowledge that nothing in this Agreement shall be construed to permit discrimination by either party in the transfer process set forth herein based on race, color, national origin, handicap, religion, age, sex or any other characteristic protected by Illinois state laws, Title VI of the Civil Rights Act of 1964, as amended or any other applicable state or federal laws. Further, Section 504 of the Rehabilitation Act of 1973 and the American Disabilities Act require that no otherwise qualified individual with an handicap shall, solely by reason of the handicap, be excluded from participation in, or denied the benefits of, or be subjected to discrimination in a facility certified under the Medicare or Medicaid programs.
- 1.5 Name Use. Neither party shall use the name of the other party in any promotional or advertising material unless the other party has reviewed and approved in writing in advance such promotional or advertising material.
- 1.6 Standards. Receiving Hospital shall ensure that its staff provide care to patients in a manner that will ensure that all duties are performed and services provided in accordance with any standard, ruling or regulation of the Joint Commission on Accreditation of Healthcare Organizations, the Department of Health and Human Services or any other federal, state or local government agency, corporate entity or individual exercising authority with respect to or affecting Receiving Hospital. Receiving Hospital shall ensure that its professionals shall perform their duties hereunder in conformance with all requirements of the federal and state constitutions and all applicable federal and state statutes and regulations.
- 1.7 Exclusion/Debarment. Both parties certify that they have not been debarred, suspended, or excluded from participation in any state or federal healthcare program, including, but not limited to, Medicaid, Medicare and

Transfer Agreement  
OSF HEALTHCARE SYSTEM,  
Saint Francis Medical Center  
DIALYSIS CENTERS OF AMERICA - ILLINOIS  
Page 4

Tricare. In addition, each party agrees that it will notify the other party immediately if it subsequently becomes debarred, suspended or excluded or proposed for debarment, suspension or exclusion from participation in any state or federal healthcare program.

- 1.8 Confidentiality. Receiving Hospital agrees to maintain confidentiality. Receiving Hospital acknowledges that certain material, which will come into its possession or knowledge in connection with this Agreement, may include confidential information, disclosure of which to third parties may be damaging to Transferring Facility. Receiving Hospital agrees to hold all such material in confidence, to use it only in connection with performance under this Agreement and to release it only to those persons requiring access thereto for such performance or as may otherwise be required by law and to comply with the Health Insurance Portability and Accountability Act.
- 1.9 Access to Books and Records. Both parties will maintain records relating to their responsibilities under this Agreement for a period of one (1) year from the date of services. During normal working hours and upon prior written and reasonable notice, each party will allow the other party reasonable access to such records for audit purposes and also the right to make photocopies of such records (at requesting party's expense), subject to all applicable state and federal laws and regulations governing the confidentiality of such records.

## II. FINANCIAL ARRANGEMENTS

- 2.1 Billing and Collection. The patient is primarily responsible for payment for care provided by Transferring Facility or Receiving Hospital. Each party shall bill and collect for services rendered by each party pursuant to all state and federal guidelines and those set by third party payors. Neither the Transferring Facility nor the Receiving Hospital shall have any liability to the other for billing, collection or other financial matters relating to the transfer or transferred patient. Since this Agreement is not intended to induce referrals, there should be no compensation or anything of value, directly or indirectly, paid between the parties.
- 2.2 Insurance. Each party shall, at its expense, maintain through insurance policies, self-insurance or any combination thereof, such policies of comprehensive general liability and professional liability insurance with coverage limits of at least One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) annual aggregate to insure such party and its Board, officers, employees and agents acting

Transfer Agreement  
OSF HEALTHCARE SYSTEM,  
Saint Francis Medical Center  
DIALYSIS CENTERS OF AMERICA - ILLINOIS  
Page 5

within the scope of their duties and employment against any claim for damages arising by reason of injuries to property or personal injuries or death occasioned directly or indirectly in connection with services provided by such party and activities performed by such party in connection with this Agreement. Either party shall notify the other party thirty (30) days prior to the termination or modification of such policies.

III. TERM AND TERMINATION.

- 3.1 Term and Automatic Renewal. The promises and obligations contained herein shall commence as of March 1, 2005 for a term of one (1) year therefrom and shall automatically renew pursuant to like terms unless one party shall give the other party a notice of intent not to renew thirty (30) days prior to the expiration of the initial term, or the then-existing term, subject, however, to termination under Section 3.2 herein.
- 3.2 Termination. This Agreement may be sooner terminated on the first to occur of the following:
- a. Written agreement by both parties to terminate this Agreement.
  - b. In the event of breach of any of the terms or conditions of this Agreement by either party and the failure of the breaching party to correct such breach within ten (10) business days after written notice of such breach by either party, such other party may terminate this Agreement immediately with written notice of such termination to the breaching party.
  - c. In the event either party to this Agreement shall, without cause, at any time give to the other at least thirty (30) days advanced written notice, this Agreement shall terminate on the future date specified in such notice.
  - d. Debarment, suspension or exclusion, as set forth in Section 1.7.
- 3.3 Effects of Termination. Upon termination of this Agreement, as hereinabove provided, no party shall have any further obligations hereunder, except for obligations accruing prior to the date of termination.

IV. MISCELLANEOUS.

- 4.1 This Agreement constitutes the entire agreement between the parties and contains all of the terms and conditions between the parties with respect to the subject matter hereunder. Receiving Hospital and Transferring

Transfer Agreement  
 OSF HEALTHCARE SYSTEM,  
 Saint Francis Medical Center  
 DIALYSIS CENTERS OF AMERICA - ILLINOIS

Page 6

Facility shall be entitled to no benefits or services other than those specified herein. This Agreement supersedes any and all other agreements, either written or oral, between the parties with respect to the subject matter hereof.

- 4.2 This Agreement shall be construed and interpreted in accordance with the laws of Illinois. It may only be amended, modified or terminated by an instrument signed by the parties. This Agreement shall inure to the benefit of and be binding upon the parties, their successors, legal representatives and assigns, and neither this Agreement nor any right or interest of Receiving Hospital or Transferring Facility arising herein shall be voluntarily or involuntarily sold, transferred or assigned without written consent of the other party, and any attempt at assignment is void.
- 4.3 The parties are independent contractors under this Agreement. Nothing in this Agreement is intended nor shall be construed to create an employer/employee relationship or a joint venture relationship between the parties, or to allow any party to exercise control or direction over the manner or method by which any of the parties perform services herein. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provisions hereof. Notices required herein shall be considered effective when delivered in person, or when sent by United States certified mail, postage prepaid, return receipt requested and addressed to:

Receiving Hospital:

Transferring Facility:

Keith Steffen  
 CEO  
 Saint Francis Medical Center  
 530 N.E. Glen Oak Avenue  
 Peoria, Illinois 61637

David G. Carter  
 Regional Vice President  
 Dialysis Centers of America - Illinois  
 Central Illinois Region  
 3300 North Main Street  
 East Peoria, Illinois 61611

or to other such address, and to the attention of such other person(s) or officer(s) as a party may designate by written notice.

- 4.4 It is understood and agreed that neither party to this Agreement shall be legally liable for any negligent nor wrongful act, either by commission or omission, chargeable to the other, unless such liability is imposed by law and that this Agreement shall not be construed as seeking to either enlarge or diminish any obligations or duty owed by one party against the other or

against a third party. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted. The section titles and other headings contained in this Agreement are for reference only and shall not affect in any way the meaning or interpretation of this Agreement.

4.5 This Agreement is a result of negotiations between the parties, none of whom have acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the parties hereby waive the application of any rule of law that otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed Agreement or any earlier draft of the same.

IN WITNESS WHEREOF, the parties have hereto executed this Agreement in multiple originals as of the last date written below.

RECEIVING HOSPITAL:

OSF HEALTHCARE SYSTEM,  
an Illinois not-for-profit  
corporation, owner and operator of  
Saint Francis Medical Center

By: [Signature]  
Title: CFO

Dated: 4/1/05

XX 3/08/05

TRANSFERRING FACILITY:

DIALYSIS CENTERS OF AMERICA -  
ILLINOIS

By: [Signature]  
Title: \_\_\_\_\_

Dated: \_\_\_\_\_

389-655-2000

EXHIBIT A

**FACILITY LOCATIONS**

RCG Macomb  
523 E. Grant Street  
Macomb, IL 61455

RCG Kewanee  
511 Pine Street  
Kewanee, IL 61443

RCG Spring Valley  
12 Wolfer Industrial Park Drive  
Spring Valley, IL 61362

RCG Ottawa  
1000 E. Norris Drive  
Ottawa, IL 61350

RCG Peoria North  
3300 N. Main Street  
Peoria, IL 61615

RCG East Peoria  
3300 N. Main Street  
East Peoria, IL 61611

RCG Canton  
210 W. Walnut  
Canton, IL 61520

RCG East Peoria Home Dialysis  
3300 N. Main Street  
East Peoria, IL 61611

RCG Peoria North Home Dialysis  
10405 N. Juliet Court  
Peoria, IL 61615

RCG Pekin  
600 S. 13<sup>th</sup> Street - 3<sup>rd</sup> Floor  
Pekin, IL 61554

RCG Peoria Downtown  
410 R.B. Garrett Avenue  
Peoria, IL 61605

Criterion 1110.1430 (j) – Assurances

I am the Regional Vice President of the Central Illinois Region of the North Division of Fresenius Medical Care North America. In accordance with 77 II. Admin Code 1110.1430, and with regards to Fresenius Medical Care Pekin, I certify the following:

1. As supported in this application through expected referrals to Fresenius Medical Care Pekin in the first two years after the relocation, the facility is expected to achieve and maintain the utilization standard, specified in 77 III. Adm. Code 1100, of 80% and;
2. Fresenius Medical Care hemodialysis patients at Fresenius Medical Care Pekin have achieved adequacy outcomes of:
  - o 99% of patients had a URR  $\geq$  65%
  - o 97% of patients had a Kt/V  $\geq$  1.2

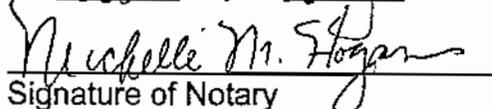
These are expected to remain the same.



Signature

Richard Stotz/Regional Vice President  
Name/Title

Subscribed and sworn to before me  
this 30th day of July, 2012



Signature of Notary

Seal



84



Cushman & Wakefield of  
 Illinois, Inc.  
 455 N. Cityfront Plaza Drive  
 Suite 2800  
 Chicago, IL 60611-5555  
 (312) 470-1800 Tel  
 (312) 470-3800 Fax  
 www.cushwake.com

July 28, 2012

Mr. Dan Maloof  
 Maloof Commercial Real Estate  
 2411 Cornerstone Ct.  
 Peoria, IL 61614

RE: **Fresenius Medical Care, LLC.**  
**Letter of Intent - Pekin, IL**

Dear Dan,

Cushman & Wakefield has been exclusively authorized by FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, to present the following letter of intent to lease space from your company.

FRESENIUS MEDICAL CARE is the world's leading provider of dialysis products and services. The company manages in excess of 2,500 kidney dialysis clinics and 50 billing centers and regional offices throughout North America.

**LANDLORD:** Todd Clanahan, Trustee  
 DTHC Property Land Trust  
 105 N. Parkway Dr.  
 Pekin, IL 61554

**TENANT:** FRESENIUS MEDICAL CARE.

**LOCATION:** 120 N Parkway Drive  
 Pekin, IL

**INITIAL SPACE REQUIREMENTS:** Approximately 7,000 contiguous usable square feet.

FRESENIUS MEDICAL CARE may have the need and therefore must have the option to increase or decrease the area by up to ten percent (10%) until approval of final construction drawings.

**PRIMARY TERM:** An initial lease term of twelve (12) years. The Lease and rent would commence on the date that the facility starts treating patients. For purposes of establishing an actual occupancy date, both parties will execute an amendment after occupancy has occurred, setting forth dates for purposes of calculations, notices, or other events in the Lease that may be tied to a commencement date.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

**DELIVERY OF PREMISES:**

Landlord shall deliver the Premises to FRESANIUS MEDICAL CARE for completion of the Tenant Improvements upon substantial completion of the shell.

**OPTIONS TO RENEW:**

Three (3), five (5) year options to renew the Lease. Option rental rates shall be based upon the lower of Fair Market Value or the increase in the Consumer Price Index over the previous five years, capped at 2.5% per year. FRESANIUS MEDICAL CARE shall provide sixty (60) days' prior written notification of its desire to exercise the option.

**RENTAL RATE:**

\$13.00 Net per rentable square foot. Taxes and Operating Expenses approximately \$3.00.

**ESCALATION:**

\$.50 per year beginning in the second lease year.

**TENANT ALLOWANCE:**

Please see Building Shell Exhibit. (See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)

**CONCESSIONS:**

A rent free period of 3 months upon commencement.

**USE:**

FRESANIUS MEDICAL CARE shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes except those authorized in writing by Landlord, which shall not be unreasonably withheld, conditioned or delayed. FRESANIUS MEDICAL CARE may operate on the Premises, at FRESANIUS MEDICAL CARE's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

**DEMISED PREMISES**

**SHELL:**

Landlord is responsible for delivery a shell building in conformance with FRESANIUS MEDICAL CARE's specifications attached as (See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)

**CONTRACTOR FOR  
TENANT IMPROVEMENTS:**

FRESANIUS MEDICAL CARE will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FRESANIUS MEDICAL CARE shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any.

**HVAC:**

Landlord will provide HVAC service to the space to meet FRESANIUS MEDICAL CARE's requirements as outlined in Exhibit A. FRESANIUS MEDICAL CARE requires HVAC service 24 hours per day, 7 days per week. (See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)

**DELIVERIES:**

FRESANIUS MEDICAL CARE requires delivery access to the Premises 24 hours per day, 7 days per week.

**EMERGENCY GENERATOR:**

FRESENIUS MEDICAL CARE shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.

**SPACE PLANNING/  
ARCHITECTURAL AND  
MECHANICAL DRAWINGS:**

FRESENIUS MEDICAL CARE will provide all space planning and architectural and mechanical drawings required to build out the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the FRESENIUS MEDICAL CARE's responsibility.

**PRELIMINARY  
IMPROVEMENT PLAN:**

At this time, please provide AutoCAD files that include one-eighth inch scale architectural drawings of the proposed demised premises and detailed building specifications.

**PARKING:**

Landlord will provide designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at Landlord's sole cost and expense).

**BUILDING CODES:**

FRESENIUS MEDICAL CARE requires that the site, shell and all interior structures constructed or provided by the Landlord to meet all local, State, and Federal building code requirements, including all provisions of ADA.

**CORPORATE  
IDENTIFICATION:**

Tenant shall have signage rights in accordance with local code.

**COMMON AREA EXPENSES  
AND REAL ESTATE TAXES:**

Tenant shall be responsible for all Real Estate Taxes and Operating Expenses associated with its premises.

**ASSIGNMENT/  
SUBLETTING:**

FRESENIUS MEDICAL CARE requires the right to assign or sublet all or a portion of the demised premises to any subsidiary or affiliate without Landlord's consent. Any other assignment or subletting will be subject to Landlord's prior consent, which shall not be unreasonably withheld or delayed.

**MAINTENANCE:**

Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the exterior portions and structural portions of the Building to keep the building weather and water tight and structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, doors and windows, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, footings as well as any elevators, water mains, gas and sewer lines, sidewalks, private roadways, landscape, parking areas, common areas, and loading docks, if any, on or appurtenant to the Building or the Premises.

With respect to the parking and other exterior areas of the Building and subject to reasonable reimbursement by Tenant, Landlord shall perform the

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

following, pursuant to good and accepted business practices throughout the term: repainting the exterior surfaces of the building when necessary, repairing, resurfacing, repaving, re-stripping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

Tenant shall maintain and keep the interior of the Premises in good repair, free of refuse and rubbish and shall return the same at the expiration or termination of the Lease in as good condition as received by Tenant, ordinary wear and tear, and damage or destruction by fire, flood, storm, civil commotion or other unavoidable causes excepted. Tenant shall be responsible for maintenance and repair of Tenant's equipment in the Premises.

**UTILITIES:**

Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of any of Tenant's utility specifications in the Premises. Landlord agrees to bring water, electricity, gas and sanitary sewer to the Premises in sizes and to the location specified by Tenant and pay for the cost of meters to meter their use. Landlord shall pay for all impact fees and tapping fees associated with such utilities.

**SURRENDER:**

At any time prior to the expiration or earlier termination of the Lease, Tenant may remove any or all the alterations, additions or installations, installed by or on behalf of Tenant, in such a manner as will not substantially injure the Premises. Tenant agrees to restore the portion of the Premises affected by Tenant's removal of such alterations, additions or installations to the same condition as existed prior to the making of such alterations, additions, or installations. Upon the expiration or earlier termination of the Lease, Tenant shall turn over the Premises to Landlord in good condition, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commotion, or other unavoidable cause excepted. All alterations, additions, or installations not so removed by Tenant shall become the property of Landlord without liability on Landlord's part to pay for the same.

**ZONING AND  
RESTRICTIVE COVENANTS:**

Landlord confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no restrictive covenants imposed by the development, owner, and/or municipality that would in any way limit or restrict the operation of FRESINIUS MEDICAL CARE 's dialysis clinic

**FLOOD PLAIN:**

Landlord confirms that the property and premises is not in a Flood Plain.

**CAPITALIZATION TEST:**

Landlord will complete the attached Accounting Classification Form to ensure FRESINIUS MEDICAL CARE is not entering into a capitalized lease arrangement.

**FINANCING:**

Landlord will provide a non-disturbance agreement.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

**EXCLUSIVITY**

Landlord will not, during the term of the Lease and any option terms, lease space in a 5 mile radius to any other provider of hemodialysis services.

**ENVIRONMENTAL:**

A Phase One Environmental Study will be conducted.

**DRAFT LEASE:**

FRESENIUS MEDICAL CARE requires the use of its Standard Form Lease, which is attached.

**BROKERAGE FEE:**

Cushman & Wakefield of Illinois, is the exclusive real estate services provider to FMCNA, its subsidiaries and affiliates. The Landlord will pay a market commission to Cushman & Wakefield of Illinois. The real estate commission shall be payable 50% upon lease execution and 50% upon occupancy. FRESENIUS MEDICAL CARE and FMCNA shall retain the right to offset rent for failure to pay the real estate commission.

**LEASE EXECUTION:**

Both parties agree that they will make best efforts to reach a fully executed lease document within thirty days of the execution of this letter of intent.

**LEASE SECURITY:**

Fresenius Medical Holdings Corp shall fully guarantee the lease.

**CONFIDENTIAL:**

The material contained herein is confidential. It is intended for use of Landlord and Tenant solely in determining whether they desire to enter into a Lease, and it is not to be copied or discussed with any other person.

**EXCLUSIVE NEGOTIATING PERIOD:**

The parties agree that they will negotiate on an exclusive basis for a period of thirty (30) days from the execution of this document.

**NON-BINDING NATURE:**

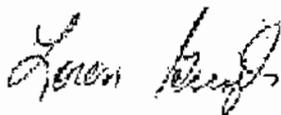
This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive Lease agreement has been fully executed and delivered by the parties. The parties agree that this proposal is not intended to create any agreement or obligation by either party to negotiate a definitive Lease agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive, fully executed agreement, and without any liability to the other party, either party may (i) propose different terms from those summarized herein, (ii) enter into negotiations with other parties and/or (iii) unilaterally terminate all negotiations with the other party hereto.

If you are in agreement with these terms, please execute the document below and return a copy for our records.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

You may email the proposal to [loren.guzik@cushwake.com](mailto:loren.guzik@cushwake.com). Thank you for your time and cooperation in this matter, should you have any questions please call me at 312.470.1897.

Sincerely,



Loren Guzik  
Senior Director  
Office Group  
Phone: 312-470-1897  
Fax: 312-470-3800  
e-mail: [loren\\_guzik@cushwake.com](mailto:loren_guzik@cushwake.com)

CC: Mr. Bill Popken

**AGREED AND ACCEPTED** this \_\_\_\_ day of \_\_\_\_\_, 2012

By \_\_\_\_\_

Title: \_\_\_\_\_

**AGREED AND ACCEPTED** this \_\_\_\_ day of \_\_\_\_\_, 2012

By: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT 1

LEASE SCHEDULE NO. 769-0002105-016  
(Two Leases)

LESSOR: SIEMENS FINANCIAL SERVICES, INC.  
("Lessor")

Address: 170 Wood Ave South  
Iselin, NJ 08830

LESSEE: NATIONAL MEDICAL CARE, INC.  
a Delaware corporation  
("Lessee")  
Address: 920 Water Street  
Waltham, MA 02451

1. Lessor and Lessee have entered into a Master Equipment Lease Agreement dated as of March 10, 2008 ("Master Lease"), including this Schedule (together, the "Lease"), pursuant to which Lessor and Lessee have agreed to lease the equipment described in Exhibit A hereto (the "Equipment"). Lessee and Lessor each reaffirm all of its respective representations, warranties and covenants set forth in the Master Lease, all of the terms and provisions of which are incorporated herein by reference, as of the date hereof. Lessee further certifies to Lessor that Lessee has selected the Equipment and prior to the execution of this Schedule has received and approved a purchase order, purchase agreement or supply contract under which the Equipment will be acquired for purposes of this Lease.

2. The Acquisition Cost of the Equipment is: \$ 3,673,373.64

3. The Equipment will be located at the location specified in Exhibit A hereto, unless the Equipment is of the type normally used at more than one location (such as vehicular equipment, construction machinery or the like), in which case the Equipment will be used in the area specified on Exhibit A hereto.

4. TERM OF LEASE: The term for which the Equipment shall be leased shall be for 72 months (the "Initial Lease Term"), commencing on the Lease Term Commencement Date as set forth in the Acceptance Certificate to this Schedule, and expiring 03/30/2015, unless renewed, extended, or sooner terminated in accordance with the terms of the Lease.

5. RENT: (a) Payable in monthly installments on the 20th day of each month during the Initial Lease Term as follows:

Rental Payment Months	Number of Rental Payments	Amount of Each Rental Payment
1-72	72	\$53,954.37

Lessor will invoice Lessee for all sales, use and/or personal property taxes as and when due and payable in accordance with applicable law, unless Lessee delivers to Lessor a valid exemption certificate with respect to such taxes. Delivery of such certificate shall constitute Lessee's representation and warranty that no such tax shall become due and payable with respect to the Equipment and Lessee shall indemnify and hold harmless Lessor from and against any and all liability or damages, including late charges and interest which Lessor may incur by reason of the assessment of such tax.

6. OTHER PAYMENTS:

(a) Lessee agrees to pay Rental Payments in advance.

015 Exhibit 12.doc

7. **EARLY TERMINATION OPTION:** So long as no Event of Default under the Lease, nor any event which upon notice or lapse of time or both would constitute such an Event of Default has occurred and is continuing, Lessee shall have the option to terminate the Lease for all, but not less than all, of the Equipment on the rental payment date for the twenty-fourth (24th) monthly rental payment (the "Early Termination Date"). Lessee shall notify Lessor in writing of Lessee's intention to exercise such termination option at least ninety (90) days prior to the Early Termination Date of such Lease. Lessee shall pay to Lessor on the Early Termination Date an aggregate amount (the "Termination Amount") equal to: (i) all rental payments, late charges and other amounts due and owing under the Lease, including the rental payment due on the Early Termination Date; plus (ii) any and all taxes, assessments and other charges due in connection with the termination of the Lease; plus (iii) 64% of the original Acquisition Cost of the Equipment as set forth herein.

In addition to the payment of the Termination Amount, Lessee shall return all of the Equipment to Lessor on the Early Termination Date pursuant to and in the condition required by the terms of the Lease.

In the event Lessee shall not pay the Termination Amount on the Early Termination Date and return the Equipment to Lessor pursuant to, and in the condition required by the Lease, then the Lease Term for the Equipment shall continue in full force and effect and this Early Termination Option shall be null and void and of no further force or effect.

8. **EARLY PURCHASE OPTION:** So long as no Event of Default under the Lease, nor any event which upon notice or lapse of time or both would constitute such an Event of Default has occurred and is continuing, Lessee shall have the option to terminate the Lease and purchase all, but not less than all, of the Equipment on the rental payment date for the sixtieth (60th) monthly rental payment (the "Early Purchase Option Date"). Lessee shall notify Lessor in writing of Lessee's intention to exercise such early purchase option at least ninety (90) days prior to the Early Purchase Option Date of such Lease. Lessee shall pay to Lessor on the Early Purchase Option Date an aggregate amount (the "Purchase Price") equal to: (i) all rental payments, late charges and other amounts due and owing under the Lease, including the rental payment due on the Early Purchase Option Date; plus (ii) any and all taxes, assessments and other charges due in connection with the termination of the Lease and the purchase of the Equipment; plus (iii) 28.02% of the original Acquisition Cost of the Equipment as set forth herein.

Provided that Lessor shall have received the Purchase Price on the Early Purchase Option Date, Lessor shall convey all of its right, title and interest in and to the Equipment to Lessee on the Early Purchase Option Date, on an "AS-IS", "WHERE-IS" BASIS WITHOUT REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, and without recourse to Lessor; provided however, that notwithstanding anything else herein to the contrary, Lessor shall warrant that the Equipment is free and clear of all liens, charges and encumbrances created by, through or under Lessor, and that Lessor has good and lawful right, power and authority to sell said Equipment to Lessee.

In the event Lessee shall not pay the Purchase Price on the Early Purchase Option Date then the Initial Lease Term or any renewal term for the Equipment shall continue in full force and effect and this Early Purchase Option shall be null and void and of no further force or effect.

9. **PURCHASE OPTION:** So long as no Event of Default, nor any event which upon notice or lapse of time or both would constitute an Event of Default, has occurred and is continuing under the Lease, and the Lease has not been earlier terminated, and upon not less than ninety (90) days prior written notice, Lessee shall have the option, upon expiration of the Initial Lease Term, renewal term or Extended Term, to purchase all, but not less than all, of Lessor's right, title and interest in and to the Equipment at the end of the Lease Term for a Purchase Option Price (hereinafter defined), on the last day of the Lease Term, in immediately available funds.

The Purchase Option Price shall be equal to the Fair Market Value of the Equipment (hereinafter defined) plus any sales, use, property or excise taxes on or measured by such sale, any other amounts accrued and unpaid under the Lease and any other expenses of transfer including UCC termination fees.

The "Fair Market Value" of the Equipment, shall be determined on the basis of, and shall be equal in amount to the value which would be obtained in an arm's-length transaction between an informed and willing buyer-user (other than a lessee currently in possession or a used equipment dealer) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such value. For purposes of determining Fair Market Value it will be assumed that as of the date of determination that the Equipment is in at least the condition required by the Lease. If during or after the period of thirty (30) days from Lessor's receipt of the aforesaid written notice from Lessee of Lessee's intention to exercise said purchase option, Lessor and Lessee determine that they cannot agree upon such fair market value, then such value shall be determined in accordance with the foregoing definition by a qualified independent appraiser as selected by mutual agreement between Lessor and Lessee, or failing such agreement, by a panel of three independent appraisers, one of whom shall be selected by Lessor, the second by Lessee and the third designated by the first two selected. If any party refuses or fails to appoint an appraiser or a third appraiser cannot be agreed upon by the other two appraisers, such appraiser or appraisers shall be selected in accordance with the rules for commercial arbitration of the

015 Exhibits 12.doc

American Arbitration Association. The appraisers shall be instructed to make such determination within a period of twenty (20) days following appointment, and shall promptly communicate such determination in writing to Lessor and Lessee. The determination of Fair Market Value so made by the sole appraiser or by a majority of the appraisers, if there is more than one, shall be conclusively binding upon both Lessor and Lessee. All appraisal costs, fees and expenses shall be payable by Lessee. The sale of the Equipment by Lessor to Lessee shall be on an AS-IS, WHERE-IS basis, without recourse to, or warranty by, Lessor, provided however, that notwithstanding anything else herein to the contrary, Lessor shall warrant that the Equipment is free and clear of all liens, charges and encumbrances created by, through or under Lessor, and that Lessor has good and lawful right, power and authority to sell said Equipment to Lessee.

Lessee shall be deemed to have waived this Purchase Option unless it provides Lessor written notice of its irrevocable election to exercise this option within fifteen (15) days after Lessee is advised of the Fair Market Value of the Equipment.

Lessee may elect to return all, but not less than all, of the Equipment at the end of the Initial Lease Term or any renewal term, provided that such return will only be permitted if (i) the Lessee provides the Lessor with written notice of its intention to return the Equipment not less than ninety (90) days prior to the end of the Initial Term, and (ii) the return of the Equipment is in accordance with the terms of the Lease and any Schedules, Acceptance Certificate, Riders, Exhibits and Addenda thereto.

If, for any reason whatsoever, the Lessee does not purchase the Equipment at the end of the Initial Lease Term or any renewal term in accordance with the foregoing, or exercises their option to return the Equipment as set forth above, the lease term of the Equipment shall end without further action on the part of Lessee be extended on a month-to-month basis with rentals payable monthly calculated at one hundred five percent (105%) of the highest monthly rental payable during the Initial Lease Term (the "Extended Term"). At the end of such Extended Term, the Lessee shall have the option to either: (i) return the Equipment to the Lessor in accordance with the terms of the Lease; or (ii) purchase the Equipment for its then Fair Market Value as determined in accordance with the provisions set forth above. The Extended Term shall continue until (a) Lessee provides Lessor with not less than ninety (90) days prior written notice of the anticipated date Lessee will return the Equipment and Lessee returns the Equipment in accordance with the return provisions of this Lease, or (b) Lessee provides Lessor with not less than ninety (90) days prior written notice of Lessee's exercise of its Fair Market Value purchase option with respect to the Equipment.

10. STIPULATED LOSS VALUES:

Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
1	101.47	37	60.22
2	100.61	38	58.94
3	99.65	39	57.66
4	98.66	40	56.37
5	97.55	41	55.08
6	96.53	42	53.78
7	95.48	43	52.47
8	94.41	44	51.16
9	93.33	45	49.84
10	92.25	46	48.51
11	91.15	47	47.18
12	90.05	48	45.84
13	88.95	49	44.50
14	87.83	50	43.16
15	86.71	51	41.78
16	85.58	52	40.43
17	84.44	53	39.06
18	83.29	54	37.69
19	82.14	55	36.31

015 Exhib 12.doc

Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
20	80.87	56	34.82
21	79.81	57	33.63
22	78.63	58	32.13
23	77.45	59	30.72
24	76.26	60	29.31
25	75.06	61	27.89
26	73.88	62	26.47
27	72.65	63	25.04
28	71.44	64	23.61
29	70.22	65	22.17
30	68.98	66	20.72
31	67.76	67	19.27
32	66.52	68	17.82
33	65.27	69	16.35
34	64.01	70	14.88
35	62.75	71	13.40
36	61.49	72	11.82

Stipulated Loss Values are due in addition to the Rental Payment due on the same date.

IN WITNESS WHEREOF, the parties hereto certify that they have read, accepted and caused this Individual Leasing Record to be duly executed by their respective officers thereunto duly authorized.

Dated: 3/30/09

LESSOR:

Siemens Financial Services, Inc.

By: Carol Walters

Name: CAROL WALTERS

Title: VIC PRESIDENT DOCUMENTATION



Ernest Enigo  
Sr. Transaction Coordinator

LESSEE:

National Medical Care, Inc.

By: [Signature]

Name: MARK FADDETT

Title: TREASURER

013 Exhibit 12.doc



**DELL****QUOTATION**

QUOTE #: 485293558

Customer #: 84405601

Contract #: 70137

Customer Agreement #: Dell Std Terms

Quote Date: 4/22/09

Date: 4/22/09 12:33:14 PM

Customer Name: FRESENIUS MEDICAL CARE N A

<b>TOTAL QUOTE AMOUNT:</b>	<b>\$975.02</b>		
<b>Product Subtotal:</b>	<b>\$864.59</b>		
<b>Tax:</b>	<b>\$46.43</b>		
<b>Shipping &amp; Handling:</b>	<b>\$64.00</b>		
<b>Shipping Method:</b>	<b>Ground</b>	<b>Total Number of System Groups:</b>	<b>1</b>

GROUP: 1	QUANTITY: 1	SYSTEM PRICE: \$584.51	GROUP TOTAL: \$584.51
<b>Base Unit:</b>	OptiPlex 760 Small Form Factor Base Standard PSU (224-2219)		
<b>Processor:</b>	OptiPlex 760, Core 2 Duo E7300/2.66GHz, 3M, 1066FSB (311-9514)		
<b>Memory:</b>	2GB, Non-ECC, 800MHz DDR2, 2X1GB OptiPlex (311-7374)		
<b>Keyboard:</b>	Dell USB Keyboard, No Hot Keys English, Black, OptiPlex (330-1987)		
<b>Monitor:</b>	Dell UltraSharp 1708FP BLK w/AdjStn, 17 inch, 1x08FPBLK OptiPlex, Precision and Latitude (320-7882)		
<b>Video Card:</b>	Integrated Video, GMA 4500, Dell OptiPlex 760 and 960 (320-7407)		
<b>Hard Drive:</b>	80GB SATA 3.0Gb/s and 8MB DataBurst Cache, Dell OptiPlex (341-8006)		
<b>Floppy Disk Drive:</b>	No Floppy Drive with Optical Filler Panel, Dell OptiPlex Small Form Factor (341-4809)		
<b>Operating System:</b>	Windows XP PRO SP3 with Windows Vista Business License English, Dell OptiPlex (420-9570)		
<b>Mouse:</b>	Dell USB 2 Button Optical Mouse w/Scroll, Black OptiPlex (330-2733)		
<b>NIC:</b>	ASF Basic Hardware Enabled Systems Management (330-2901)		
<b>CD-ROM or DVD-ROM Drive:</b>	24X24 CDRW/DVD Combo, with Cyberlink Power DVD, No Media Media, Dell OptiPlex 960 Small Form Factor (313-7071)		
<b>CD-ROM or DVD-ROM Drive:</b>	Cyberlink Power DVD 8.1, with Media, Dell OptiPlex/Precision (420-9179)		
<b>Sound Card:</b>	Heat Sink, Mainstream, Dell OptiPlex Small Form Factor (311-9520)		
<b>Speakers:</b>	Dell AX510 black Sound Bar for UltraSharp Flat Panel Displays Dell OptiPlex/Precision/Latitude (313-8414)		
<b>Cable:</b>	OptiPlex 760 Small Form Factor Standard Power Supply (330-1884)		
<b>Documentation Diskette:</b>	Documentation, English, Dell OptiPlex (330-1710)		
<b>Documentation Diskette:</b>	Power Cord, 125V, 2M, C13, Dell OptiPlex (330-1711)		
<b>Factory Installed Software:</b>	No Dell Energy Smart Power Management Settings, OptiPlex (467-3584)		
<b>Feature:</b>	Resource DVD contains Diagnostics and Drivers for Dell OptiPlex 760 Vista (330-2019)		
<b>Service:</b>	ProSupport for IT: Next Business Day Parts and Labor Onsite Response Initial Year (991-6370)		
<b>Service:</b>	ProSupport for IT: Next Business Day Parts and Labor Onsite Response 2 Year Extended (991-3642)		
<b>Service:</b>	Dell Hardware Limited Warranty Plus Onsite Service Initial Year (992-6507)		
<b>Service:</b>	Dell Hardware Limited Warranty Plus Onsite Service Extended Year(s) (992-6508)		
<b>Service:</b>	ProSupport for IT: 7x24 Technical Support for certified IT Staff, Initial (984-6640)		
<b>Service:</b>	ProSupport for IT: 7x24 Technical Support for certified IT Staff, 2 Year Extended (984-0002)		
Thank you choosing Dell ProSupport. For tech support, visit <a href="http://support.dell.com/ProSupport">http://support.dell.com/ProSupport</a>			

Service:	or call 1-866-618-31 (889-3449)
Installation:	Standard On-Site Installation Declined (800-9987)
Installation:	Standard On-Site Installation Declined (900-9987)
Misc:	Shipping Material for System Cypher Small Form Factor, Dell OptiPlex (330-2193)
	Vista Premium Downgrade Relationship Desktop (310-9161)
	CFI Routing SKU (365-0257)
	CFI, Rollup, Integration Service, Image Load (366-1416)
	CFI, Rollup, Custom Project, Fee for ESLH (368-1551)
	CFI, Rollup, Integration Services, BIOS Setting (368-1656)
	CFI, Information, Vista To WXP ONLY, Factory Install (372-6272)
	CFI, Software, Image, Quick Image, Titan, Factory Install (372-9740)
	CFI, BIOS, Across Line Of Business, Wakeup-on-lan, Enable, Factory Install (374-4668)
	CFI, Information, OptiPlex 760 Only, Factory Install (374-8402)

SOFTWARE & ACCESSORIES			
Product	Quantity	Unit Price	Total
Office 2007 Sngl C 021-07777 (A0748670)	1	\$259.68	\$259.68
Windows Server CAL 2008 Sngl MVL Device CAL C R18-02830 (A1511602)	1	\$20.40	\$20.40
Number of S & A Items: 2		S&A Total Amount: \$280.08	

SALES REP:	PHIL CLINTON	PHONE:	1800-274-3355
Email Address:	Phil_Clinton@Dell.com	Phone Ext:	723-3128

For your convenience, your sales representative, quote number and customer number have been included to provide you with faster service when you are ready to place your order. Orders may be faxed to the attention of your sales representative to 1-866-230-4217. You may also place your order online at [www.dell.com/qto](http://www.dell.com/qto)

This quote is subject to the terms of the agreement signed by you and Dell, or absent such agreement, to Dell's Terms of Sale.

Prices and tax rates are valid in the U.S. only and are subject to change.

**\*\*Sales/use tax is a destination charge, i.e. based on the "ship to" address on your purchase order. Please indicate your taxability status on your PO. If exempt, please fax exemption certificate to Dell Tax Department at 888-863-8778, referencing your customer number. If you have any questions regarding tax please call 800-433-9019 or email Tax\_Department@dell.com. \*\***

All product and pricing information is based on latest information available. Subject to change without notice or obligation.

LCD panels in Dell products contain mercury, please dispose properly. Please contact Dell Financial Services' Asset Recovery Services group for EPA compliant disposal options at [US\\_Dell\\_ARS\\_Requests@dell.com](mailto:US_Dell_ARS_Requests@dell.com). Minimum quantities may apply.

Shipments to California: For certain products, a State Environmental Fee Of Up to \$10 per item may be applied to your invoice as early as Jan 1, 2005. Prices in your cart do not reflect this fee. More Info: or refer to URL [www.dell.com/environmentalfee](http://www.dell.com/environmentalfee)

**Criterion 1120.310 Financial Viability**

Financial Viability Waiver

This project is being funded entirely through cash and securities thereby meeting the criteria for the financial waiver.

2011 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #12-056, RA1 Lincoln Highway, Fairview Heights and are the same financials that pertain to this application. In order to reduce bulk these financials can be referred to if necessary.

**Criterion 1120.310 (c) Reasonableness of Project and Related Costs**

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD		\$138.00			7,000			966,000	966,000
Contingency		13.71			7,000			95,970	95,970
<b>TOTALS</b>		151.71			7,000			1,061,970	1,061,970

\* Include the percentage (%) of space for circulation

**Criterion 1120.310 (d) – Projected Operating Costs**

**Year 2015**

Salaries	\$714,962
Benefits	178,741
Supplies	<u>168,480</u>
Total	\$1,062,483

Annual Treatments	8,237
Cost Per treatment	\$128.99

**Criterion 1120.310 (e) – Total Effect of the Project on Capital Costs**

**Year 2015**

Depreciation/Amortization	\$115,784
Interest	0
<b>CAPITAL COSTS</b>	<b><u>\$115,784</u></b>
Treatments:	8,237
Capital Cost per treatment	\$14.06

**Criterion 1120.310(a) Reasonableness of Financing Arrangements**

Dialysis Centers of America - Illinois, Inc.

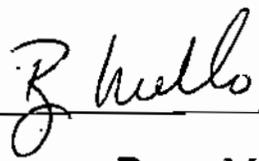
The applicant is paying for the project with cash on hand, and not borrowing any funds for the project. However, per the Board's rules the entering of a lease is treated as borrowing. As such, we are attesting that the entering into of a lease (borrowing) is less costly than the liquidation of existing investments which would be required for the applicant to buy the property and build a structure itself to house a dialysis clinic. Further, should the applicant be required to pay off the lease in full, its existing investments and capital retained could be converted to cash or used to retire the outstanding lease obligations within a sixty (60) day period.

By: 

Title: \_\_\_\_\_

**Mark Fawcett**  
**Vice President & Treasurer**

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2012

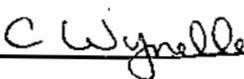
By: 

Title: **Bryan Mello**

**Assistant Treasurer**

Notarization:  
Subscribed and sworn to before me  
this 18 day of July, 2012

Signature of Notary



Signature of Notary

Seal



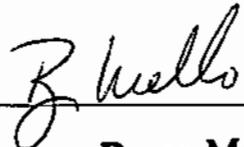
Seal

**Criterion 1120.310(a) Reasonableness of Financing Arrangements**

Fresenius Medical Care Holdings, Inc.

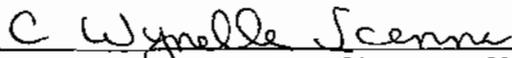
The applicant is paying for the project with cash on hand, and not borrowing any funds for the project. However, per the Board's rules the entering of a lease is treated as borrowing. As such, we are attesting that the entering into of a lease (borrowing) is less costly than the liquidation of existing investments which would be required for the applicant to buy the property and build a structure itself to house a dialysis clinic. Further, should the applicant be required to pay off the lease in full, its existing investments and capital retained could be converted to cash or used to retire the outstanding lease obligations within a sixty (60) day period.

By:   
Title: Mark Fawcett  
Vice President & Asst. Treasurer

By:   
Title: Bryan Mello  
Assistant Treasurer

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2012

Notarization:  
Subscribed and sworn to before me  
this 18 day of July, 2012

  
Signature of Notary

Seal



Seal

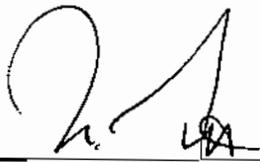
**Criterion 1120.310(b) Conditions of Debt Financing**

Dialysis Centers of America - Illinois, Inc.

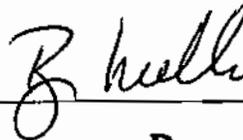
In accordance with 77 ILL. ADM Code 1120, Subpart D, Section 1120.310, of the Illinois Health Facilities & Services Review Board Application for Certificate of Need; I do hereby attest to the fact that:

There is no debt financing. The project will be funded with cash and leasing arrangements; and

The expenses incurred with leasing the proposed facility and cost of leasing the equipment is less costly than constructing a new facility or purchasing new equipment.

By: 

ITS: Mark Fawcett  
Vice President & Treasurer

By: 

ITS: Bryan Mello  
Assistant Treasurer

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2012

Notarization:  
Subscribed and sworn to before me  
this 18 day of July, 2012

  
Signature of Notary

Seal



Seal

## Safety Net Impact Statement

The relocation of the Fresenius Medical Care Pekin dialysis facility will not have any impact on safety net services in the Pekin area. Outpatient dialysis services are not typically considered "safety net" services, to the best of our knowledge. However, we do provide care for patients in the community who are economically challenged and/or who are undocumented aliens, who do not qualify for Medicare/Medicaid. We assist patients who do not have insurance in enrolling when possible in Medicaid and/or Medicaid as applicable, and also our social services department assists patients who have issues regarding transportation and/or who are wheel chair bound or have other disabilities which require assistance with respect to dialysis services and transport to and from the unit.

This particular application will not have an impact on any other safety net provider in the area, as no hospital within the area provides dialysis services on an outpatient basis.

Fresenius Medical Care is a for-profit publicly traded company and is not required to provide charity care, nor does it do so according to the Board's definition. However, Fresenius Medical Care provides care to all patients regardless of their ability to pay. There are patients treated by Fresenius who either do not qualify for or will not seek any type of coverage for dialysis services. These patients are considered "self-pay" patients. These patients are invoiced as all patients are invoiced, however payment is not expected and Fresenius does not initiate any collections activity on these accounts. These unpaid invoices are written off as bad debt. Fresenius notes that as a for profit entity, it does pay sales, real estate and income taxes. It also does provide community benefit by supporting various medical education activities and associations, such as the Renal Network and National Kidney Foundation.

The table on the following page shows the amount of "self-pay" care and Medicaid services provided for the 3 fiscal years prior to submission of the application for all Fresenius Medical Care facilities in Illinois.

<b>Safety Net Information Fresenius Medical Care Facilities in Illinois</b>			
<b>NET REVENUE</b>	<b>\$364,295,636</b>	<b>\$397,467,778</b>	<b>\$353,355,908</b>
<b>CHARITY CARE</b>			
	<b>2009</b>	<b>2010</b>	<b>2011</b>
Charity Care (# of self-pay patients)	260	146	93
Charity (self-pay) Cost	\$3,642,751	\$1,307,966	632,154
% of Charity Care to Net Rev.	1.00%	.33%	0.2%
<b>MEDICAID</b>			
	<b>2009</b>	<b>2010</b>	<b>2011</b>
Medicaid (# of patients)	1,783	1,828	1,865
Medicaid (revenue)	\$40,401,403	\$44,001,539	\$42,367,328
% of Medicaid to Net Revenue	11.9%	11.07%	12%

2011 data accounts for in-center hemodialysis patients only. 2009 & 2010 included some home dialysis patients and we were unable to remove them from the above numbers. Going forward data on in-center patients only will be submitted

Uncompensated care #'s listed in the previous chart have gone down substantially over the past three years. This is due to an aggressive effort on our clinics part to obtain coverage for every patient. All ESRD patients can qualify for some type of coverage as is explained in Attachment 44.

While it may appear that the uncompensated numbers went down at a much higher rate than the rate the Medicaid numbers rose, one has to look at the percentage of the total number of patients/treatments for accurate comparison because the volume of Medicaid patients is significantly higher than that of uncompensated patients. For example in 2011 vs 2010 the percentage of the total for Medicaid was 12% and 11.7% respectively. In the same comparison for uncompensated care there was .2% vs .33% of the total. The Medicaid numbers increased .5% and the uncompensated care numbers decreased .1% as they relate to the total.

(See attachment 44 for Uncompensated and Medicaid Care by facility)

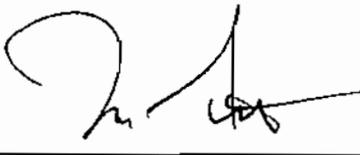
**Criterion 1120.310(b) Conditions of Debt Financing**

Fresenius Medical Care Holdings, Inc.

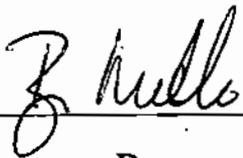
In accordance with 77 ILL. ADM Code 1120, Subpart D, Section 1120.310, of the Illinois Health Facilities & Services Review Board Application for Certificate of Need; I do hereby attest to the fact that:

There is no debt financing. The project will be funded with cash and leasing arrangements; and

The expenses incurred with leasing the proposed facility and cost of leasing the equipment is less costly than constructing a new facility or purchasing new equipment.

By: 

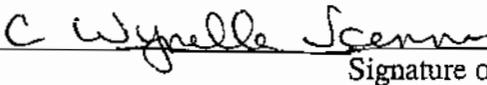
ITS: Mark Fawcett  
Vice President & Asst. Treasurer

By: 

ITS: Bryan  
**Assistant Treasurer**

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2012

Notarization:  
Subscribed and sworn to before me  
this 18 day of July, 2012

  
Signature of Notary

Seal



Seal

## Charity Care Information

The applicant(s) do not provide charity care at any of their facilities per the Board's definition. They do provide uncompensated care. The applicant(s) are for profit corporations and do not receive the benefits of not for profit entities, such as sales tax and/or real estate exemptions, or charitable donations. The applicants are not required, by any State or Federal law, including the Illinois Healthcare Facilities Planning Act, to provide charity care. The applicant(s) are prohibited by Federal law from advising patients that they will not be invoiced for care, as this type of representation could be an inducement for patients to seek care prior to qualifying for Medicaid, Medicare or other available benefits.

The applicants do provide access to care at all of its clinics regardless of payer source or whether a patient is likely to receive treatments for which the applicants are not compensated. Uncompensated care occurs when a patient is not eligible for any type of insurance coverage (whether private or governmental) and receives treatment at our facilities. It is rare in Illinois for patients to have no coverage as patients who are not Medicare eligible are Medicaid eligible. This represents a small number of patients, as Medicare covers all dialysis services as long as an individual is entitled to receive Medicare benefits (i.e. has worked and paid into the social security system as a result) regardless of age. In addition, in Illinois Medicaid covers patients who are undocumented and/or who do not qualify for Medicare, and who otherwise qualify for public assistance. Also, the American Kidney Fund provides low cost insurance coverage for patients who meet the AKF's financial parameters and who suffer from end stage renal disease (see uncompensated care attachment). The applicants work with patients to procure coverage for them as possible whether it be Medicaid, Medicare and/or coverage through the AKF. The applicants donate to the AKF to support its initiatives.

If a patient has no available insurance coverage, they are billed for services rendered, and after three statement reminders the charges are written off as bad debt. Collection actions are not initiated unless the applicants are aware that the patient has substantial financial resources available and/or the patient has received reimbursement from an insurer for services we have rendered, and has not submitted the payment for same to the applicants

It is noted in the above charts on the following pages, that the number of patients receiving uncompensated care has declined. This is not because of any policy or admissions changes at Fresenius Medical Care. We still accept any patient regardless of ability to pay. The reduction is due to an aggressive approach within our facilities to obtain insurance coverage for all patients, thus the rise in Medicaid treatments/costs. Nearly all dialysis patients in Illinois will qualify for some type of coverage. Our Financial Coordinators work with patients to assist in finding the right coverage for each patient's particular situation. This coverage applies not only to dialysis services, but all health care services this chronically ill patient population may receive. Therefore, while assisting the patient to obtain coverage benefits the patient and Fresenius, it also assists other health care providers. Mainly though, it relieves patients of the stress of not having coverage or affordable coverage for health care.

## Uncompensated Care By Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2009	2010	2011	2009	2010	2011
Fresenius Alsip	0	0	0	0	0	0
Fresenius Antioch	102	0	0	27,356	0	0
Fresenius Aurora	83	87	13	18,102	20,475	3,008
Fresenius Austin Community	140	0	0	38,748	0	0
Fresenius Berwyn	715	228	102	159,825	50,216	21,728
Fresenius Blue Island	174	80	0	47,787	22,092	0
Fresenius Bolingbrook	48	21	0	12,190	4,945	0
Fresenius Bridgeport	528	45	150	116,096	9,767	35,073
Fresenius Burbank	721	49	40	174,834	11,589	9,742
Fresenius Carbondale	79	42	0	21,053	11,058	0
Fresenius Chicago	328	45	1	87,584	13,006	294
Fresenius Chicago Westside	146	0	43	47,296	0	12,683
Fresenius Congress Parkway	176	14	0	45,015	3,555	0
Fresenius Crestwood	67	320	69	16,604	81,301	17,203
Fresenius Decatur	0	0	0	0	0	0
Fresenius Deerfield	0	0	0	0	0	0
Fresenius Downers Grove	20	233	0	4,604	55,040	0
Fresenius Du Page West	76	34	0	17,683	8,106	0
Fresenius Du Quoin	37	10	0	10,153	2,664	0
Fresenius East Peoria	52	0	0	11,791	0	0
Fresenius Elgin	0	0	0	0	0	0
Fresenius Elk Grove	127	53	51	28,162	11,934	12,501
Fresenius Evanston	194	215	90	48,763	55,760	22,969
Fresenius Evergreen Park	510	197	12	135,802	51,112	3,113
Fresenius Garfield	177	54	171	45,571	13,562	38,597
Fresenius Glendale Heights	159	15	9	34,921	3,565	2,023
Fresenius Glenview	87	46	169	19,416	9,809	37,965
Fresenius Greenwood	251	179	26	60,119	42,049	6,103
Fresenius Gurnee	122	35	25	28,363	7,609	5,350
Fresenius Hazel Crest	34	22	83	8,927	5,874	20,550
Fresenius Hoffman Estates	33	17	19	7,219	3,783	4,173
Fresenius Jackson Park	528	3	0	121,478	637	0
Fresenius Kewanee	0	72	0	0	20,269	0
Fresenius Lake Bluff	65	5	21	16,903	1,052	4,824
Fresenius Lakeview	27	13	11	7,284	3,026	2,712
Fresenius Lombard	0	0	0	0	0	0
Fresenius Macomb	0	0	0	0	0	0
Fresenius Marquette Park	362	0	0	90,374	0	0
Fresenius McHenry	186	5	1	53,929	1,240	265
Fresenius McLean County	67	19	23	16,821	4,012	5,111
Fresenius Melrose Park	19	0	2	5,048	0	479
Fresenius Merrionette Park	105	41	46	27,067	9,535	10,728
Fresenius Midway	0	0	0	0	0	0
Fresenius Mokena	44	3	0	15,784	976	0
Fresenius Morris	42	104	0	11,078	27,519	0
Fresenius Naperville	301	100	0	62,828	21,795	0
Fresenius Naperville North	183	0	18	45,371	0	3,887

Continued...

## Continued Uncompensated Care by Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2009	2010	2011	2009	2010	2011
Fresenius Niles	152	26	10	36,586	5,912	2,274
Fresenius Norridge	6	3	0	1,433	718	0
Fresenius North Avenue	94	74	0	23,140	17,785	0
Fresenius North Kilpatrick	0	64	0	0	14,161	0
Fresenius Northcenter	121	78	0	33,725	19,191	0
Fresenius Northwestern	226	77	160	54,801	20,482	43,652
Fresenius Oak Park	126	6	0	29,782	1,370	0
Fresenius Orland Park	121	0	12	29,308	0	3,072
Fresenius Oswego	12	1	0	3,294	277	0
Fresenius Ottawa	8	2	3	2,377	443	844
Fresenius Palatine	0	0	0	0	0	0
Fresenius Pekin	0	20	100	0	4,582	22,951
Fresenius Peoria Downtown	46	45	24	10,787	10,650	5,674
Fresenius Peoria North	54	13	0	12,693	3,116	0
Fresenius Plainfield	0	8	7	0	4,776	1,803
Fresenius Polk	231	104	102	57,903	25,023	25,642
Fresenius Pontiac	19	0	0	4,664	0	0
Fresenius Prairie	114	54	215	29,278	13,918	50,109
Fresenius Randolph County	4	32	0	1,200	8,794	0
Fresenius Rockford	74	24	0	23,729	6,932	0
Fresenius Rodgers Park	328	224	48	85,308	55,507	11,633
Fresenius Rolling Meadows	0	204	215	0	50,445	52,184
Fresenius Roseland	164	99	9	60,432	29,927	2,593
Fresenius Ross Dialysis Englewood	184	8	12	51,398	2,031	3,151
Fresenius Round Lake	182	1	54	42,228	231	12,274
Fresenius Saline County	21	11	0	5,679	2,892	0
Fresenius Sandwich	18	3	0	8,054	966	0
Fresenius Skokie	18	10	25	4,418	2,606	6,609
Fresenius South Chicago	747	278	135	196,277	67,614	31,622
Fresenius South Holland	127	104	0	29,620	24,321	0
Fresenius South Shore	110	8	0	29,182	1,943	0
Fresenius South Suburban	566	241	41	139,684	57,649	9,809
Fresenius Southside	483	137	27	120,241	32,823	6,263
Fresenius Southwestern Illinois	0	0	0	0	0	0
Fresenius Spoon River	38	35	0	8,910	8,633	0
Fresenius Spring Valley	1	31	9	221	6,446	1,952
Fresenius Streator	0	0	34	0	0	11,545
Fresenius Uptown	134	110	2	43,063	32,398	533
Fresenius Villa Park	369	27	0	91,054	6,488	0
Fresenius West Belmont	191	70	76	51,405	17,653	18,057
Fresenius West Chicago	44	0	0	23,875	0	0
Fresenius West Metro	880	237	143	178,477	47,199	29,431
Fresenius West Suburban	273	146	37	60,862	32,995	8,190
Fresenius Westchester	0	0	0	0	0	0
Fresenius Williamson County	0	28	0	0	7,360	0
Fresenius Willowbrook	45	0	0	10,771	0	0
<b>Totals</b>	<b>13,448</b>	<b>5,037</b>	<b>2,695</b>	<b>3,343,810</b>	<b>1,235,189</b>	<b>642,947</b>

**Medicaid Treatments/Costs By Facility**

Facility	Medicaid Treatments			Medicaid Costs		
	2009	2010	2011	2009	2010	2011
Alsip	624	749	732	188,014	212,319	202,715
Antioch	148	937	763	39,693	228,932	187,329
Aurora	1,230	1,521	1,464	267,289	356,763	338,760
Austin Community	1,574	2,111	2,405	435,633	514,900	631,509
Berwyn	3,618	4,102	3,792	808,338	903,204	807,772
Blue Island	1,901	1,937	2,043	521,183	537,714	525,668
Bolingbrook	1,246	1,628	1,721	316,437	382,502	403,285
Bridgeport	4,570	5,610	6,674	1,004,278	1,223,924	1,560,507
Burbank	2,142	2,046	2,274	519,411	488,784	553,829
Carbondale	1,214	1,650	885	323,528	434,440	208,033
Chicago	5,466	5,279	4,898	1,459,549	1,525,782	1,439,559
Chicago Westside	3,509	3,807	4,690	1,136,730	1,095,994	1,383,369
Congress Parkway	3,685	4,197	4,713	942,506	1,065,797	1,136,642
Crestwood	1,166	1,072	1,090	288,958	272,784	271,757
Decatur	1	136	221	234	35,461	57,763
Deerfield	0	100	156	0	43,140	50,046
Downers Grove	1,010	995	1,166	232,543	234,923	271,484
Du Page West	2,086	2,725	2,097	484,530	645,664	501,321
Du Quoin	318	203	99	87,259	54,088	24,270
East Peoria	607	1,083	548	137,256	245,724	128,413
Elgin	0	0	90	0	0	73,782
Elk Grove	1,414	1,996	2,207	313,551	453,597	541,081
Evanston	1,513	1,535	1,592	380,303	397,971	406,302
Evergreen Park	2,284	3,231	2,730	608,498	836,493	708,304
Garfield	2,684	3,299	3,238	691,027	828,310	730,863
Glendale Heights	2,085	2,332	2,290	457,922	554,123	514,638
Glenview	984	992	1,055	219,602	213,744	236,999
Greenwood	3,349	3,712	3,894	802,189	872,008	914,042
Gurnee	1,859	2,143	2,688	432,191	472,662	575,243
Hazel Crest	979	657	585	257,041	179,494	144,844
Hoffman Estates	1,726	2,513	3,112	377,555	559,184	683,470
Jackson Park	5,444	5,972	5,101	1,252,508	1,521,259	1,210,846
Kewanee	182	146	220	50,299	41,100	61,426
Lake Bluff	1,541	1,354	1,402	400,725	316,621	322,029
Lakeview	1,398	1,516	1,811	377,127	352,907	446,470
Lombard	0	0	44	0	0	21,595
Macomb	212	116	145	55,286	29,952	40,553
Marquette Park	2,339	2,473	2,126	583,937	678,627	541,896
McHenry	457	546	406	132,590	150,364	107,459
McLean County	1,225	1,044	711	307,556	220,456	157,995
Melrose Park	1,015	1,390	1,573	269,659	346,195	376,797
Merrionette Park	1,001	749	526	258,043	176,214	122,674
Midway	0	28	304	0	35,664	105,702
Mokena	0	125	295	0	40,676	82,346
Morris	119	200	324	31,388	52,788	78,235
Naperville	512	544	536	106,931	119,021	118,367
Naperville North	494	654	719	122,478	149,538	155,271

Continued...

**Continued Medicaid Treatments/Costs By Facility**

Facility	Medicaid Treatments			Medicaid Costs		
	2009	2010	2011	2009	2010	2011
Niles	1,675	1,914	2,129	403,072	443,720	484,136
Norridge	858	1,037	1,079	204,977	248,143	254,192
North Avenue	1,818	1,854	1,472	447,539	445,567	320,511
North Kilpatrick	2,323	2,504	3,856	507,261	553,942	820,684
Northcenter	1,603	1,981	2,015	446,783	490,534	479,942
Northwestern	3,103	2,954	3,322	752,429	789,266	906,323
Oak Park	1,972	2,142	1,836	466,108	488,856	428,507
Orland Park	734	774	606	177,784	205,942	155,116
Oswego	454	482	239	124,620	133,606	63,061
Ottawa	141	70	118	41,889	20,685	33,187
Palatine	0	0	15	0	0	12,802
Pekin	24	136	168	5,392	31,957	38,557
Peoria Downtown	1,238	1,283	856	290,322	306,923	202,385
Peoria North	374	265	229	87,495	63,487	54,170
Plainfield	0	390	695	0	124,618	178,985
Polk	3,151	3,509	3,042	791,176	845,905	764,725
Pontiac	185	284	261	45,411	67,468	61,369
Prairie	1,067	1,108	1,994	274,030	288,116	464,734
Randolph County	190	251	157	57,007	68,980	41,764
Rockford	540	747	0	174,124	215,743	0
Rodgers Park	1,433	1,756	2,268	372,702	435,136	549,669
Rolling Meadows	1,543	2,100	1,629	358,921	519,165	395,386
Roseland	641	1,506	1,702	236,200	455,105	490,393
Ross Dialysis Englewood	814	1,936	2,153	227,382	491,305	565,256
Round Lake	1,909	2,661	2,007	442,931	615,524	456,196
Saline County	676	441	189	182,823	121,425	54,160
Sandwich	60	145	212	32,813	46,687	65,769
Skokie	850	1,096	443	208,691	285,530	117,111
South Chicago	3,995	5,002	5,628	1,049,703	1,216,563	1,318,286
South Holland	1,304	1,603	1,366	304,132	374,873	344,529
South Shore	2,143	1,900	1,858	568,522	492,073	480,279
South Suburban	1,392	1,804	1,917	343,534	431,533	458,639
Southside	5,249	6,248	5,999	1,306,722	1,502,272	1,391,565
Southwestern Illinois	296	428	425	73,467	111,204	113,186
Spoon River	11	30	26	2,579	7,400	6,120
Spring Valley	39	267	356	8,607	56,430	77,209
Streator	7	34	30	2,692	11,273	10,187
Uptown	701	1,037	1,427	225,278	306,675	380,027
Villa Park	922	1,037	988	227,334	249,280	218,544
West Belmont	2,495	3,388	3,950	671,493	860,433	938,469
West Chicago	8	429	579	4,341	146,150	176,609
West Metro	6,331	7,147	5,727	1,283,292	1,422,379	1,178,679
West Suburban	5,951	5,841	5,234	1,326,700	1,324,430	1,158,568
Westchester	669	429	246	167,778	112,477	65,140
Williamson County	363	435	420	88,017	116,421	103,203
Willowbrook	474	1,065	1,087	113,458	250,894	254,937
<b>Totals</b>	<b>134,666</b>	<b>156,600</b>	<b>156,121</b>	<b>32,811,313</b>	<b>37,899,912</b>	<b>37,298,532</b>

(see following page for patient coverage options)

111

## **Fresenius Medical Care North America Community Care**

Fresenius Medical Care North America (FMCNA) assists all of our patients in securing and maintaining insurance coverage when possible. However, even if for whatever reason insurance (governmental or otherwise) is not available FMCNA does not deny admission for treatment due to lack of insurance coverage.

### **American Kidney Fund**

FMCNA works with the American Kidney Fund (AKF) to help patients with insurance premiums at no cost to the patient.

Applicants must be dialyzed in the US or its territories and referred to AKF by a renal professional and/or nephrologist. The Health Insurance Premium Program is a "last resort" program. It is restricted to patients who have no means of paying health insurance premiums and who would forego coverage without the benefit of HIPP. Alternative programs that pay for primary or secondary health coverage, and for which the patient is eligible, such as Medicaid, state renal programs, etc. must be utilized. Applicants must demonstrate to the AKF that they cannot afford health coverage and related expenses (deductible etc.).

Our team of Financial Coordinators and Social Workers connect patients who cannot afford to pay their insurance premiums, with AKF, which provides financial assistance to the patients for this purpose. FMCNA's North Division currently has 2986 patients with primary insurance coverage and 7469 patients with secondary insurance coverage for a total of 10,455 patients receiving AKF assistance. For the state of Illinois we have 632 primary and 1503 secondary patients receiving AKF assistance. The benefit of working with the AKF is the insurance coverage which AKF facilities applies to all of the patient's insurance needs, not just coverage for dialysis services.

### **Indigent Waiver Program**

FMCNA has established an indigent waiver program to assist patients who are unable to obtain insurance coverage or who lack the financial resources to pay for medical services. In order to qualify for an indigent waiver, a patient must satisfy eligibility criteria for both annual income and net worth.

**Annual Income:** A patient (including immediate family members who reside with, or are legally responsible for, the patient) may not have an annual income in excess of two (2) times the Federal Poverty Standard in effect at the time. Patients whose annual income is greater than two (2) times the Federal Poverty Standard may qualify for a partial indigent waiver based upon a sliding scale schedule approved by the Office of Business Practices and Corporate Compliance.

**Net Worth:** A patient (including immediate family members who reside with, or are legally responsible for, the patient) may not have a net worth in excess of \$75,000 (or such other amount as may be established by the Office of Business Practices and Corporate Compliance based on changes in the Consumer Price Index

The Company recognizes the financial burdens associated with ESRD and wishes to ensure that patients are not denied access to medically necessary care for financial reasons. At the same time, the Company also recognizes the limitations imposed by federal law on offering "free" or "discounted" medical items or services to Medicare and other government supported patients for the purpose of inducing such patients to receive ESRD-related items and services from FMCNA. An indigent waiver excuses a patient's obligation to pay for items and services furnished by FMCNA. Patients may have dual coverage of AKF assistance and an Indigent Waiver if their financial status qualifies them for both programs.

FMCNA North Division currently has 718 active Indigent Waivers. 21 cover primary balances which means the patient has no insurance coverage, and 697 cover patient balances where there is no supplemental insurance.

Illinois currently has 5 active Indigent Waivers that cover the supplemental balances after the primary insurance pays. There isn't a high volume of Indigent Waivers issued in Illinois because patients are entitled to Medicaid coverage in Illinois.

#### **IL Medicaid and Undocumented Patients**

FMCNA has a bi-lingual Regional Insurance Coordinator who works directly with Illinois Medicaid to assist patients with Medicaid applications. An immigrant who is unable to produce proper documentation will not be eligible for Medicaid unless there is a medical emergency. ESRD is considered a medical emergency.

The Regional Insurance Coordinator will petition Medicaid if patients are denied and assist undocumented patients through the application process to get them Illinois Medicaid coverage. This role is actively involved with the Medicaid offices and attends appeals to help patients secure and maintain their Medicaid coverage for all of their healthcare needs, including transportation to their appointments.

#### **FMCNA Collection Policy**

FMCNA's collection policy is designed to comply with federal law while not penalizing patients who are unable to pay for services.

FMCNA does not use a collection agency for patient collections unless the patient receives direct insurance payment and does not forward the payment to FMCNA.

## **Medicare and Medicaid Eligibility**

**Medicare:** Patients are eligible for Medicare when they meet the following criteria: age 65 or older, under age 65 with certain disabilities, and people of all ages with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant).

There are three insurance programs offered by Medicare, Part A for hospital coverage, Part B for medical coverage and Part D for pharmacy coverage. Most people don't have to pay a monthly premium, for Part A. This is because they or a spouse paid Medicare taxes while working. If a beneficiary doesn't get premium-free Part A, they may be able to buy it if they (or their spouse) aren't entitled to Social Security, because they didn't work or didn't pay enough Medicare taxes while working, are age 65 or older, or are disabled but no longer get free Part A because they returned to work. Part B and Part D both have monthly premiums. Patients must have Part B coverage for dialysis services.

Medicare does allow members to enroll in Health Plans for supplemental coverage. Supplemental coverage (secondary) is any policy that pays balances after the primary pays reducing any out of pocket expenses incurred by the member.

Medicare will pay 80% of what is allowed by a set fee schedule. The patient would be responsible for the remaining 20% not paid by Medicare. The supplemental (secondary) policy covers the cost of co-pays, deductibles and the remaining 20% of charges.

**Medicaid:** Low-income Illinois residents who can't afford health insurance may be eligible for Medicaid. In addition to meeting federal guidelines, individuals must also meet the state criteria to qualify for Medicaid coverage in Illinois.

## **Self-Pay**

A self-pay patient would not have any type of insurance coverage (un-insured). They may be un-insured because they do not meet the eligibility requirements for Medicare or Medicaid and can not afford a commercial insurance policy.

In addition, a patient balance becomes self-pay after their primary insurance pays, but the patient does not have a supplemental insurance policy to cover the remaining balance. The AKF assistance referenced earlier may or may not be available to these patients, dependent on whether or not they meet AKF eligibility requirements.

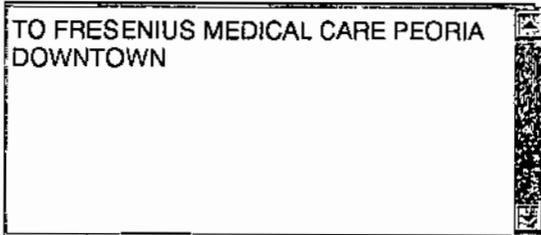
# MAPQUEST.

## Trip to 410 W Romeo B Garrett Ave

Peoria, IL 61605-2401

10.44 miles - about 21 minutes

Notes



### 120 N Parkway Dr, Pekin, IL 61554-3933

- |   |  |           |
|---|--|-----------|
|    | 1. Start out going <b>north</b> on N Parkway Dr toward Stoneybrook Rd. | go 2.6 mi |
|     | 2. Turn <b>left</b> onto Edgewater Dr / IL-98.                         | go 0.4 mi |
|    | 3. Turn <b>slight right</b> onto S Main St.                            | go 1.5 mi |
|   | 4. Turn <b>right</b> onto IL-29 N.                                     | go 3.4 mi |
|   | 5. Merge onto IL-29 N / IL-116 W toward IL-8 W / Peoria.               | go 0.5 mi |
|    | 6. Take the <b>Edmund St.</b> ramp.                                    | go 0.2 mi |
|   | 7. Turn <b>right</b> onto IL-8 S / Edmund St.                          | go 0.1 mi |
|    | 8. Stay <b>straight</b> to go onto W Washington St.                    | go 0.9 mi |
|   | 9. W Washington St becomes IL-40 N.                                    | go 0.7 mi |



10. Turn left onto W Romeo B Garrett Ave.

go 0.1 mi



11. 410 W ROMEO B GARRETT AVE is on the left.

go 0.0 mi



**410 W Romeo B Garrett Ave, Peoria, IL 61605-2401**

**Total Travel Estimate : 10.44 miles - about 21 minutes**

All rights reserved. Use subject to License/Copyright | Map Legend

Directions and maps are informational only. We make no warranties on the accuracy of their content, road conditions or route usability or expeditiousness. You assume all risk of use. MapQuest and its suppliers shall not be liable to you for any loss or delay resulting from your use of MapQuest. Your use of MapQuest means you agree to our Terms of Use

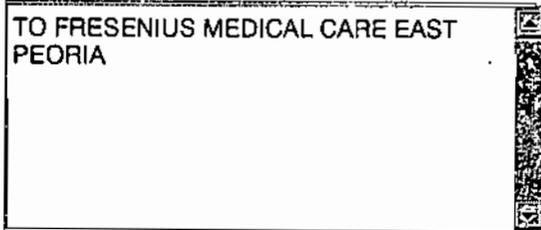
# MAPQUEST.

## Trip to 3300 N Main St

East Peoria, IL 61611-1562

12.16 miles - about 22 minutes

Notes



### 120 N Parkway Dr, Pekin, IL 61554-3933

- |  |   |           |
|--|---|-----------|
|  | 1. Start out going north on N Parkway Dr toward Stoneybrook Rd. | go 2.6 mi |
|  | 2. Turn left onto Edgewater Dr / IL-98.                         | go 0.4 mi |
|  | 3. Turn slight right onto S Main St.                            | go 1.5 mi |
|  | 4. Turn right onto IL-29 N.                                     | go 3.4 mi |
|  | 5. Stay straight to go onto S Main St.                          | go 4.1 mi |
|  | 6. Turn right onto Centennial Dr.                               | go 0.0 mi |
|  | 7. Turn left onto N Main St / Access Road 7 / IL-116.           | go 0.0 mi |
|  | 8. 3300 N MAIN ST is on the right.                              | go 0.0 mi |



### 3300 N Main St, East Peoria, IL 61611-1562

Total Travel Estimate : 12.16 miles - about 22 minutes

All rights reserved. Use subject to License/Copyright | [Map Legend](#)

117

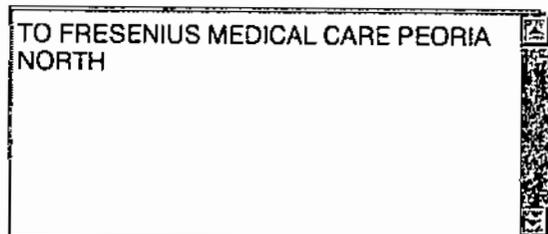
# MAPQUEST.

## Trip to 10405 N Juliet Ct

Peoria, IL 61615-1152

22.19 miles - about 29 minutes

Notes



### 120 N Parkway Dr, Pekin, IL 61554-3933

- |   |   |           |
|---|---|-----------|
|    | 1. Start out going north on N Parkway Dr toward Stoneybrook Rd.                     | go 2.6 mi |
|     | 2. Turn left onto Edgewater Dr / IL-98.   | go 0.4 mi |
|    | 3. Turn slight right onto S Main St.  | go 1.5 mi |
|   | 4. Turn right onto IL-29 N.   | go 0.4 mi |
|   | 5. Merge onto I-474 W toward Galesburg / US-24 / Bartonville.                       | go 9.7 mi |
|   | 6. I-474 W becomes IL-6 N.  | go 6.1 mi |
|   | 7. Merge onto IL-40 N / N Knoxville Ave via EXIT 6 toward Bradford / Mossville Rd.. | go 1.1 mi |
|    | 8. Turn left onto W Alta Rd.  | go 0.3 mi |
|    | 9. Turn right onto N Juliet Ct.   | go 0.1 mi |

118

8.910

10. 10405 N JULIET CT is on the left.

go 0.0 mi



---

**10405 N Juliet Ct, Peoria, IL 61615-1152**

**Total Travel Estimate : 22.19 miles - about 29 minutes**

All rights reserved. Use subject to License/Copyright | Map Legend

Directions and maps are informational only. We make no warranties on the accuracy of their content, road conditions or route usability or expeditiousness. You assume all risk of use. MapQuest and its suppliers shall not be liable to you for any loss or delay resulting from your use of MapQuest. Your use of MapQuest means you agree to our Terms of Use



# Illinois Kidney Disease & Hypertension Center

## Nephrology Associates

Phillip J. Olsson, M.D., F.A.C.P.  
Robert T. Sparrow, M.D., F.A.S.H.  
Benjamin R. Pflederer, M.D.  
David C. Rosborough, M.D.  
Timothy A. Pflederer, M.D.  
Paul T. Dreyer, M.D.  
Gordon W. James, M.D.  
Robert Bruha, M.D.  
Samer B. Sader, M.D.  
Anthony R. Horinek, M.D.  
Alexander J. Alonso, M.D.  
Smittha R. Panulaparthi, M.D.

## Surgery Associates

Beverly L. Ketel, M.D.  
Timothy P. O'Connor, M.D., F.A.C.S.

## Physician Assistants

Julie A. DeSutter, P.A.-C.  
Holly R. Walker, P.A.-C.

## Nurse Practitioners

Tonya K. McDougall, M.S.N., F.N.P.  
Karen A. Helfers, M.S.N., F.N.P.  
Judith A. Dansizen, A.I.R.N.-B.C.

## Administrator

Beth A. Shaw, MBA

200 E. Pennsylvania Ave., Suite 212  
Peoria, IL 61603  
Office 309.676.8123  
Fax 309.676.8455

1404 Eastland Drive, Suite 103  
Bloomington, IL 61701  
Office 309.663.4766  
Fax 309.663.7238

2355 Broadway Rd.  
Pekin, IL 61554

1100 E. Norris Drive  
Ottawa, IL 61350

501 E. Grant St.  
Macomb, IL 61455

920 West Street  
Medical Office Building, Suite 212  
Peru, IL 61354

Perry Memorial Hospital  
530 Park Avenue East, Room 335  
Princeton, IL 61356

107 Tiemont Street  
Hopedale, IL 61741

Graham Hospital  
210 W. Walnut  
1st Floor, Outpatient Clinic  
Canton, IL 61520

1405 E. 12th St., Suite 600  
Mendota, IL 61342

305 South Park  
Streator, IL 61364

July 25, 2012

Ms. Courtney Avery  
Administrator  
Illinois Health Facilities & Services Review Board  
525 W. Jefferson St., 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Ms. Avery:

My name is Tim Pflederer, M.D. and I am a nephrologist practicing in central Illinois with Renal Care Associates (RCA) and am the medical director of the Fresenius Pekin dialysis center. I am writing to support the relocation of the current Fresenius Pekin dialysis clinic and addition of two more stations. This facility has been operating over 80% utilization for many years which severely limits available treatment times to this largely rural patient population. Recently because of the high utilization, some patients have had to drive excessive distances to Peoria for treatment. Many of the patients here live in rural areas and are hesitant driving such long distances. In order to create the additional access to treatment times, a larger space is needed for the additional stations.

I along with my partners at Renal Care Associates have referred 208 new patients for hemodialysis services over the past twelve months. We were treating 563 hemodialysis patients at the end of 2009, 635 at the end of 2010, 728 at the end of 2011 and as of June 30, 2012 we were treating 688. We have over 900 patients in our practice in various stages of kidney failure. There are currently 46 patients dialyzing at the Pekin clinic that are expected to transfer to the new location. There are an additional 63 patients living in the Pekin market that I expect would begin dialysis at that facility (accounting for a 30% loss of patients prior to dialysis commencement approximately 44 will be referred in the first two years after relocation of the clinic).

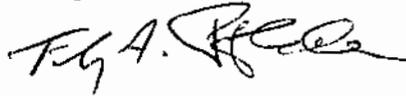
RCA strongly encourages patients to explore other treatment choices such as transplantation and home dialysis through pre-dialysis education. We currently have 125 patients who dialyze at home. The central Illinois clinics at which we serve as medical director have had a combined average of 37 transplants per year over the last four years.



120  
Planning Area Need – Service Demand – Physician Referral Letter  
RenalCare  
Associates, S.C.  
Appendix - 2

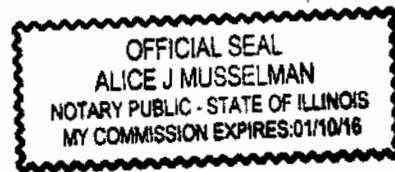
Renal Care Associates respectfully ask the Board to approve the relocation and addition of two stations to the RCG Pekin facility to provide continued dialysis access to the rural patients of the Pekin area. Thank you for your consideration.

Sincerely,



Tim Pflederer, M.D.

State of Illinois  
Notarization: County of Peoria  
Subscribed and sworn to before me  
this 26<sup>th</sup> day of July, 2012  
Alice J. Musselman  
Signature of Notary  
(seal)



**NEW HEMODIALYSIS REFERRALS OF RENAL CARE ASSOCIATES FOR  
THE TIME PERIOD 07/01/2011 - 06/30/2012**

Zip Code	Fresenius Medical Care												Total
	Bloomington	Spoon River	East Peoria	Kewanee	Macomb	Ottawa	Pekin	Peoria Downtown	Peoria North	Pontiac	Spring Valley	Streator	
60531						2							2
61301											3		3
61329											1		1
61341						2							2
61342											1		1
61348						1					2		3
61350						11							11
61356											5		5
61359											1		1
61360						1							1
61362											1		1
61364												6	6
61369										1		1	2
61370						1							1
61377												1	1
61379											1		1
61422					1								1
61441		1											1
61443				4									4
61455					3								3
61520		4					2						6
61523									3				3
61529		1	1										2
61531		1											1
61534							1						1
61536			1						1				2
61537									1				1
61540									1				1
61542								1					1
61546							2						2
61548			1										1
61550			2					1					3
61554			2				12						14
61559				1					1				2
61560									1		1		2
61569		1											1
61571			8										8
61572		1											1
61603								8	1				9
61604			1					9	3				13
61605								7					7
61606			1										1
61607			4					2					6
61610								1					1
61611			8										8
61614			1					4	4				9
61615								3	3				6
61616								1	1				2
61701	14									1			15
61702	2												2
61704	7												7
61721	1												1
61725	1												1
61727	2												2
61728										1			1
61739										1			1
61745	2												2
61747							1						1
61761	2												2
61764										4			4
61774	1												1
61776	1												1
62644		1											1
63115	1												1
<b>Total</b>	<b>34</b>	<b>10</b>	<b>30</b>	<b>5</b>	<b>4</b>	<b>18</b>	<b>17</b>	<b>37</b>	<b>20</b>	<b>8</b>	<b>16</b>	<b>8</b>	<b>208</b>

Planning Area Need - Service Demand - Physician Referral Letter

122

# HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2009

ZIP CODE	FRESHENUP MEDICAL CARE												TOTAL
	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PERM	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	
60100							1						1
60428									3				3
60468									2				2
60470												1	1
60510							1						1
60518					1								1
60543					1								1
60921									2				2
60934									1				1
60936									1				1
61282				1									1
61301								7			11		18
61317											1		1
61314			1										1
61317											1		1
61319									2			1	3
61321	1												1
61322											5		5
61327											2		2
61329											2		2
61331											1		1
61336											1		1
61341					6								6
61347											4		4
61349											5		5
61358					13							3	16
61354											8		8
61356			1								2		3
61360					1								1
61361			1					1					2
61362											0		0
61364					4							12	16
61372					2								2
61377												2	2
61401								1					1
61470													1
61472													1
61434			1										1
61481						2							2
61443			10										10
61445						1							1
61450						1							1
61455						1							1
61443			2										2
61484						1							1
61491								1					1
61517								1					1
61530									8				8
61523							1	6					7
61524									1				1
61525								1					1
61528							1						1
61529									1				1
61531									1				1
61533									3				3
61534							1						1
61536									1				1
61537		1									2		3
61547											2		2
61546						5							5
61548		1											1
61550		6					1	1					8
61552								1					1
61554		3				24	1				2		30
61553						2							2
61553								1					1
61553													1
61561	1	1											2
61567								1					1
61564						2							2
61568						2							2
61569											1		1
61571		12					1						13
61602							1						1
61603		6					19	2					27
61604		5					27	1					33
61605		4					42	1					47
61606							4						4
61607						1	5	1					7
61610		3					1						4
61611		10						1					11
61613							1						1
61614		6					7	11					24
61615		1					6	8					15
61616							4	2					6
61619							1						1
61623							1						1
61701	23						1	1					25
61702	2												2
61704	13												13
61705	1												1
61721	1												1
61722	1												1
61790	1												1
61722	1												1
61734													1
61738	2												2
61741									1				1
61745	3												3
61747							1						1
61748	1								1				2
61752	7												7
61753									1				1
61755		1											1
61758						1							1
61761	10							1					11
61764									13				13
61769									1				1
61777	2												2
61822													1
61847	2												2
61911													1





**CURRENT PEKIN CLINIC PATIENTS EXPECTED TO TRANSFER  
TO THE RELOCATION SITE**

<b>Zip Code</b>	<b>Patients</b>
61520	1
61534	1
61546	1
61547	1
61554	32
61555	1
61564	2
61568	1
61607	1
61705	1
61734	1
61747	1
62644	1
62682	1
<b>Total</b>	<b>46</b>

**PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE PEKIN  
FACILITY THE 1<sup>ST</sup> TWO YEARS AFTER RELOCATING**

<b>Zip Code</b>	<b>Town</b>	<b>County</b>	<b>Patients</b>
61534	Green Valley	Tazewell	2
61535	Groveland	Tazewell	3
61547	Mapleton	Peoria	2
61554	Pekin	Tazewell	35
61568	Tremont	Tazewell	4
61607	Bartonville	Peoria	3
61734	Delavan	Tazewell	7
61747	Hopedale	Tazewell	3
61755	Mackinaw	Tazewell	3
61759	Minier	Tazewell	1
<b>Total</b>			<b>63</b>

(It is expected that approximately 30% of the above patients will no longer require dialysis services by the time the facility is relocated due to death, transplant or moving out of the area. Therefore approximately 44 of the above patients will actually begin dialysis services at the relocated Pekin facility.)