

Original

13-004

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**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

JAN 10 2013

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION HEALTH FACILITIES &
SERVICES REVIEW BOARD

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: <i>Fresenius Medical Care South Elgin</i>			
Street Address: <i>430 - 450 N. McLean Boulevard</i>			
City and Zip Code: <i>South Elgin 60177</i>			
County: <i>Kane</i>	Health Service Area <i>8</i>	Health Planning Area:	

Applicant Identification

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

Exact Legal Name: <i>Fresenius Medical Care South Elgin, LLC d/b/a Fresenius Medical Care South Elgin</i>	
Address: <i>920 Winter Street, Waltham, MA 02451</i>	
Name of Registered Agent: <i>CT Systems</i>	
Name of Chief Executive Officer: <i>Ron Kuerbitz</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 checked="" 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>Ron Kuerbitz</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 checked="" type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

Corporations and limited liability companies must provide an **Illinois Certificate of Good Standing**.
 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>Coleen Muldoon</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>708-498-9118</i>
E-mail Address: <i>coleen.muldoon@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 & Knight, LLP</i>
Address: <i>131 S. Dearborn, 30th 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>Net3, LLC</i>
Address of Site Owner: <i>2803 W. Butterfield Road, Suite 310, Oak Brook, IL 60523</i>
Street Address or Legal Description of Site: <i>430 – 450 N. McLean Blvd, South Elgin, IL</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.
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: <i>Fresenius Medical Care South Elgin, LLC d/b/a Fresenius Medical Care South Elgin</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input checked="" 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"> 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. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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.]

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 or 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.

Fresenius Medical Care South Elgin, LLC, proposes to establish a 12 station in-center hemodialysis facility located at 430 – 450 N. McLean Boulevard, South Elgin, IL. The facility will be in leased space in a free standing building with the interior to be built out by the applicant.

Fresenius Medical Care South Elgin will be in HSA 8.

This project is “substantive” under Planning Board rule 1110.10(b) as it entails the establishment 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.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
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	1,510,812	N/A	1,510,812
Contingencies	149,589	N/A	149,589
Architectural/Engineering Fees	162,885	N/A	162,885
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	301,000	N/A	301,000
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	2,466,778 209,950	N/A	2,676,728
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
TOTAL USES OF FUNDS	4,801,014		4,801,014
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	2,124,286	N/A	2,124,286
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)	2,676,728	N/A	2,676,728
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
TOTAL SOURCES OF FUNDS	4,801,014	N/A	4,801,014
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

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.**

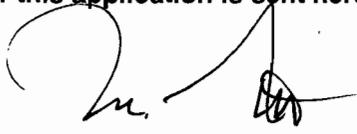
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL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

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 South Elgin, LLC * 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

 PRINTED NAME **Mark Fawcett**

 PRINTED TITLE **Vice President & Treasurer**



 SIGNATURE

 PRINTED NAME **Brian Manno**

 PRINTED TITLE **Asst Treasurer**

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

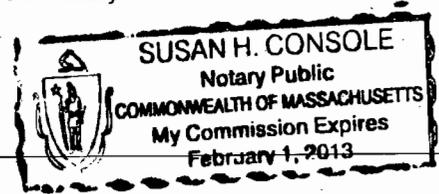
Notarization:
 Subscribed and sworn to before me
 this 31 day of Oct 2012

 Signature of Notary *Susan H Console*

Signature of Notary

Seal

Seal



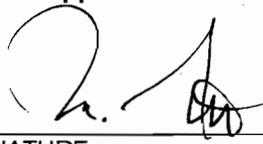
*Insert EXACT legal name of the applicant

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
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 SIGNATURE

 Mark Fawcett
 PRINTED NAME
 Vice President & Asst. Treasurer

 PRINTED TITLE



 SIGNATURE

 Bryan Moran
 PRINTED NAME
 Asst Treasurer

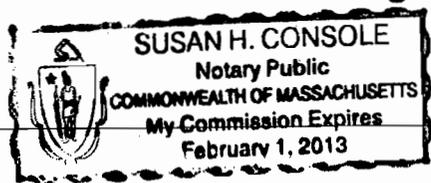
 PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this ____ day of _____ 2012

Notarization:
Subscribed and sworn to before me
this 31 day of Oct 2012

 Signature of Notary
 Seal

 Signature of Notary
 Seal



*Insert EXACT legal name of the applicant

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 (1-6) 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 SHELL SPACE

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	0	12

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>2,124,286</u>	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: <ol style="list-style-type: none"> 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 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;
<u>N/A</u>	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.
<u>N/A</u>	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>2,676,728</u>	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: <ol style="list-style-type: none"> 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; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 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.; 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; 5) For any option to lease, a copy of the option, including all terms and conditions.
<u>N/A</u>	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;
<u>N/A</u>	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
<u>N/A</u>	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
<u>4,801,014</u>	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT-39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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.

<p><u>Financial Viability Waiver</u></p> <p>The applicant is not required to submit financial viability ratios if:</p> <ol style="list-style-type: none"> All of the projects capital expenditures are completely funded through internal sources 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 The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor. <p>See Section 1120.130 Financial Waiver for information to be provided</p> <p>APPEND DOCUMENTATION AS ATTACHMENT-40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>

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	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.			
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.

<p>APPEND DOCUMENTATION AS ATTACHMENT 41, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>
--

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									
TOTALS									

* 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			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
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.

1. 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.
2. 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.
3. 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.

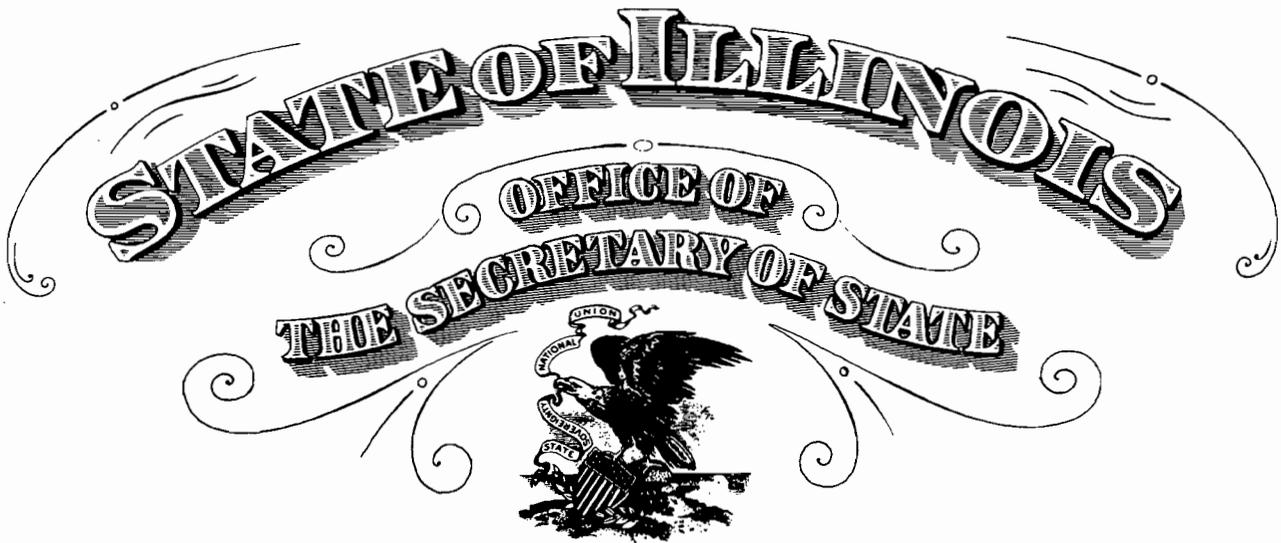
A table in the following format must be provided for all facilities as part of Attachment 44.

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:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Co-applicant Identification including Certificate of Good Standing	22-23
2	Site Ownership	24-30
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	31
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	32
5	Flood Plain Requirements	33-34
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	40-47
11	Background of the Applicant	
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	
	Service Specific:	
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	53-81
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	
	Financial and Economic Feasibility:	
39	Availability of Funds	82-87
40	Financial Waiver	88-89
41	Financial Viability	
42	Economic Feasibility	90-94
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44	Charity Care Information	97-104
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Appendix 2	Physician Referral Letters & Patient Referrals	118-125



To all to whom these Presents Shall Come, Greeting:

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

FRESENIUS MEDICAL CARE SOUTH ELGIN, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON OCTOBER 12, 2012, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS 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 19TH day of OCTOBER A.D. 2012 .

Jesse White

Authentication #: 1229302360

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

SECRETARY OF STATE

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>Ron Kuerbitz</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>
Telephone Number: <i>800-662-1237</i>

Type of Ownership of Applicant/Co-Applicant

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input checked="" 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.

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: *Net3, LLC*

Address of Site Owner: *2803 W. Butterfield Road, Suite 310*

Street Address or Legal Description of Site: *430 – 450 N. McLean Boulevard, South Elgin, IL 60177*

APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

November 6, 2012

Fresenius Medical Care

Attn: Mr. Bill Popken

(781) 699-9994

Via email: William.Popken@fmc-na.com

RE: 430 – 450 N. McLean Blvd. Land Parcel
South Elgin, Illinois
Fresenius Medical Care Build-to-Suit – Letter of Intent

Dear Bill:

We are pleased to present to you this letter of intent. Net3 (South Elgin), LLC (“Landlord”) is willing to negotiate a lease for the premises in the referenced location. This letter is not intended to be a binding contract, a lease, or an offer to lease, but is intended only to provide the basis for negotiations of a lease document between Landlord and **Fresenius Medical Care South Elgin LLC** (“Tenant”).

Premises: 9362 square foot building to be constructed and located at 430-450 N. McLean Blvd., Illinois. Parcel #

06-34-105-016

06-34-105-015

06-34-105-014

Landlord: Net3 (South Elgin), LLC
Tenant: Fresenius Medical Care South Elgin LLC
Guarantor: Fresenius Medical Care Holdings
Lease: Landlord’s standard lease form.

Use: Tenant 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. Tenant may operate on the Premises, at Tenant's option, on a seven (7) days a week, twenty-four

Rent Commencement

Date:

Tenant will not pay rent until the date that is the earlier of (a) the date that Tenant opens for business in the Premises, or (b) ninety (90) days after the Delivery Date.

Delivery

Date:

The date upon which Landlord's Work is substantially completed which is estimated to be 180 days after receipt of Landlord's building permit.

***Construction Drawings
For Landlord's Work:***

Landlord will agree upon issuance of the CON to have construction drawings no later than 90 days after CON is awarded and apply for building permits immediately thereafter.

Tenant's Work:

Tenant shall construct improvements in the Premises and install Tenant's trade fixtures, equipment and personal property in order to make the Premises ready for Tenant's initial occupancy and use, subject to Landlord's approval of all plans and specifications for therefor.

Security Deposit:

None, subject to Landlord's review of current Tenant financial statements.

Landlord Maintenance:

Landlord shall without expense to Tenant, maintain and make all necessary repairs to the 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, the roof and roof supports, columns, structural retaining walls, gutters, downspouts, flashings and footings.

Signage:

Tenant may, at its sole cost and expense, install and maintain signs in and on the Premises to the maximum extent permitted by local law and subject to Tenant obtaining (i) all necessary private party approvals, if any, and governmental approvals, permits and licenses; and (ii) Landlord's prior written approval which will not be unreasonably withheld, and in accordance with Landlord's sign criteria (if applicable).

Confidentiality:

The parties hereto acknowledge the sensitive nature of the terms and conditions of this letter and hereby agree not to disclose the terms and conditions of this letter or the fact of the existence of

(24) hours a day basis, subject to zoning and other regulatory requirements.

Primary Term: 15 years

Option Term(s): Three (3) Five (5) year options to renew the lease at 2% annual increase in base rent.

Base Rent over initial Term: Annual Rent: Starts at \$24.50/sq. ft. and increases by 2% in Year 3 of the Primary Term

Year	Annual Rent	Monthly Rent	Cost SF
1	\$ 229,369.00	\$ 19,114.08	\$ 24.50
2	\$ 229,369.00	\$ 19,114.08	\$ 24.50
3	\$ 233,956.38	\$ 19,496.37	\$ 24.99
4	\$ 238,635.51	\$ 19,886.29	\$ 25.49
5	\$ 243,408.22	\$ 20,284.02	\$ 26.00
6	\$ 248,276.38	\$ 20,689.70	\$ 26.52
7	\$ 253,241.91	\$ 21,103.49	\$ 27.05
8	\$ 258,306.75	\$ 21,525.56	\$ 27.59
9	\$ 263,472.88	\$ 21,956.07	\$ 28.14
10	\$ 268,742.34	\$ 22,395.20	\$ 28.71
11	\$ 274,117.19	\$ 22,843.10	\$ 29.28
12	\$ 279,599.53	\$ 23,299.96	\$ 29.87
13	\$ 285,191.52	\$ 23,765.96	\$ 30.46
14	\$ 290,895.35	\$ 24,241.28	\$ 31.07
15	\$ 296,713.26	\$ 24,726.10	\$ 31.69

Taxes, Insurance & CAM: Tenant will pay

Utilities: Tenant will be responsible to pay for all of their own utilities.

Tenant's Share: 100%

Condition of Premises Upon Delivery: Landlord shall deliver the Premises to **Tenant** in a shell condition in accordance with agreed upon plans and specifications as defined in **(Exhibit A)**. In addition, Landlord shall be responsible for all civil costs, parking infrastructure and any other development costs.

this letter to any third parties and instead agree to keep said terms and conditions strictly confidential, disclosing them only to their respective agents, lenders, attorneys, accountants and such other directors, officers, employees, affiliates, and representatives who have a reason to receive such information and have been advised of the sensitive nature of this letter and as otherwise required to be disclosed by law.

Zoning and Restrictive Covenants:

Landlord will represent that the current property zoning is acceptable for use as outpatient dialysis facility and there is no other restrictive covenants imposed on the land/, owner, and/or municipality.

CON Contingency

Landlord and FMC understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, FMC cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless FMC obtains a Certificate of Need (CON) permit from the Illinois Health Facilities Planning Board (the "Planning Board"). FMC agrees to proceed using its commercially reasonable best efforts to submit an application for a CON permit and to prosecute said application to obtain the CON permit from the Planning Board. Based on the length of the Planning Board review process, FMC does not expect to receive a CON permit prior to April 2013. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to the approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective pending CON approval. Assuming CON permit approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the Planning Board does not award FMC a CON permit to establish a dialysis center on the Premises by April 2013, neither party shall have any further obligation to the other party with regard to the negotiations, lease or Premises contemplated by this Letter of Intent.

Acquisition Contingency:

Tenant acknowledges that Landlord is not the owner of the Land. Accordingly, the parties agree that the lease agreement shall contain a contingency provision which provides that Landlord's obligations under the lease agreement shall be subject to and contingent upon Landlord obtaining fee title to the Land and in the event that Landlord does not acquire fee title to the Land on or before the date which is 100 days after the date upon which the CON is obtained by Tenant then Tenant then either Landlord or Tenant may elect to terminate the lease agreement; provided, however, that in the event Tenant elects to terminate the lease agreement then Landlord shall have thirty (30) days from the date of Tenant's notice of election to terminate to satisfy the contingency at its election in which event Tenant's election to terminate shall be null and void. In the event the lease is terminated under this provision then each of the parties shall be released from its obligations and liability under the lease agreement.

The parties agree that this letter shall not be binding on the parties and does not address all essential terms of the lease agreement contemplated by this letter. Neither party may claim any legal right against the other by reason of any action taken in reliance upon this non-binding letter. A binding agreement shall not exist between the parties unless and until a lease agreement has been executed and delivered by both parties.

If you are in agreement with the foregoing terms, please execute and date this letter in the space provided below and return same to Landlord within five (5) business days from the date above.

Sincerely,

**NET 3 REAL ESTATE, L.L.C.,
As Agent for Purchaser**

David E. Cunningham
Manager

AGREED TO AND ACCEPTED BY:

Fresenius Medical Care South Elgin LLC

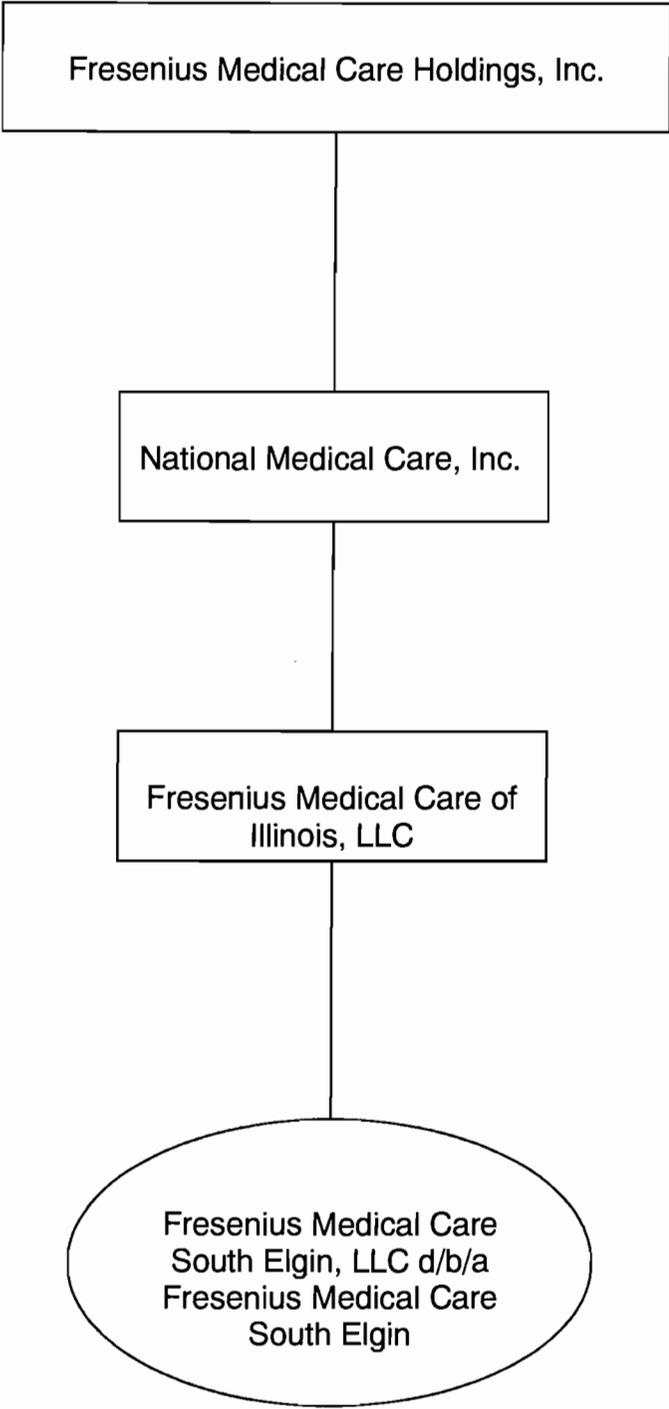
Date

Operating Identity/Licensee

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

Exact Legal Name: <i>Fresenius Medical Care South Elgin, LLC d/b/a Fresenius Medical Care South Elgin</i>			
Address: <i>920 Winter Street, Waltham, MA 02451</i>			
<input type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input checked="" 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">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.o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.			

Certificate of Good Standing at Attachment – 1.



Flood Plain Requirements

The proposed site for the establishment of Fresenius Medical Care South Elgin complies with the requirements of Illinois Executive Order #2005-5. The site, 430-450 N. McLean Boulevard, South Elgin, is not located in a flood plain as can be seen on the FEMA flood plain map on the following page.

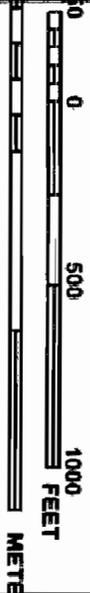


Proposed Site

Kane County
Incorporated Areas



MAP SCALE 1" = 500'



NFIP
NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0032H

FIRM
FLOOD INSURANCE RATE MAP
KANE COUNTY,
ILLINOIS
AND INCORPORATED AREAS

PANEL 252 OF 410

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

COMMENTS:
SHEET 01H OF 19 SHEETS
KANE COUNTY
SOUTHFIELD, ILLINOIS



Federal Emergency Management Agency

MAP NUMBER
170899C0262H
MAP REVISED
AUGUST 3, 2009

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT OnLine. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps, check the FEMA Flood Map Store at www.msc.fema.gov



Illinois Historic Preservation Agency

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

Kane County
South Elgin
400 Block of North McLean Blvd.
IHFSRB
New construction, South Elgin dialysis clinic

PLEASE REFER TO: IHPA LOG #003101012

October 12, 2012

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

Dear Ms. Gibellin:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Anne E. Haaker
Deputy State Historic
Preservation Officer

SUMMARY OF PROJECT COSTS

Modernization Contracts

General Conditions	75,500
Temp Facilities, Controls, Cleaning, Waste Management	3,700
Concrete	19,300
Masonry	23,000
Metal Fabrications	11,000
Carpentry	133,000
Thermal, Moisture & Fire Protection	27,000
Doors, Frames, Hardware, Glass & Glazing	103,500
Walls, Ceilings, Floors, Painting	244,000
Specialities	19,000
Casework, FI Mats & Window Treatments	9,000
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	483,500
Wiring, Fire Alarm System, Lighting	291,312
Miscellaneous Construction Costs	68,000
Total	1,510,812

Contingencies

Contingencies **\$149,589**

Architectural/Engineering

Architecture/Engineering Fees **\$162,885**

Movable or Other Equipment

Dialysis Chairs	21,000
Misc. Clinical Equipment	15,500
Clinical Furniture & Equipment	22,000
Office Equipment & Other Furniture	30,000
Water Treatment	100,000
TVs & Accessories	50,000
Telephones	12,000
Generator	30,000
Facility Automation	17,000
Other miscellaneous	3,500
Total	301,000

Fair Market Value Leased Space & Equipment

FMV Leased Space	\$2,466,778
FMV Leased Dialysis Machines	201,950
FMV Leased Computers	8,000
Total	\$2,676,728

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
REVIEWABLE							
In-Center Hemodialysis	4,801,014		9,362		9,362		
Total Clinical	4,801,014		9,362		9,362		
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL	4,801,014		9,362		9,362		
APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

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. One advantage of our size is our ability to respond to natural disasters as noted in the articles on the following pages.

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.

U.S. EDITION Tuesday, November 6, 2012 As of 5:23 PM EST

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November 6, 2012, 5:23 p.m. ET

Fresenius Medical Care Responds to Hurricane Sandy in the Mid-Atlantic Region

Nation's Leading Dialysis Provider Assures Continued Patient Care for Affected Areas

WALTHAM, Mass.--(BUSINESS WIRE)--November 06, 2012--

Although more than 100 Fresenius Medical Care North America (FMCNA) clinics in the mid-Atlantic region were affected by Hurricane Sandy last week, all but one have now resumed operations.

FMCNA, the nation's leading network of dialysis facilities, is pleased to report that all of its patients and employees are now accounted for and safe, even though many were personally affected by the storm, which caused power outages, widespread flooding and significant property damage.

Patients needing emergency help or information about specific dialysis clinics should call FMCNA's toll-free Patient Emergency Hotline: 1-800-826-1297.

The Fresenius Medical Care Disaster Response Team -- assisted by divisional, technical and regional employees, local governments and community organizations such as the Kidney Community Emergency Response (K CER) Coalition -- worked overtime to prepare for and respond to the storm. FMCNA and its partners continue to meet daily to coordinate a variety of critical activities, such as:

- Providing extra treatments to patients at clinics affected by the storm;
- Arranging treatments for patients served by closed clinics, including patients from other dialysis companies;
- Delivering generators, bottled water and warm meals to facilities and employees in need;
- Providing gasoline for employees' cars and personal generators across New Jersey and New York;
- Supplying motor homes equipped with personal supplies and generators to employees who lost homes or whose homes are not safe to occupy.

"We have taken extraordinary steps to ensure uninterrupted dialysis treatments for patients," said Bill Numbers, FMCNA Vice President of Operations Support and Incident Commander for Disaster Response and Planning. "Fortunately, our advance preparation for situations like this gave us a head start in planning how to respond quickly and effectively."

FMCNA's disaster response plan has been tested and validated many times in recent years, from Hurricanes Ike, Isaac and Katrina to tornados, floods and severe thunderstorms. When such events occur, FMCNA coordinates efforts across all levels of the company, ensuring the ability of staff to provide patients with dialysis treatments, equipment and supplies, medicines and lab services.

As a result, FMCNA was able to continue serving patients both during and after the storm, in some cases by arranging for them to receive treatment at alternative locations. The Fresenius Medical Care Harlem clinic in New York City, for instance, opened at 5 a.m. on Sunday before the storm to dialyze patients from southern Manhattan, whose usual clinics were closed by emergency officials. The Harlem clinic was able to offer uninterrupted patient care, in part, by providing hotel rooms and cab fare for employees.

"When we heard Sandy was going to hit Manhattan, everyone at Fresenius including, our regional vice president, area managers, medical directors, nephrologists, nurses, patient care technicians, support staff, technical group and educators - came together to ensure our patients were cared for," said Eryn Tanze, R.N., clinical manager at Fresenius Medical Care Harlem. "I'm so proud to work a company that truly cares about its patients and staff."

In New Jersey, FMCNA took the unusual step of bringing in a gasoline tanker to alleviate fuel shortages that were hindering its employees from driving to work.

"This helps lift a major worry for our team," said Ananda Williams-Gray, R.N., area manager for Fresenius Medical Care. "We've been able to provide treatment for all our patients in the area without interruption, despite massive power outages and gas shortages. Our team doesn't have to wait two hours at a gas station; they can depend on Fresenius Medical Care for essentials, such as gas and power."

While storms and other natural disasters can be inconvenient and even life-threatening for entire communities, they pose an especially serious health threat to dialysis patients whose treatments are delayed by electrical power outages or inability to access their normal treatment locations. Patients with end-stage renal disease (ESRD) typically need dialysis treatment every two days to clean waste products from their blood, remove extra fluids and control their bodies' chemistry after their kidneys have failed.

For more information on FMCNA's natural disaster response efforts and important tips to help patients prepare for any emergency, visit FMCNA's Emergency Preparedness website.

About Fresenius Medical Care

Fresenius Medical Care (NYSE: FMS) is the world's leading company devoted to patient-centered renal therapy. Through more than 3,119 clinics in North America, Europe, Latin America, Asia-Pacific and Africa, we provide kidney dialysis treatments to approximately 253,000 patients worldwide. We are also the world's leading maker of dialysis products, such as dialysis machines, dialyzers and related disposable products. Chronic kidney failure is a condition that affects more than 2.1 million individuals worldwide. For more information about the company's more than 2,100 U.S. dialysis facilities, visit www.ultracare-dialysis.com (in English and Spanish). For more information about Fresenius Medical Care, visit www.fmc-ag.com or www.fmcna.com.

CONTACT: Media contact:
Loomis Group

Fresenius Medical Care Preparing for Hurricane Sandy Across the Northeast

Fresenius Medical Care Preparing for Hurricane Sandy Across the Northeast

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<http://www.renalbusiness.com/>

By:

Posted on: 10/29/2012

WALTHAM, Mass. —

In anticipation of Hurricane Sandy, Fresenius Medical Care North America (FMCNA) has activated its Emergency Response Team to begin implementing plans to ensure continued patient care across the U.S. Northeast and Mid-Atlantic regions, which may be affected by the storm.

The Fresenius Medical Care Disaster Response Team, assisted by divisional, technical and regional employees, works closely with local governments and community organizations such as the Kidney Community Emergency Response (KCER) Coalition to prepare for and respond quickly to a variety of disasters. FMCNA and its partners are ready to deliver generators, fuel, bottled water and meals to facilities and employees affected by this storm. FMCNA staff is also providing extra treatment shifts for patients at clinics anticipated to be affected by Hurricane Sandy, including clinics that may be required to close by state officials.

Patients seeking help with emergency plans or more information about arranging alternate dialysis clinics should call FMCNA's toll-free Patient Emergency Hotline: 1-800-626-1297.

FMCNA recommends that dialysis patients have the following plans in place:

- **Keep emergency phone numbers handy.** When bad weather threatens, contact your local dialysis facility and follow their instructions
- **Have a disaster plan.** Talk to your doctor, dialysis care team and family about what you should do if a disaster strikes. Keep track of local weather forecasts
- **Gather emergency supplies.** Have a first-aid kit on hand, along with a flashlight (with extra batteries), blankets, battery-powered radio, cell phone, non-electric can opener and any necessary medications
- **Make sure you have a ride.** If you are an in-center patient, arrange for backup transportation to the clinic with a friend, neighbor or family member
- **Plan for power outages.** If you are a home dialysis patient and you lose power, follow the directions given to you by the home training staff for continuing dialysis in an emergency.
- **Adjust your insulin.** If you are diabetic, ask your doctor how to adjust your insulin dosage if severe flooding is forecast for your area.

While storms and other natural disasters can be inconvenient and even life-threatening for entire communities, they pose an especially serious health threat to dialysis patients whose treatments are delayed by electrical power outages or inability to access their normal treatment locations. Patients with end-stage renal disease (ESRD) typically need dialysis treatment every two days to clean waste products from their blood, remove extra fluids and control their bodies' chemistry after their kidneys have failed.

Most FMCNA dialysis clinics are equipped with emergency backup electrical generators to ensure that critical patient care continues in the event of a power outage. If necessary, dialysis treatments also can be provided at alternate facilities for patients—including those from other dialysis companies—whose regular clinics are temporarily unavailable.

"Advance preparation helps us to ensure uninterrupted dialysis treatments for our patients," said Bill Numbers, FMCNA vice president of Operations Support and Incident Commander for Disaster Response and Planning. "FMCNA's resources and national partnerships give us the ability to coordinate the delivery of resources from across the country to any locale within hours of a disaster."

FMCNA's disaster response plan has been tested and validated many times in recent years, from Hurricanes Ike, Isaac and Katrina to tornados, floods and severe thunderstorms. When such events occur, FMCNA coordinates efforts across all levels of the company, ensuring the ability of staff to provide patients with dialysis treatments, equipment and supplies, medicines and lab services.

For more information on FMCNA's natural disaster response efforts and important tips to help patients prepare for any emergency, visit FMCNA's Emergency Preparedness website.

October 12, 2012

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson, 2nd Floor
Springfield, IL 62761

Dear Ms. Avery:

I am the Regional Vice President at Fresenius Medical Care who is responsible for the Fresenius Medical Care South Elgin dialysis facility. It is Fresenius Medical Care's policy to accept all patients regardless of their ability to pay for services and this policy will remain in effect at the South Elgin facility. Also, Fresenius Medical Care's Medical Staff Bylaws, which pertain to all staff including Medical Directors and referring physicians, state that all physicians must agree to treat every patient regardless of their ability to pay.

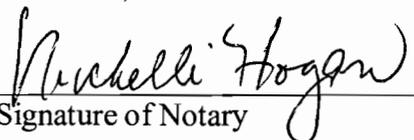
Sincerely,



Coleen Muldoon
Regional Vice President

Notarization:

Subscribed and sworn to before me
this 12th day of October 2012


Signature of Notary

Seal



Charity Care Certification
ATTACHMENT - 11

43

Certification & Authorization

Fresenius Medical Care South Elgin, LLC

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 South Elgin, LLC 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 & Treasurer

By: [Signature]
ITS: Asst Treasurer

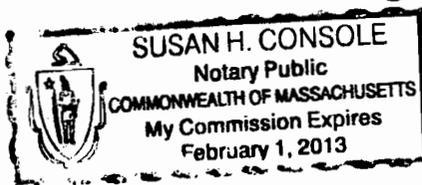
Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012

Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012

[Signature]
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: ASSO Treasurer

Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012

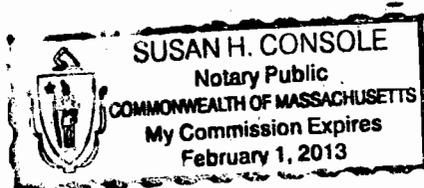
Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012

Susan H Console
Signature of Notary

[Signature]
Signature of Notary

Seal

Seal



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	10.0%
Aurora	14-2515	455 Mercy Lane	Aurora	60506	10.0%
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651	12.0%
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402	15.0%
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406	11.6%
Bolingbrook	14-2605	538 E. Boughton Road	Bolingbrook	60440	10.5%
Breese		160 N. Main Street	Breese	62230	
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609	27.7%
Burbank	14-2641	4811 W. 77th Street	Burbank	60459	12.6%
Carbondale	14-2514	725 South Lewis Lane	Carbondale	62901	
Champaign	14-2588	1405 W. Park Street	Champaign	61801	
Chatham	14-2744	333 W. 87th Street	Chicago	60620	N/A
Chicago Dialysis	14-2506	820 West Jackson Blvd.	Chicago	60607	42.9%
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608	42.7%
Cicero		3030 S. Cicero	Chicago	60804	N/A
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	N/A
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	15.4%
DuQuoin	14-2595	100-200 E. Grantway Avenue	DuQuoin	62832	
East Peoria	14-2562	3300 North Main Street	East Peoria	61611	
Elgin	14-2726	2130 Point Boulevard	Elgin	60123	27.3%
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	12.3%
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805	12.9%
Fairview Heights		821 Lincoln Highway	Fairview Heights	62208	
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609	21.1%
Glendale Heights	14-2617	520 E. North Avenue	Glendale Heights	60139	18.4%
Glenview	14-2551	4248 Commercial Way	Glenview	60025	11.1%
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619	20.5%
Gurnee	14-2549	101 Greenleaf	Gurnee	60031	25.3%
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429	
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195	15.6%
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649	33.1%
Joliet	14-2739	721 E. Jackson Street	Joliet	60432	N/A
Kewanee	14-2578	230 W. South Street	Kewanee	61443	12.5%
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044	10.0%
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613	20.7%
Lincolnland		1112 Centre West Drive	Springfield	62704	
Logan Square		2734 N. Milwaukee Avenue	Chicago	60647	N/A
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	18.9%
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	20.9%
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	N/A
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	
Norridge	14-2521	4701 N. Cumberland	Norridge	60656	10.8%

Facility List

North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160	
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630	25.0%
Northcenter	14-2531	2620 W. Addison	Chicago	60618	25.0%
Northfield		480 Central Avenue	Northfield	60093	N/A
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611	10.0%
Oak Forest		5340A West 159th Street	Oak Forest	60452	N/A
Oak Park	14-2504	773 W. Madison Street	Oak Park	60302	10.7%
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	19.3%
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764	
Prairie	14-2569	1717 S. Wabash	Chicago	60616	10.9%
Randolph County	14-2589	102 Memorial Drive	Chester	62233	
River Forest	14-2735	103 Forest Avenue	River Forest	60305	
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645	19.8%
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008	11.3%
Roseland	14-2690	135 W. 111th Street	Chicago	60628	25.4%
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621	19.4%
Round Lake	14-2616	401 Nippersink	Round Lake	60073	11.1%
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	17.9%
South Deering		10559 S. Torrence Ave.	Chicago	60617	N/A
South Holland	14-2542	17225 S. Paxton	South Holland	60473	
South Shore	14-2572	2420 E. 79th Street	Chicago	60649	17.6%
Southside	14-2508	3134 W. 76th St.	Chicago	60652	24.0%
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461	
Southwestern Illinois	14-2535	5-9 Professional Drive	Alton	62002	
Spoon River	14-2565	340 S. Avenue B	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	28.4%
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	37.5%
West Chicago	14-2702	1859 N. Neltnor	West Chicago	60185	14.3%
West Metro	14-2536	1044 North Mozart Street	Chicago	60622	26.2%
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302	17.7%
West Willow	14-2730	1444 W. Willow	Chicago	60620	12.5%
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.

Criterion 1110.230 – Purpose of Project

1. The purpose of this project is to maintain accessibility of dialysis services in the South Elgin market area. The facility will be serving the growing ESRD population in Kane County (HSA 8) and to prepare for the expected future growth.
2. The proposed clinic will be located in South Elgin, on the eastern edge of Kane County, HSA 8, and bordering Cook County, HSA 7. It will specifically serve the immediate Elgin market, which consists of both HSA 7 & 8. It will also serve patients coming from rural areas to the west in central and western Kane County.
3. High utilization and lack of choice of treatment times create access issues for the immediate Elgin area. While the Fresenius Elgin facility is only at 53%, it has only been in operation 15 months and is expected to reach 80% within the next 9 months which is within the 2 year timeframe as allowed by Board standards. This facility has seen quick growth averaging 3 patients per month. At this rate it will be at 92% by October 2013, long before the South Elgin facility is operating. DaVita Cobblestone, QRC Carpentersville and Tri Cities Dialysis are all near or above 80%. Patients need additional access or they will soon be forced to drive outside of the Elgin market for services, sacrificing continuity of care.
4. The sources of data used as documentation in this application were obtained from the 3rd Quarter clinic census as reported to IHFSRB by providers, financial information from Fresenius internal corporate data, U.S. Census data from the U.S. Census Bureau, and the pre-ESRD patient information provided by Nephrology Associates of Northern Illinois (NANI).
5. Fresenius Medical Care South Elgin will create additional access to favored treatment times in the Elgin market, which allow patients more freedom to maintain their lifestyle and additional access to transportation services. As the utilization in the Elgin area continues to rise, the establishment of the facility will keep dialysis treatment access available to this growing community.
6. The goal of Fresenius Medical Care is to keep dialysis access available to this 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. It is expected that this facility would maintain the same quality outcomes as the overall average of all Fresenius Medical Care facilities as listed below:
 - 94% of patients had a URR \geq 65%
 - 96% of patients had a Kt/V \geq 1.2

Alternatives

1) All Alternatives

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

The only option that would entail a lesser scope and cost than the project proposed in this application would be to do nothing. Not acting will simply maintain the current lack of preferred treatment times hampering the patient's lifestyle and creating transportation problems. There is no cost to this alternative.

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.

The typical Fresenius model of ownership is for our facilities to be wholly owned, however we do enter into joint ventures on occasion. Fresenius Medical Care always maintains control of the governance, assets and operations of a facility it enters into a joint venture agreement with. Our healthy financial position and abundant liquidity indicate that that we have the ability to support the development of additional dialysis centers. Fresenius Medical Care has more than adequate capability to meet all of its expected financial obligations and does not require any additional funds to meet expected project costs. This ownership of this facility is structured so that if physicians chose to invest at a later date they would be able to do so.

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

The Elgin area is served by clinics either above or just under 80% utilization reducing access to treatment schedule times. The only clinic in the immediate area with availability is the Fresenius Elgin clinic which has been operating 15 months and is already at 53% utilization. At this rate the clinic will be at 92% by the time it is in operation 2 years, this September. USR Streamwood is also nearby, however it has also recently begun operations and is on target to reach 80% with patients identified from a separate physician practice. Other facilities may be considered within 30 minutes however, they are outside of the Elgin market area and not easily accessible for patients. There is no cost to this alternative.

D. Reasons why the chosen alternative was selected

The most efficient long term solution to maintaining access to dialysis services in the Elgin market is to establish Fresenius Medical Care South Elgin as area utilization continues to rise. The cost of this project is \$4,801,014. While this is the most costly alternative, the expense is to Fresenius Medical Care only, while the patients will benefit from improved access to preferred treatment times and reduced travel times/expenses.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Maintain Status Quo	\$0	Loss of access to favored treatment times that fit with patient lifestyle as area clinic utilization is rising.	Patient clinical quality would remain above standards.	No effect on patients
Form a Joint Venture	Fresenius \$2,880,608 JV Partner \$1,9204,0	No effect to access.	No effect on quality.	Less cost to Fresenius, however Fresenius Medical Care is capable of meeting its financial obligations and does not require assistance in meeting its financial obligations. If this were a JV, Freseius Medical Care would maintain control of the facility and therefore ultimate financial responsibilities.
Utilize Area Providers	\$0	Due to high utilization in immediate area, patients would have to go outside of market for services creating excessive transportation problems.	Risk of patients having to change physician causing loss of continuity of care which would reduce patient satisfaction.	No financial cost to Fresenius Medical Care Cost of patient's transportation would increase with higher travel times
Establish Fresenius Medical Care South Elgin	\$4,801,014	Ongoing access to dialysis treatment and improved access to favored treatment times allowing more transportation options.	Fresenius Medical Care exceeds all quality standards and will offer the same high quality at the South Elgin facility as at all of its facilities.	The cost is to Fresenius Medical Care only.

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. Chicago Dialysis Center has had above standard quality outcomes.

- 94% of patients had a URR \geq 65%
- 96% of patients had a Kt/V \geq 1.2

Criterion 1110.234, Size of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD IN-CENTER HEMODIALYSIS	9,362 (12 Stations)	360-520 DGSF	3,120 DGSF	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 9,362 DGSF amounts to 780 DGSF per station and does not fall within the State Standard.

The additional space will be utilized to create administrative offices, two home dialysis training rooms along with the necessary related offices and a second bathroom to serve the home training department. The separate physician's office will also be housed here. Further space will be used for the future expansion of the clinic, which Fresenius has found that a majority of clinics require after several years in service. Having additional space at the start of a project is more economically feasible than adding on in the future at a higher construction cost or having to relocate into larger space.

Criterion 1110.234, Project Services Utilization

UTILIZATION					
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	IN-CENTER HEMODIALYSIS	N/A Proposed Facility		80%	
YEAR 1	IN-CENTER HEMODIALYSIS		43%	80%	No
YEAR 2	IN-CENTER HEMODIALYSIS		121%	80%	Yes

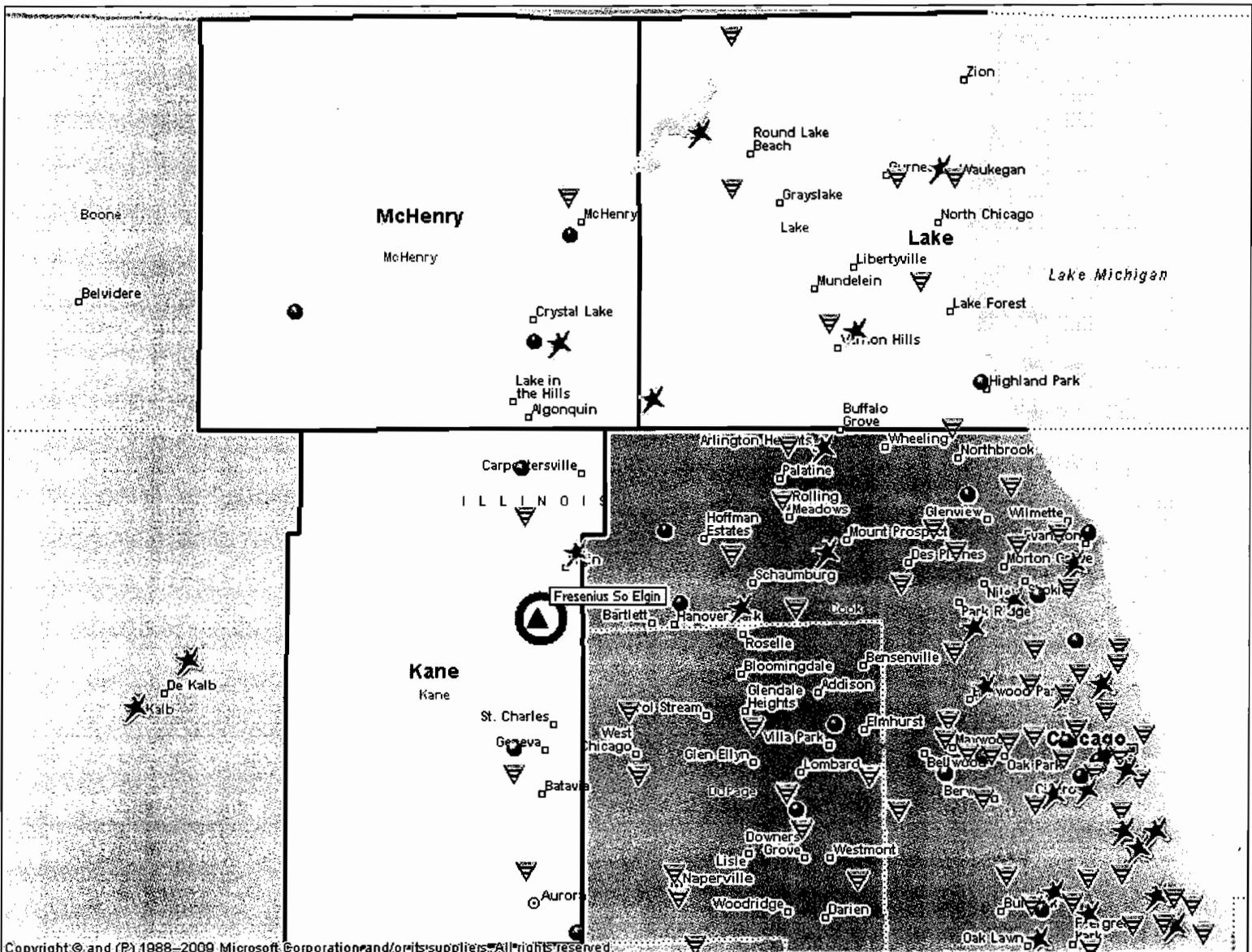
Dr. Rosner has identified 147 pre-ESRD patients living in the Elgin area who will require dialysis treatment in the first two years of the establishment of this facility. It is expected that approximately 30% of these pre-ESRD patients will no longer require dialysis services by the time this occurs due to death, recovery of function, transplantation, or moving out of the area. Therefore, there are approximately 103 patients that would potentially begin dialysis at the South Elgin facility in the first two years of operation.

Calculating when a patient will require dialysis treatment two years out is not an exact science. Each patient is unique and clinical indications can vary greatly. Also, some patients may choose home dialysis or could choose another area clinic. While the above projections appear the facility will rise above capacity, the current pre-ESRD patients support these numbers.

Planning Area Need – Formula Need Calculation:

The proposed Fresenius Medical Care South Elgin dialysis facility is located in South Elgin, IL in Kane County in HSA 8. HSA 8 is comprised of Kane, McHenry and Lake Counties. According to the December 2012 station Inventory there is an excess of 16 stations in this HSA.

HSA 9



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Planning Area Need – Service To Planning Area Residents:

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 South Elgin in HSA 8. 77% of the pre-ESRD patients reside in HSA 8.

County	HSA	# Pre-ESRD Patients Who Will Be Referred to Fresenius Medical Care South Elgin
Kane	8	113 - 77%
Cook	6	34 - 23%

Nephrology Associates

650 Dakota Street Ste. C Crystal Lake, IL 60012
2560 Hauser Ross Drive Ste. 450 Sycamore, IL 60178
1750 N. Randall Road Ste. 110 Elgin, IL 60123
815-301-1001 (fax) 815-301-1002

Karol Rosner, M.D.

Sumit Bector, M.D.

Amit Arora, M.D.

December 27, 2012

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

Dear Ms. Avery:

My name is Karol Rosner, M.D. and I am writing to express my support of the establishment of the Fresenius Medical Care dialysis facility in South Elgin. For the past nine years I have been practicing nephrology in the area and will be the Medical Director for the new location. I am very happy to see a clinic proposed here because it will help provide my patients with greater access to dialysis services in proximity to where they live. My current dialysis patients are predominantly from the Elgin area and the remainder are spread out over Kane, McHenry and Cook Counties, many coming from neighboring rural communities west into DeKalb County. With no dialysis facility choices available for my patients between Elgin and DeKalb, this dialysis clinic is necessary to reduce travel time and would benefit the ever growing patient population I have seen in my practice in the South Elgin area.

In this far west/northwest region, my partners and I at Nephrology Associates of Northern Illinois (NANI) have referred 69 new patients for hemodialysis services over the past twelve months. We were treating 86 hemodialysis patients at the end of 2009, 88 at the end of 2010, 127 at the end of 2011 and as of September 30, 2012 we were treating 152 hemodialysis patients. Due to the growth we have seen in our practice in the last two years, attributable to the growing Hispanic and elderly population in both Kane and McHenry Counties, it is expected that the incidence of ESRD will continue to increase. We have approximately 147 Pre-ESRD patients living in the South Elgin area that I expect would begin dialysis in the first two years after the new clinic opens. However, because of the natural attrition of patients, I expect that approximately 103 of these patients will begin dialysis during this time at the South Elgin clinic.

To keep dialysis access available to the growing ESRD population in Kane County, I ask the Board to please vote in favor of the Fresenius Medical Care South Elgin clinic. Thank you for your consideration.

55

I attest to the fact that to the best of my knowledge, all the information contained in this letter is true and correct and that the projected referrals in this document were not used to support any other CON application.

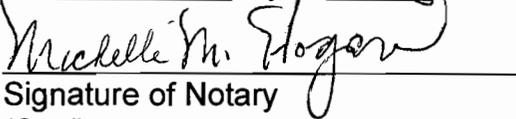
Sincerely,



Karol Rosner, M.D.

Notarization:

Subscribed and sworn to before me
this 7th day of January, 2012



Signature of Notary

(Seal)



**PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE
SOUTH ELGIN FACILITY IN THE 1ST 2 YEARS AFTER PROJECT COMPLETION**

Zip Code	Total
60103	22
60120	29
60123	34
60124	14
60140	15
60151	6
60174	2
60175	6
60177	7
60192	12
Total	147

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 103 of the above patients will actually begin dialysis services at the South Elgin facility.

NEW REFERRALS OF NANI FOR THE PAST TWELVE MONTHS
11/01/2011 THROUGH 10/31/2012

Zip Code	Fresenius Medical Care				DaVita				ARA	Quality Renal Care	Total
	Antioch	Elgin	Hoffman Estates	McHenry	Cobblestone	Crystal Springs	Lake Villa	Sycamore	Crystal Lake	Carpentersville	
60010			1								1
60012						1					1
60014						4			1		5
60033				1							1
60034				1							1
60044						1					1
60050				2		1					3
60051				3							3
60073						1	1				2
60081	1										1
60097				1							1
60098				2		2					4
60102		1				1					2
60103			1								1
60107		1	1								2
60110		1	1							1	3
60112								1			1
60115								1			1
60120		2	1		3						6
60123		2									2
60133			4								4
60135								1			1
60142						2			1		3
60151								1			1
60156						4					4
60178								3			3
60193			2								2
60194			4								4
60550								1			1
60556								1			1
60659		1									1
60804						1					1
61008						1					1
Total	1	8	15	10	3	19	1	9	2	1	69

PATIENTS OF NANI AS OF DECEMBER 31, 2009

Zip Code	Fresenius Medical Care					DaVita			ARA		Quality Renal Care		Total
	Hoffman Estates	McHenry	Rolling Meadows	Round Lake	West Chicago	Crystal Springs	Sycamore	Cobblestone	Barrington	Crystal Lake	Carpentersville	Marengo	
60012										1			1
60013						4							4
60014		2				5				3	1	1	12
60020					1								1
60033												2	2
60050		1		1									2
60051		1		1									2
60081				1									1
60097		2											2
60098		4				1				2			7
60102						1					1		2
60103	2												2
60107	9												9
60110								2			1		3
60115							3						3
60123							1						1
60133	5												5
60140							1		1			1	3
60142							2			1	1	3	7
60152												1	1
60156											2		2
60169	6												6
60172	1												1
60192	1		1										2
60194	4												4
60707	1												1
Total	29	10	1	3	1	11	7	2	1	7	6	8	86

PATIENTS OF NANI AS OF DECEMBER 31, 2010

Zip Code	Fresenius Medical Care			DaVita			ARA		Quality Renal Care		Total	
	Elgin	Hoffman Estates	McHenry	Round Lake	Crystal Springs	Sycamore	Cobblestone	Barrington	Crystal Lake	Carpentersville		Marengo
60010		1										1
60013					3							3
60014			2		6				3	1		12
60020				1								1
60021												0
60033			1								2	3
60034			1									1
60050			2	1								3
60051			3	1								4
60056									1			1
60071			1									1
60081				1								1
60098			3		1				1		4	9
60102					1					1		2
60103		2										2
60107		10										10
60110		1						1				2
60115						2						2
60120	1											1
60123	1						2					3
60133		4										4
60140		1										1
60142					1					1	1	3
60152											2	2
60156			1					1				2
60169		4										4
60172		1										1
60178						1						1
60192		1										1
60193		1										1
60194		4										4
60556						1						1
60707												0
61021												0
61068						1						1
61201												0
Total	2	30	14	4	12	5	2	2	5	3	9	88

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PATIENTS OF NANI AS OF DECEMBER 31, 2011

Zip Code	Fresenius Medical Care				DaVita				ARA		Quality Renal Care		Total
	Elgin	Hoffman Estates	McHenry	Round Lake	Cobblestone	Crystal Springs	Lake Villa	Sycamore	Barrington	Crystal Lake	Carpentersville	Marengo	
60010		4											4
60013						3							3
60014			1			11				3			15
60021													0
60033			1									3	4
60034			2										2
60046							1						1
60050			5										5
60051			3										3
60073							1						1
60074						1							1
60081				1									1
60097			3										3
60098			5			2				1		2	10
60102	1					1					1		3
60103		2											2
60107		11							1				12
60110		1							1		1		3
60115								8					8
60120	2	1			1								4
60123					2								2
60133		4											4
60135							1						1
60140		1											1
60142	1		1			1					1	1	5
60151							1						1
60152												1	1
60156			1			1				1	1		4
60169		4							1				5
60172		1											1
60178								5					5
60188	1												1
60192		2											2
60194		5											5
60432													0
60505								1					1
60550								1					1
60556								1					1
60634		1											1
Total	5	37	22	1	3	20	2	18	3	5	4	7	127

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PATIENTS OF NANI AS OF SEPTEMBER 30, 2012

Zip Code	Fresenius Medical Care				DaVita					ARA		Quality Renal Care		Total
	Antioch	Elgin	Hoffman Estates	McHenry	Barrington Creek	Cobblestone	Crystal Springs	Lake Villa	Sycamore	Barrington	Crystal Lake	Carpentersville	Marengo	
60010			2											2
60012				1										1
60013							2							2
60014				1			14				4			19
60021													1	1
60033				2									3	5
60034				2										2
60044							1							1
60046								1						1
60050				4			2							6
60051				4										4
60071				1										1
60073							1							1
60074					1									1
60081	1													1
60097				3										3
60098				5			4				1		3	13
60102							1					2		3
60103			1											1
60107		1	7							1				9
60108			1											1
60110		1	1							1		2		5
60112									1					1
60115									6					6
60118										1				1
60120		4				3								7
60123		3				3								6
60133			9											9
60135									2					2
60140			1											1
60142		1					2					1	1	5
60151									1					1
60152													1	1
60156				1			4				1			6
60169			5											5
60172			1											1
60178		1							5					6
60188		1												1
60193			1											1
60194			6											6
60406		1												1
60550									1					1
60556									1					1
Total	1	13	35	24	1	6	31	1	17	3	6	5	9	152

- The density of ESRD in the Elgin market is attributable to the overall growth of the area. ESRD has increased by 88% in the past decade. The Elgin market general population (5 mile radius around South Elgin) has grown 16% and the population is aging as can be seen by the 22% growth rate of those over age 65. Contributing to the high growth of ESRD is the increase of 49% of the Hispanic residents and the African American residents by 27%. These two populations are twice as likely to develop the two leading diseases resulting in kidney failure, diabetes and hypertension. (See growth statistics below).

5 mile Radius		Renal Network*		U.S. Census Bureau Data							
		ESRD Population		Population		> Age 65		Hispanic Population		African Am Population	
		2001	2011	2,000	2,010	2000	2010	2000	2010	2000	2010
Elgin	60120	38	58	48,581	50,955	3,171	3,371	21,796	28,335	3,327	3,511
Elgin	60123	34	67	55,201	47,405	5,823	5,012	10,990	17,883	3,198	4,102
Elgin/Plato Ctr	60124	-	8	-	18,935	-	2,173	-	1,835	-	470
South Elgin	60177	11	22	16,941	22,659	1,008	1,602	1,754	3,542	433	771
Totals		83	155	120,723	139,954	10,002	12,158	34,540	51,595	6,958	8,854
Percent Growth		88.0%		16.0%		22.0%		49.0%		27.0%	

*Renal Network data is not yet available for 2012.

The above factors evidence need for additional stations in the Elgin market, however the growth of the Hispanic population in this market stands out as reason to plan for the healthcare needs of Elgin in the years to come. Besides a 49% Hispanic growth, the Elgin market population is 37% Hispanic overall.

	5 Mile Radius	2010 U.S. Census Bureau Data		
	2010 Population	> Age 65	Hispanic	African American
Total	139,954	12,158	51,595	8,854
Percent to Total	100.0%	8.0%	37.0%	6.0%

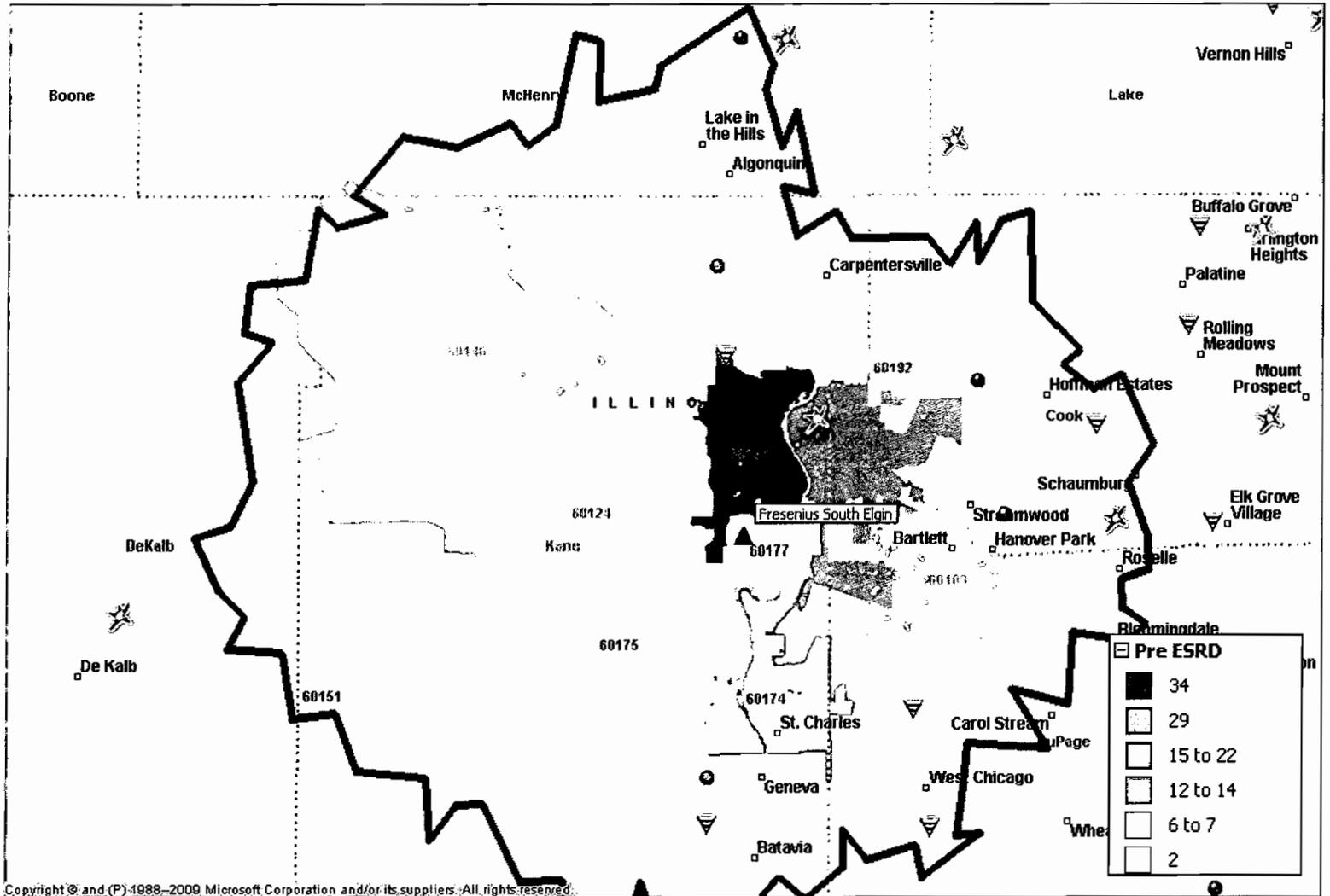
Immediate area clinics highly utilized and growing rapidly. This causes inadequate treatment shift choice to fit in with the patient's personal life including family and job responsibilities. Often the only shift with availability is the 3rd shift which is in the evening. This makes finding adequate transportation extremely difficult for those patients who travel by Mediacar transportation as they do not transport after 4p. If patients are unable to drive they must rely on friends and family for rides disrupting the personal or work schedule of all involved. While there may be some shift availability in outlying clinics, they do not serve the immediate Elgin area.

Name	Address	City	Zip Code	MapQuest		Adj Time x 1.15	Stations	Sep-12	
				Miles	Time			Pts	Utl
Fresenius Elgin	2130 Point Blvd	Elgin	60123	7.51	11	12.65	12	38	53%
Tri Cities Dialysis	306 Randall Rd	Geneva	60134	8.92	12	13.80	18	88	81.48%*
DaVita Cobblestone	836 Dundee St	Elgin	60120	5.78	13	14.95	14	67	80%
QRC Carpentersville	2203 Randall Rd	Carpentersville	60110	9.70	14	16.10	13	59	76%
USR Streamwood	149 Irving Park Rd	Streamwood	60107	9.28	14	16.10	13	15	19%
Fresenius West Batavia	2580 W Fabyan Pkwy	Batavia	60510	10.7	16	18.40	12	12	17%
Fresenius West Chicago	1859 N Neltnor	West Chicago	60185	11.63	18	20.70	12	32	44%
ARA South Barrington	33 W Higgins Rd	Barrington	60010	13.64	20	23.00	14	58	69%
Fresenius Hoffman Estates	3150 W Higgins Rd	Schaumburg	60195	14.43	22	25.30	20	111	93%
Fresenius DuPage West	450 E Roosevelt Rd	West Chicago	60185	14.94	23	26.45	16	75	78%
DaVita Schaumburg	1156 S Roselle Rd	Schaumburg	60193	15.84	24	27.60	20	76	63%
ARA Crystal Lake	6298 Northwest Hwy	Crystal Lake	60014	18.11	26	29.90	16	45	47%

*June 2012 Data - Sept. Data not available

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**Demographics of the 147 Pre-ESRD Patients Identified For
Fresenius Medical Care South Elgin**



Zip Codes of Pre-ESRD Patients

Zip Code	Total
60103	22
60120	29
60123	34
60124	14
60140	15
60151	6
60174	2
60175	6
60177	7
60192	12
Total	147

HOME

SHARE

DONATE

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Ten Facts About Diabetes and Kidney Disease in Hispanic Americans

Diabetes is the sixth leading cause of death in the U.S. and the single leading cause of kidney failure in adults. Hispanic Americans have a high rate of diabetes, which increases their chances of developing serious complications such as chronic kidney disease, heart disease and strokes. However, when individuals with diabetes follow their treatment plan carefully and keep their blood sugar and blood pressure under control, they can greatly reduce their risk of developing these complications.

1. About 11 percent or 5 million of the 47 million Hispanic Americans have diabetes. About one-third of the cases of diabetes in Hispanic Americans are undiagnosed.
2. On the average, Hispanic Americans are nearly twice as likely to have diabetes as non-Hispanic whites of similar age. The prevalence of diabetes in Cuban Americans is lower than in Mexican American and Puerto Rican adults, but still higher than that of non-Hispanic whites.
3. Diabetes is even more common among middle-aged and older Hispanic Americans. About 25 to 30 percent of those 50 or older have diabetes.
4. About 90 to 95 percent of Hispanic Americans with diabetes have type 2 diabetes. This type of diabetes usually develops in adults over 45, but is becoming more common in younger people. It occurs because the body is unable to use insulin properly. It is treated with diet, exercise, diabetes pills and, sometimes, insulin injections.
5. About five percent of Hispanic Americans with diabetes have type 1 diabetes, which usually develops before age 20, and is always treated with insulin injections.
6. Diabetes can be diagnosed by:
 1. Hemoglobin A1C equal to or greater than 6.5%
 2. a fasting blood glucose test of 126 or greater
 3. a nonfasting blood glucose test of 200 or greater in people who have symptoms of diabetes
 4. an abnormal oral glucose tolerance test with two-hour glucose of 200 or greater.

A positive test should be confirmed on another day, using any of these tests.

7. The risk factors for diabetes include:
 1. a family history of diabetes
 2. obesity
 3. physical inactivity

March 8th is World Kidney Day

4. unbalanced diet

8. Since diabetes is the leading cause of kidney disease in the U.S., Hispanic Americans have increased risk for developing diabetes and kidney disease. They should have the following tests for early detection of kidney disease:
 1. blood pressure measurement
 2. a urine test for protein
 3. a blood test to estimate glomerular filtration rate (GFR), a measure of kidney function.

9. Studies have shown that early detection and treatment can halt or slow the progression of diabetic kidney disease. Treatment includes careful control of blood sugar and blood pressure. Special high blood pressure medications called angiotensin converting enzyme (ACE) inhibitors or angiotensin-2 receptor blockers (ARBs) help to preserve kidney function.

10. When someone loses 85 percent or more of his or her kidney function, dialysis treatments or a kidney transplant are required to sustain life.

#

For more information on kidneys and kidney disease, visit www.kidney.org

Sources of Facts and Statistics:

"Diabetes and Chronic Kidney Disease," National Kidney Foundation (www.kidney.org)

"Diabetes in Hispanic Americans," [National Institute of Diabetes, Digestive and Kidney Disease](#).

December, 2009

The National Kidney Foundation thanks the following sponsors for their support:



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Ten Facts About African Americans and Kidney Disease

Due to high rates of diabetes, high blood pressure and heart disease, African Americans have an increased risk of developing kidney failure and requiring dialysis treatments or a kidney transplant to sustain life. African Americans need to be aware of these risk factors and visit their doctor or clinic regularly to check their blood sugar, blood pressure, urine protein and kidney function. The following are ten facts about African Americans and chronic kidney disease:

1. African Americans suffer from End Stage Renal Disease disproportionately. The incidence of kidney failure per million population is 998 in African Americans, compared with 273 in white Americans. African Americans constitute about 29 percent of all patients treated for kidney failure in the U.S., but only about 14 percent of the overall U.S. population. The incidence rate of diabetic end stage kidney failure has increased steadily among African Americans.
2. African Americans also develop kidney failure at an earlier age than white Americans. The mean age for African-Americans at the start of treatment for kidney failure is 56 years, compared with 66 in white Americans.
3. The death rates per 100,000 population from high blood pressure is 15.6 for white males, 51.1 for black males, 14.3 for white females and 37.7 for black females.
4. Diabetes is the leading cause of kidney failure in African Americans. The prevalence of diabetes in African Americans is much higher than in white Americans. Approximately 14.7 percent of all African Americans over 20 years of age (3.7 million) have diabetes. On average, African Americans are twice as likely to have diabetes as white Americans of similar age.
5. National surveys show that the number of cases of diabetes among African Americans has doubled. Yet, about a third of the diabetes cases among African Americans are undiagnosed.
6. The most common type of diabetes in African Americans is type 2 diabetes. The risk factors for this type of diabetes include: family history, impaired glucose tolerance, diabetes during pregnancy, hyperinsulinemia and insulin resistance, obesity and physical inactivity.
7. African Americans with diabetes are more likely to develop complications of diabetes and to have greater disability from these complications than white Americans. African-Americans experience kidney failure about four times more often than white Americans with diabetes. They are also more likely to develop other serious complications such as heart disease and strokes and to experience greater disability than white Americans with diabetes.
8. High blood pressure is the second leading cause of kidney failure among African Americans, accounting for 34 percent of the new cases each year. However, high blood pressure remains the leading cause of death overall in African Americans because of its link with heart attacks and strokes.
9. It is not known for sure why African Americans are more prone to develop high blood pressure. More than 40 percent of African Americans are believed to have high blood pressure, however. African-Americans also have higher death rates from causes related to high blood pressure.
10. Many African Americans may be unaware of the connection between high blood pressure and chronic kidney disease. Reports indicate that about 43 percent of African Americans who are on dialysis were not aware they had kidney failure until about one week before starting dialysis.

#

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March 8th is World Kidney Day

For more information on kidneys and kidney disease, visit www.kidney.org

Sources of Facts and Statistics:

"Diabetes in African Americans," from the [National Kidney and Urologic Diseases Information Clearinghouse](#)

High Blood Pressure Statistics. [American Heart Association](#).

U.S. Renal Data System 2007 Annual Data Report (www.usrds.org)

December, 2009

The National Kidney Foundation thanks the following sponsors for their support:



Bristol-Myers Squibb



NOVARTIS

Genentech



AFFYMAX.



Unnecessary Duplication/Maldistribution

Population	Stations	Facilities
33,820		
44,095	14	ARA South Barrington
26,872		
48,550	16	ARA Crystal Lake
5,545		
32,193		
41,928		
39,927	13	USR Streamwood
22,735		
38,557	13	QRC Carpentersville
15,851		
10,371		
50,955	14	DaVita Cobblestone
47,405	12	Fresenius Elgin
18,935		
38,103		
28,565	18	Tri Cities LLC
7,248		
7,013		
34,381		
14,341		
26,447		
10,360		
4,061		
28,987		
2,380		
33,847		
24,537		
12,217		
30,752		
25,564		
22,659		
21,840		
1,694		
2,448		
36,527	28	Fresenius West Chicago, Fresenius DuPage West
29,016		
42,656		
10,663		
16,343		
39,188	20	DaVita Schaumburg
19,777		
4,769	20	Fresenius Hoffman Estates
21,873		
76,573		
53,013		
28,897	12	Fresenius West Batavia
17,099		
11,796		
13,538		
1,276,911	180	1/7,094

1. (A-B-C) The ratio of ESRD stations to population in the zip codes within a 30 minute radius of Fresenius South Elgin is 1 station per 7,094 residents according to the 2010 census (based on 1,276,911 residents and 180 stations). The State ratio is 1 station per 3,250 residents (based on US Census 2010 of 12,830,632 Illinois residents and the December 2012 Board stations inventory of 3,948).

There are more than double the numbers of residents per station in the South Elgin area than the State average of 1/3,250. This facility will therefore not create maldistribution and will address the need exhibited by the lack of stations per population.

FACILITIES WITHIN 30 MINUTES OF FRESENIUS MEDICAL CARE SOUTH ELGIN

Name	Address	City	Zip Code	MapQuest		Adj	Stns	Sep-12	
				Miles	Time	Time		Pts	Util
Fresenius Elgin	2130 Point Blvd	Elgin	60123	7.51	11	12.65	12	38	53%
Tri Cities LLC	306 Randall Rd	Geneva	60134	8.92	12	13.80	18	88	81.48%*
DaVita Cobblestone	836 Dundee St	Elgin	60120	5.78	13	14.95	14	67	80%
QRC Carpentersville	2203 Randall Rd	Carpentersville	60110	9.70	14	16.10	13	59	76%
USR Streamwood	149 Irving Park Rd	Streamwood	60107	9.28	14	16.10	13	15	19%
Fresenius West Batavia	2580 W Fabyan Pkwy	Batavia	60510	10.7	16	18.40	12	12	17%
Fresenius West Chicago	1859 W Neltor	West Chicago	60185	11.63	18	20.70	12	32	44%
ARA South Barrington	33 W Higgins Rd	Barrington	60010	13.64	20	23.00	14	58	69%
Fresenius Hoffman Estates	3150 W Higgins Rd	Schaumburg	60195	14.43	22	25.30	20	111	93%
Fresenius DuPage West	450 E Roosevelt Rd	West Chicago	60185	14.94	23	26.45	16	75	78%
DaVita Schaumburg	1156 S Roselle Rd	Schaumburg	60193	15.84	24	27.60	20	76	63%
ARA Crystal Lake	6298 Northwest Hwy	Crystal Lake	60014	18.11	26	29.90	16	45	47%

*June 2012 data – September data not available

2. Although all facilities within the thirty minute normal travel time are not above target utilization, Fresenius Medical Care South Elgin will not result in maldistribution of services as demonstrated by the ratio of stations to population. Of the clinics within 30 minutes, Tri Cities Dialysis, DaVita Cobblestone, QRC Carpentersville, Fresenius Hoffman Estates and DuPage West are either near or exceeding target utilization. DaVita Schaumburg and ARA Crystal Lake travel times are close to 30 minutes without an independent travel study, which generally produces even higher actual travel times. Patients would not be asked to travel that far for services. Fresenius West Batavia and USR Streamwood are new facilities and identified patients from separate physician practices to bring each facility to 80% before the South Elgin facility is operating. Fresenius Elgin is also a new facility, open just 15 months and is already at 53% utilization, on track to reach 80% according to Board guidelines. The only remaining facility with access is Fresenius West Chicago, however would not be able to accommodate all of the NANI patients identified by Dr. Rosner.

- 3A. Fresenius Medical Care South Elgin will not have an adverse effect on any other area ESRD provider in that the patients identified for this facility are new pre-ESRD patients. No patients will be transferred from any other facility to the South Elgin clinic. Furthermore, the NANI physicians will continue to refer patients to the other ESRD facilities they currently refer to, on an ongoing basis relative to the patient's preference and in proximity to where the patient lives.

- B. Not applicable – applicant is not a hospital; however the utilization will not be lowered at any other ESRD facility due to the establishment of the South Elgin facility.

Criterion 1110.1430 (e)(5) Medical Staff

I am the Regional Vice President of the Chicago Central Region of the North Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1111.1430, and with regards to Fresenius Medical Care South Elgin, I certify the following:

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



Signature

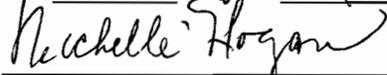
Coleen Muldoon

Printed Name

Regional Vice President

Title

Subscribed and sworn to before me
this 12th day of October, 2012



Signature of Notary

Seal



Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Rosner will be the Medical Director for Fresenius Medical Care Elgin. Attached is his curriculum vitae.

B. All Other Personnel

Upon opening, the facility will hire a Clinic Manager who is a Registered Nurse (RN) from within the company and will hire one Patient Care Technician (PCT). After we have more than one patient, we will hire another RN and another PCT.

Upon opening we will also employ:

- Part-time Registered Dietitian
- Part-time Licensed Master level Social Worker
- Part-time Equipment Technician
- Part-time Secretary

These positions will go to full time as the clinic census increases. As well, the patient care staff will increase to the following:

- One Clinic Manager – Registered Nurse
- Four Registered Nurses
- Ten Patient Care Technicians

- 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.

Karol E. Rosner

Curriculum Vitae

Address:

Telephone:

Email:

DOB: 09/07/67

SS#:

Board Certification:

Nephrology through 12/31/2012

Internal Medicine through 12/31/2011

Education:

Medical Fellowship Training (1999-2001):

Successfully completed a two year Nephrology fellowship program at Northwestern University, Chicago, IL

Medical Residency Training (1996-1999):

Successfully completed a three year Internal Medicine Residency at Southern Illinois University, Springfield, IL

M.D. Degree, 1996

University of Illinois, Chicago, IL

B.A. Degree, 1988

Northwestern University, Evanston, IL

Honors & Awards:

Barry Breer, M.D. Memorial Award 1998-99

Awarded to the year's outstanding senior Medicine Resident

Barry Breer, M.D. Memorial Award 1996-97

Awarded to the year's outstanding senior Medicine Intern

Illinois General Assembly Scholarship 1994-95

Illinois State Scholar 1985-88

Activities & Organizations:

Renal Physicians Association 2002 - present

American Society of Nephrology 2000 - present

American Society of Transplantation 2000 - present

American College of Physicians Associate Member 1999 - present
Illinois State Medical Society 1991-present

Resident Education Committee 1997-99

A sanctioned group of resident representatives who make recommendations in regards to curriculum and other resident matters.

St. John's Adult Critical Care Committee 1997-99

An organization of residents, attending physicians and administrators who review utilization and morbidity/mortality data at this teaching hospital.

Research, Publications, & Presentations:

Battle DC, Ghossein C, Lerma E, Mahmood S, Rosner K, Rammohan M:
A crossover randomized blinded prospective multi-centered clinical evaluation of the rate of adverse events to Ferrlecit (sodium ferric gluconate complex in sucrose solution) in hemodialysis patients vs. those receiving placebo and historical controls.

Battle DC, Ghossein C, Lerma E, Mahmood S, Rosner K, Rammohan M:
Open label prospective multi-centered study to evaluate the rate of adverse events and their relationship to concomitant administration of angiotensin converting enzyme inhibitor therapy following repeated administration of Ferrlecit in hemodialysis patients receiving erythropoietin.

Battle DC, Ghanciar HP, Lerma E, Rosner K, Rammohan M: A study of the effect of dietary sodium restriction in the metabolism of sodium and potassium in normal subjects.

Rosa RM, Lerma E, Yu W, Young JB, Rosner K: Racial differences in the metabolism of sodium and potassium: Implications regarding the role of diet in the etiology of hypertension in African Americans. 2000 (in progress).

Rosa RM, Young JB, Rosner K, Suh A, DeJesus E: Racial differences in Extrarenal Potassium Metabolism. ASN Poster SA-P0893 November, 2002.

Ivanovich P, Rosner K: A Case for Cellulosic Membrane Hemodialyzers. Seminars in Dialysis Vol 13, No 6. Nov/Dec 2000 pp. 409-411

Rubenstein JN, Eggen SE, Pins MR, Rosner KE, Chugh S, Campbell SC.
Juxtaglomerular apparatus tumor: A rare, surgically correctable cause of
hypertension. Reviews in Urology. 4 (4). 192-195, 2002.

Internal Medicine Grand Rounds, September, 1999
"It Might Be, it Could Be, it Is!": An unique presentation of Crohn's Disease.

Internal Medicine Grand Rounds, January, 1999
"Flash Cerebral Edema", An interesting case of hypertensive encephalopathy.

Interests: Baseball and spending time with my children.

76

Hospitals Karol Rosner, M.D. is affiliated with:

Sherman Hospital, Elgin
934 Center Street, Elgin, ILL 60123 - Attending (847) 742-9800

Provena St. Joseph Hospital, Elgin (847) 695-3200
77 N. Airlite Street, Elgin, ILL 60123 - Attending

Northern Ill. Medical Center - McHenry
4201 Medical Center Drive, McHenry, ILL (815) 344-5000 Consulting

Memorial Hospital - Woodstock, IL
527 W. South Street, Woodstock, ILL 60098 (815) 338-2500 - Consulting

Kindred Hospital - Sycamore
225 Edward Street, Sycamore, ILL 60178 (815) 895-2144 - Consulting

Kishwaukee Hospital - DeKalb - Consulting

Good Shepherd Hospital - Barrington - Consulting

St. Alexius Medical Center - Hoffman Estates - Consulting

St. Alexius Medical Center - Hoffman Estates, IL
1555 Barrington Rd, Hoffman Estates, ILL 60194 - (847) 843-2000 - Consulting

Criterion 1110.1430 (f) – Support Services

I am the Regional Vice President of the Chicago Central 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:

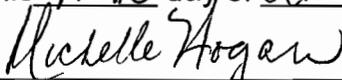
- Fresenius Medical Care utilizes the Proton patient data tracking system in all of its new facilities.
- These support services are will be available at Fresenius Medical Care South Elgin during all six shifts:
 - Nutritional Counseling
 - Psychiatric/Social Services
 - Home/self training
 - Clinical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



Signature

Coleen Muldoon / Regional Vice President
Name/Title

Subscribed and sworn to before me
this 12th day of October, 2012



Signature of Notary

Seal



Criterion 1110.1430 (g) – Minimum Number of Stations

Fresenius Medical Care South Elgin is located in the Chicago-Naperville-Joliet, IL-IN-WI 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 South Elgin will have 12 dialysis stations thereby meeting this requirement.



September 24, 2012

Ms. Lori Wright
Fresenius Medical Care
One Westbrook Corporate Center
Tower One, Suite 1000
Westchester, IL 60154

Dear Ms. Wright:

Central DuPage Hospital ("Hospital") will serve, subject to the terms of this letter, as a backup hospital for emergency treatment, evaluation, possible admission, and other necessary services for those patients dialyzing at Fresenius Medical Care of South Elgin.

Patients with end-stage renal disease from your facility who require emergency treatment or hospitalization as medically determined by the attending physician will be accepted and cared for by Central DuPage Hospital subject to the then current capabilities, operational policies and capacity limitations at the Hospital. This will include all services routinely available at the Hospital.

This Agreement will continue until terminated by either party upon thirty (30) days prior written notice.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra A. O'Donnell".

Debra A. O'Donnell
Vice President and Chief Nursing Officer

mw

Central DuPage Hospital

25 North Winfield Road
Winfield, Illinois 60190
T. 630.933.1600
TTY for the hearing
impaired 630.933.4833
www.cdh.org

Criterion 1110.1430 (j) – Assurances

I am the Regional Vice President of the Chicago Central 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 South Elgin, I certify the following:

1. As supported in this application through expected referrals to Fresenius Medical Care South Elgin in the first two years of operation, the facility will achieve and maintain the utilization standard, specified in 77 Ill. Adm. Code 1100, of 80% and;
2. Fresenius Medical Care hemodialysis patients in Illinois have achieved adequacy outcomes of:
 - 94% of patients had a URR \geq 65%
 - 96% of patients had a Kt/V \geq 1.2

The same is expected for Fresenius Medical Care South Elgin.



Signature

Coleen Muldoon / Regional Vice President
Name/Title

Subscribed and sworn to before me
this 12th day of October, 2012



Signature of Notary

November 6, 2012

Fresenius Medical Care

Attn: Mr. Bill Popken

(781) 699-9994

Via email: William.Popken@fmc-na.com

RE: 430 – 450 N. McLean Blvd. Land Parcel
South Elgin, Illinois
Fresenius Medical Care Build-to-Suit – Letter of Intent

Dear Bill:

We are pleased to present to you this letter of intent. Net3 (South Elgin), LLC (“Landlord”) is willing to negotiate a lease for the premises in the referenced location. This letter is not intended to be a binding contract, a lease, or an offer to lease, but is intended only to provide the basis for negotiations of a lease document between Landlord and **Fresenius Medical Care South Elgin LLC** (“Tenant”).

Premises: 9362 square foot building to be constructed and located at 430-450 N. McLean Blvd., Illinois. Parcel #

06-34-105-016

06-34-105-015

06-34-105-014

Landlord: Net3 (South Elgin), LLC

Tenant: Fresenius Medical Care South Elgin LLC

Guarantor: Fresenius Medical Care Holdings

Lease: Landlord’s standard lease form.

Use: Tenant 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. Tenant may operate on the Premises, at Tenant's option, on a seven (7) days a week, twenty-four

(24) hours a day basis, subject to zoning and other regulatory requirements.

Primary Term: 15 years

Option Term(s): Three (3) Five (5) year options to renew the lease at 2% annual increase in base rent.

Base Rent over initial Term: Annual Rent: Starts at \$24.50/sq. ft. and increases by 2% in Year 3 of the Primary Term

Year	Annual Rent	Monthly Rent	Cost SF
1	\$ 229,369.00	\$ 19,114.08	\$ 24.50
2	\$ 229,369.00	\$ 19,114.08	\$ 24.50
3	\$ 233,956.38	\$ 19,496.37	\$ 24.99
4	\$ 238,635.51	\$ 19,886.29	\$ 25.49
5	\$ 243,408.22	\$ 20,284.02	\$ 26.00
6	\$ 248,276.38	\$ 20,689.70	\$ 26.52
7	\$ 253,241.91	\$ 21,103.49	\$ 27.05
8	\$ 258,306.75	\$ 21,525.56	\$ 27.59
9	\$ 263,472.88	\$ 21,956.07	\$ 28.14
10	\$ 268,742.34	\$ 22,395.20	\$ 28.71
11	\$ 274,117.19	\$ 22,843.10	\$ 29.28
12	\$ 279,599.53	\$ 23,299.96	\$ 29.87
13	\$ 285,191.52	\$ 23,765.96	\$ 30.46
14	\$ 290,895.35	\$ 24,241.28	\$ 31.07
15	\$ 296,713.26	\$ 24,726.10	\$ 31.69

Taxes, Insurance & CAM: Tenant will pay

Utilities: Tenant will be responsible to pay for all of their own utilities.

Tenant's Share: 100%

Condition of Premises Upon Delivery: Landlord shall deliver the Premises to **Tenant** in a shell condition in accordance with agreed upon plans and specifications as defined in **(Exhibit A)**. In addition, Landlord shall be responsible for all civil costs, parking infrastructure and any other development costs.

Rent Commencement

Date:

Tenant will not pay rent until the date that is the earlier of (a) the date that Tenant opens for business in the Premises, or (b) ninety (90) days after the Delivery Date.

Delivery

Date:

The date upon which Landlord's Work is substantially completed which is estimated to be 180 days after receipt of Landlord's building permit.

***Construction Drawings
For Landlord's Work:***

Landlord will agree upon issuance of the CON to have construction drawings no later than 90 days after CON is awarded and apply for building permits immediately thereafter.

Tenant's Work:

Tenant shall construct improvements in the Premises and install Tenant's trade fixtures, equipment and personal property in order to make the Premises ready for Tenant's initial occupancy and use, subject to Landlord's approval of all plans and specifications for therefor.

Security Deposit:

None, subject to Landlord's review of current Tenant financial statements.

Landlord Maintenance:

Landlord shall without expense to Tenant, maintain and make all necessary repairs to the 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, the roof and roof supports, columns, structural retaining walls, gutters, downspouts, flashings and footings.

Signage:

Tenant may, at its sole cost and expense, install and maintain signs in and on the Premises to the maximum extent permitted by local law and subject to Tenant obtaining (i) all necessary private party approvals, if any, and governmental approvals, permits and licenses; and (ii) Landlord's prior written approval which will not be unreasonably withheld, and in accordance with Landlord's sign criteria (if applicable).

Confidentiality:

The parties hereto acknowledge the sensitive nature of the terms and conditions of this letter and hereby agree not to disclose the terms and conditions of this letter or the fact of the existence of

this letter to any third parties and instead agree to keep said terms and conditions strictly confidential, disclosing them only to their respective agents, lenders, attorneys, accountants and such other directors, officers, employees, affiliates, and representatives who have a reason to receive such information and have been advised of the sensitive nature of this letter and as otherwise required to be disclosed by law.

***Zoning and Restrictive
Covenants:***

Landlord will represent that the current property zoning is acceptable for use as outpatient dialysis facility and there is no other restrictive covenants imposed on the land/, owner, and/or municipality.

CON Contingency

Landlord and FMC understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, FMC cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless FMC obtains a Certificate of Need (CON) permit from the Illinois Health Facilities Planning Board (the "Planning Board"). FMC agrees to proceed using its commercially reasonable best efforts to submit an application for a CON permit and to prosecute said application to obtain the CON permit from the Planning Board. Based on the length of the Planning Board review process, FMC does not expect to receive a CON permit prior to April 2013. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to the approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective pending CON approval. Assuming CON permit approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the Planning Board does not award FMC a CON permit to establish a dialysis center on the Premises by April 2013, neither party shall have any further obligation to the other party with regard to the negotiations, lease or Premises contemplated by this Letter of Intent.

Acquisition Contingency:

Tenant acknowledges that Landlord is not the owner of the Land. Accordingly, the parties agree that the lease agreement shall contain a contingency provision which provides that Landlord's obligations under the lease agreement shall be subject to and contingent upon Landlord obtaining fee title to the Land and in the event that Landlord does not acquire fee title to the Land on or before the date which is 100 days after the date upon which the CON is obtained by Tenant then Tenant then either Landlord or Tenant may elect to terminate the lease agreement; provided, however, that in the event Tenant elects to terminate the lease agreement then Landlord shall have thirty (30) days from the date of Tenant's notice of election to terminate to satisfy the contingency at its election in which event Tenant's election to terminate shall be null and void. In the event the lease is terminated under this provision then each of the parties shall be released from its obligations and liability under the lease agreement.

The parties agree that this letter shall not be binding on the parties and does not address all essential terms of the lease agreement contemplated by this letter. Neither party may claim any legal right against the other by reason of any action taken in reliance upon this non-binding letter. A binding agreement shall not exist between the parties unless and until a lease agreement has been executed and delivered by both parties.

If you are in agreement with the foregoing terms, please execute and date this letter in the space provided below and return same to Landlord within five (5) business days from the date above.

Sincerely,

**NET 3 REAL ESTATE, L.L.C.,
As Agent for Purchaser**

David E. Cunningham
Manager



2803 W. Butterfield Road
Suite 310
Oak Brook, IL 60523
p. 630 216 9008

AGREED TO AND ACCEPTED BY:

Fresenius Medical Care South Elgin LLC

Date

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, RAI 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		162.00			9,326			\$1,510,812	\$1,510,812
Contingency		16.04			9,326			\$149,589	\$149,589
TOTALS		178.04			9,326			\$1,660,401	\$1,660,401

* Include the percentage (%) of space for circulation

Criterion 1120.310 (d) – Projected Operating Costs

Year 2015

Salaries	\$474,082
Benefits	118,521
Supplies	<u>95,760</u>
Total	\$688,363

Annual Treatments 8,987

Cost Per Treatment \$76.60

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

Year 2015

Depreciation/Amortization	\$127,138
Interest	<u>0</u>
CAPITAL COSTS	\$127,138

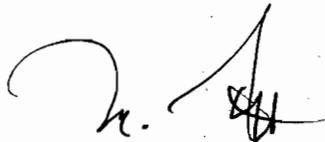
Treatments: 8,987

Capital Cost per treatment \$14.15

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care South Elgin, LLC

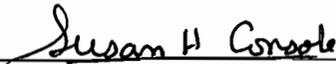
The applicant is paying for the project with cash on hand, and not borrowing any funds for the project. However, per the Board's rules the entering of a lease is treated as borrowing. As such, we are attesting that the entering into of a lease (borrowing) is less costly than the liquidation of existing 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

By: 
Title: Asst Treasurer

Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012

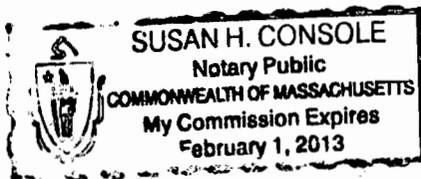
Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012


Signature of Notary

Signature of Notary

Seal

Seal



Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Holdings, Inc.

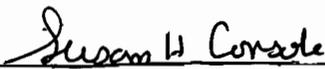
The applicant is paying for the project with cash on hand, and not borrowing any funds for the project. However, per the Board's rules the entering of a lease is treated as borrowing. As such, we are attesting that the entering into of a lease (borrowing) is less costly than the liquidation of existing 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: ASST TREASURER

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

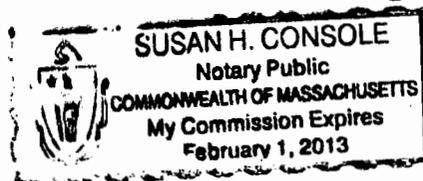
Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012


Signature of Notary

Signature of Notary

Seal

Seal



Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care South Elgin, LLC

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: 

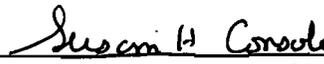
ITS: Mark Fawcett
Vice President & Treasurer

By: 

ITS: ASST TREASURER

Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012

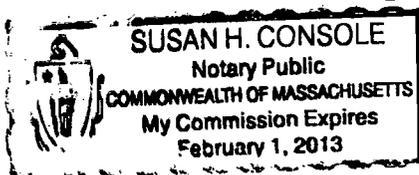
Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012


Signature of Notary

Signature of Notary

Seal

Seal



Criterion 1120.310(b) Conditions of Debt Financing

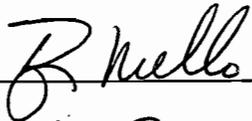
Fresenius Medical Care Holdings, Inc.

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

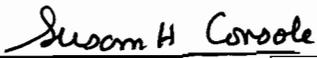
The expenses incurred with leasing the proposed facility and cost of leasing the equipment is less costly than constructing a new facility or purchasing new equipment.

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

By: 
ITS: Asst Treasurer

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

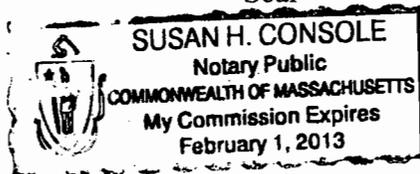
Notarization:
Subscribed and sworn to before me
this 31 day of Oct, 2012


Signature of Notary

Signature of Notary

Seal

Seal



Safety Net Impact Statement

The establishment of the Fresenius Medical Care South Elgin dialysis facility will not have any impact on safety net services in the 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.

Safety Net Information Fresenius Medical Care Facilities in Illinois			
NET REVENUE	\$364,295,636	\$397,467,778	\$353,355,908
CHARITY CARE			
	2009	2010	2011
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%
MEDICAID			
	2009	2010	2011
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)

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 is 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 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
Totals	13,448	5,037	2,695	3,343,810	1,235,189	642,947

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
Totals	134,666	156,600	156,121	32,811,313	37,899,912	37,298,532

(see following page for patient coverage options)

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 2130 Point Blvd

Elgin, IL 60123-9215

7.51 miles - about 11 minutes

Notes

TO FRESENIUS MEDICAL CARE ELGIN

Kane St & N McLean Blvd, South Elgin, IL 60177

- | | | |
|---|---|-----------|
|  | 1. Start out going north on N McLean Blvd toward Sandhurst Ln. | go 0.6 mi |
|  | 2. Turn left onto CR-17 / Bowes Rd. | go 1.1 mi |
|  | 3. Turn right onto Randall Rd. | go 5.4 mi |
|  | 4. Turn right onto Point Blvd. | go 0.5 mi |
|  | 5. 2130 POINT BLVD is on the left. | go 0.0 mi |

2130 Point Blvd, Elgin, IL 60123-9215

Total Travel Estimate : 7.51 miles - about 11 minutes

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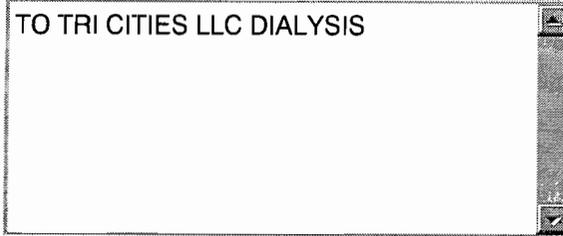
MAPQUEST.

Trip to 306 Randall Rd

Geneva, IL 60134-4200

8.92 miles - about 12 minutes

Notes



A Kane St & N McLean Blvd, South Elgin, IL 60177

- | | | |
|---|--|-----------|
|  | 1. Start out going south on N McLean Blvd toward W Spring St. | go 0.2 mi |
|  | 2. Turn right onto W Spring St. | go 0.6 mi |
|  | 3. W Spring St becomes Hopps Rd. | go 0.5 mi |
|  | 4. Turn slight left onto Randall Rd. | go 7.6 mi |
|  | 5. 306 RANDALL RD is on the right. | go 0.0 mi |

B 306 Randall Rd, Geneva, IL 60134-4200

Total Travel Estimate : 8.92 miles - about 12 minutes

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MAPQUEST.

Trip to 836 Dundee Ave

Elgin, IL 60120-3068

5.78 miles - about 13 minutes

Notes

TO DAVITA COBBLESTONE DIALYSIS



Kane St & N McLean Blvd, South Elgin, IL 60177



1. Start out going **north** on **N McLean Blvd** toward **Sandhurst Ln.**

go 1.7 mi



2. Merge onto **US-20 E / Ulysses S Grant Memorial Hwy.**

go 1.3 mi



3. Take the **State St / IL-31** ramp.

go 0.1 mi



4. Turn **left** onto **IL-31 / S State St.**

go 1.1 mi



5. Turn **right** onto **W Chicago St.**

go 0.3 mi



6. Turn **left** onto **Center St.**

go 0.2 mi



7. Stay **straight** to go onto **Dundee Ave.**

go 1.0 mi



8. **836 DUNDEE AVE** is on the **left.**

go 0.0 mi



836 Dundee Ave, Elgin, IL 60120-3068

Total Travel Estimate : 5.78 miles - about 13 minutes

107

MAPQUEST.

Trip to 2203 Randall Rd

Carpentersville, IL 60110-3355

9.70 miles - about 14 minutes

Notes

TO QRC CARPENTERSVILLE DIALYSIS



Kane St & N McLean Blvd, South Elgin, IL 60177



1. Start out going north on N McLean Blvd toward Sandhurst Ln.

go 0.6 mi



2. Turn left onto CR-17 / Bowes Rd.

go 1.1 mi



3. Turn right onto Randall Rd.

go 8.1 mi



4. 2203 RANDALL RD is on the right.

go 0.0 mi



2203 Randall Rd, Carpentersville, IL 60110-3355

Total Travel Estimate : 9.70 miles - about 14 minutes

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MAPQUEST.

Trip to 149 E Irving Park Rd

Streamwood, IL 60107-2950

9.28 miles - about 14 minutes

Notes

TO USR STREAMWOOD DIALYSIS



Kane St & N McLean Blvd, South Elgin, IL 60177

- | | | |
|--|--|-----------|
| | 1. Start out going north on N McLean Blvd toward Sandhurst Ln. | go 1.7 mi |
| | 2. Merge onto US-20 E. | go 6.7 mi |
| | 3. Turn left onto S Bartlett Rd. | go 0.7 mi |
| | 4. Turn right onto E Irving Park Rd / IL-19. | go 0.2 mi |
| | 5. 149 E IRVING PARK RD is on the right. | go 0.0 mi |



149 E Irving Park Rd, Streamwood, IL 60107-2950

Total Travel Estimate : 9.28 miles - about 14 minutes

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MAPQUEST

Trip to Dreyer Medical Clinic

2500 West Fabyan Parkway, Batavia,
IL 60510 - (630) 879-7500

10.70 miles - about 16 minutes

Notes

TO FRESENIUS MEDICAL CARE WEST
BATAVIA

(USED DREYER MEDICAL CLINIC AS
NEAREST ADDRESS FOR MAPQUEST TO
IDENTIFY)



Kane St & N McLean Blvd, South Elgin, IL 60177

- | | | |
|--|---|-----------|
| | 1. Start out going south on N McLean Blvd toward W Spring St. | go 0.2 mi |
| | 2. Turn right onto W Spring St. | go 0.6 mi |
| | 3. W Spring St becomes Hopps Rd. | go 0.5 mi |
| | 4. Turn slight left onto Randall Rd. | go 9.1 mi |
| | 5. Turn left onto W Fabyan Pky. | go 0.2 mi |
| | 6. Make a U-turn onto W Fabyan Pky. | go 0.1 mi |
| | 7. 2500 WEST FABYAN PARKWAY. | go 0.0 mi |



Dreyer Medical Clinic - (630) 879-7500 2500 West Fabyan Parkway, Batavia, IL 60510

Total Travel Estimate : 10.70 miles - about 16 minutes

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Trip to:

Kane St & N McLean Blvd

South Elgin, IL 60177

11.63 miles / 18 minutes

Notes

TO FRESENIUS MEDICAL CARE WEST CHICAGO



Fresenius Medical Care

1859 N Neltnor Blvd, West Chicago, IL 60185
(630) 293-5952



1. Start out going **northwest** on **IL-59 / N Neltnor Blvd** toward **W North Ave / IL-64** **4.5 Mi**
E. Continue to follow **IL-59**. [Map](#) *4.5 Mi Total*



2. Turn **left** onto **W Stearns Rd**. [Map](#) **5.8 Mi**
10.2 Mi Total



3. Turn **right** onto **McLean Blvd**. [Map](#) **1.4 Mi**
11.6 Mi Total



4. **KANE ST & N MCLEAN BLVD**. [Map](#)



Kane St & N McLean Blvd, South Elgin, IL 60177

Total Travel Estimate: **11.63 miles - about 18 minutes**

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111

MAPQUEST

Trip to 33 W Higgins Rd

South Barrington, IL 60010-9115

13.64 miles - about 20 minutes

Notes

TO ARA SOUTH BARRINGTON DIALYSIS

Kane St & N McLean Blvd, South Elgin, IL 60177

- | | | |
|---|--|-----------|
|  | 1. Start out going north on N McLean Blvd toward Sandhurst Ln. | go 1.7 mi |
|   | 2. Merge onto US-20 E / Ulysses S Grant Memorial Hwy. | go 5.7 mi |
|  | 3. Take the IL-59 ramp toward Barrington / West Chicago. | go 0.2 mi |
|   | 4. Turn left onto IL-59 / Sutton Rd. | go 2.7 mi |
|   | 5. Turn right onto IL-58 / Golf Rd. | go 0.8 mi |
|  | 6. Turn left onto Bartlett Rd. | go 1.8 mi |
|   | 7. Turn right onto W Higgins Rd / IL-72 E. | go 0.8 mi |
|  | 8. 33 W HIGGINS RD is on the left. | go 0.0 mi |

33 W Higgins Rd, South Barrington, IL 60010-9115

Total Travel Estimate : 13.64 miles - about 20 minutes

112

MAPQUEST.

Trip to 3150 W Higgins Rd

Hoffman Estates, IL 60169-7237

14.43 miles - about 22 minutes

Notes

TO FRESENIUS MEDICAL CARE
HOFFMAN ESTATES

Kane St & N McLean Blvd, South Elgin, IL 60177

-
- | | | |
|---|---|-----------|
|  | 1. Start out going north on N McLean Blvd toward Sandhurst Ln. | go 1.7 mi |
|   | 2. Merge onto US-20 E / Ulysses S Grant Memorial Hwy. | go 5.7 mi |
|  | 3. Take the IL-59 ramp toward Barrington / West Chicago. | go 0.2 mi |
|   | 4. Turn left onto IL-59 / Sutton Rd. | go 2.7 mi |
|   | 5. Turn right onto IL-58 / Golf Rd. | go 2.5 mi |
|  | 6. Turn left onto Barrington Rd. | go 1.0 mi |
|   | 7. Turn left onto W Higgins Rd / IL-72 W. | go 0.5 mi |
|  | 8. Turn right onto Greenspoint Pky. | go 0.0 mi |
|  | 9. Turn left onto W Higgins Rd. | go 0.0 mi |
-



10. 3150 W HIGGINS RD is on the right.

go 0.0 mi



3150 W Higgins Rd, Hoffman Estates, IL 60169-7237

Total Travel Estimate : 14.43 miles - about 22 minutes

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MAPQUEST

Trip to 450 E Roosevelt Rd

West Chicago, IL 60185-3905

14.94 miles - about 23 minutes

Notes

TO FRESENIUS MEDICAL CARE DUPAGE WEST

A Kane St & N McLean Blvd, South Elgin, IL 60177



1. Start out going south on N McLean Blvd toward W Spring St.

go 1.4 mi



2. Turn left onto Stearns Rd.

go 1.9 mi



3. Turn left onto IL-25 N / Stearns Rd.

go 0.7 mi



4. Turn right onto Dunham Rd.

go 2.5 mi



5. Stay straight to go onto N Kirk Rd.

go 4.0 mi



6. Turn left onto Roosevelt Rd / E State St / IL-38.
Continue to follow Roosevelt Rd / IL-38.

go 4.4 mi



7. 450 E ROOSEVELT RD is on the right.

go 0.0 mi

B 450 E Roosevelt Rd, West Chicago, IL 60185-3905

Total Travel Estimate : 14.94 miles - about 23 minutes

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115

MAPQUEST.

Trip to 1156 S Roselle Rd

Schaumburg, IL 60193-4072

15.84 miles - about 24 minutes

Notes

TO DAVITA SCHAUMBURG DIALYSIS

A Kane St & N McLean Blvd, South Elgin, IL 60177



1. Start out going north on N McLean Blvd toward Sandhurst Ln.

go 1.7 mi



2. Merge onto US-20 E.

go 9.6 mi



3. Take the East Elgin-O'Hare Expy ramp.

go 0.3 mi



4. Merge onto Elgin Ohare Expy E.

go 3.1 mi



5. Take the Roselle Rd exit.

go 0.3 mi



6. Turn left onto N Roselle Rd / S Roselle Rd. Continue to follow N Roselle Rd.

go 0.8 mi



7. 1156 S ROSELLE RD is on the left.

go 0.0 mi

B 1156 S Roselle Rd, Schaumburg, IL 60193-4072

Total Travel Estimate : 15.84 miles - about 24 minutes

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MAPQUEST

Trip to 6298 Northwest Hwy

Crystal Lake, IL 60014-7933

18.11 miles - about 26 minutes

Notes

TO ARA CRYSTAL LAKE DIALYSIS

A Kane St & N McLean Blvd, South Elgin, IL 60177



1. Start out going **north** on **N McLean Blvd** toward **Sandhurst Ln.** go 0.6 mi



2. Turn **left** onto **CR-17 / Bowes Rd.** go 1.1 mi



3. Turn **right** onto **Randall Rd.** go 14.0 mi



4. **Randall Rd** becomes **James R Rakow Rd.** go 1.2 mi



5. Turn **left** onto **Pyott Rd / CR-V32.** Continue to follow **CR-V32.** go 1.0 mi



6. Turn **left** onto **Northwest Hwy / US-14.** go 0.2 mi



7. **6298 NORTHWEST HWY** is on the **right.** go 0.0 mi

B 6298 Northwest Hwy, Crystal Lake, IL 60014-7933

Total Travel Estimate : 18.11 miles - about 26 minutes

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Nephrology Associates

650 Dakota Street Ste. C Crystal Lake, IL 60012
2560 Hauser Ross Drive Ste. 450 Sycamore, IL 60178
1750 N. Randall Road Ste. 110 Elgin, IL 60123
815-301-1001 (fax) 815-301-1002

Karol Rosner, M.D.

Sumit Bector, M.D.

Amit Arora, M.D.

December 27, 2012

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

Dear Ms. Avery:

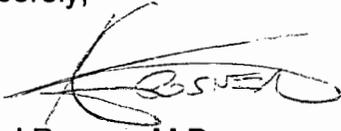
My name is Karol Rosner, M.D. and I am writing to express my support of the establishment of the Fresenius Medical Care dialysis facility in South Elgin. For the past nine years I have been practicing nephrology in the area and will be the Medical Director for the new location. I am very happy to see a clinic proposed here because it will help provide my patients with greater access to dialysis services in proximity to where they live. My current dialysis patients are predominantly from the Elgin area and the remainder are spread out over Kane, McHenry and Cook Counties, many coming from neighboring rural communities west into DeKalb County. With no dialysis facility choices available for my patients between Elgin and DeKalb, this dialysis clinic is necessary to reduce travel time and would benefit the ever growing patient population I have seen in my practice in the South Elgin area.

In this far west/northwest region, my partners and I at Nephrology Associates of Northern Illinois (NANI) have referred 69 new patients for hemodialysis services over the past twelve months. We were treating 86 hemodialysis patients at the end of 2009, 88 at the end of 2010, 127 at the end of 2011 and as of September 30, 2012 we were treating 152 hemodialysis patients. Due to the growth we have seen in our practice in the last two years, attributable to the growing Hispanic and elderly population in both Kane and McHenry Counties, it is expected that the incidence of ESRD will continue to increase. We have approximately 147 Pre-ESRD patients living in the South Elgin area that I expect would begin dialysis in the first two years after the new clinic opens. However, because of the natural attrition of patients, I expect that approximately 103 of these patients will begin dialysis during this time at the South Elgin clinic.

To keep dialysis access available to the growing ESRD population in Kane County, I ask the Board to please vote in favor of the Fresenius Medical Care South Elgin clinic. Thank you for your consideration.

I attest to the fact that to the best of my knowledge, all the information contained in this letter is true and correct and that the projected referrals in this document were not used to support any other CON application.

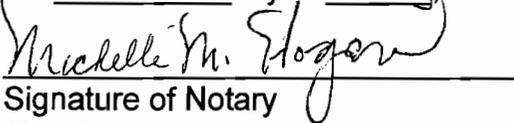
Sincerely,



Karol Rosner, M.D.

Notarization:

Subscribed and sworn to before me
this 7th day of January, 2012



Signature of Notary

(Seal)



**PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE
SOUTH ELGIN FACILITY IN THE 1ST 2 YEARS AFTER PROJECT COMPLETION**

Zip Code	Total
60103	22
60120	29
60123	34
60124	14
60140	15
60151	6
60174	2
60175	6
60177	7
60192	12
Total	147

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 103 of the above patients will actually begin dialysis services at the South Elgin facility.

NEW REFERRALS OF NANI FOR THE PAST TWELVE MONTHS
11/01/2011 THROUGH 10/31/2012

Zip Code	Fresenius Medical Care				DaVita				ARA	Quality Renal Care	Total
	Antioch	Elgin	Hoffman Estates	McHenry	Cobblestone	Crystal Springs	Lake Villa	Sycamore	Crystal Lake	Carpentersville	
60010			1								1
60012						1					1
60014						4			1		5
60033				1							1
60034				1							1
60044						1					1
60050				2		1					3
60051				3							3
60073						1	1				2
60081	1										1
60097				1							1
60098				2		2					4
60102		1				1					2
60103			1								1
60107		1	1								2
60110		1	1							1	3
60112								1			1
60115								1			1
60120		2	1		3						6
60123		2									2
60133			4								4
60135								1			1
60142						2			1		3
60151								1			1
60156						4					4
60178								3			3
60193			2								2
60194			4								4
60550								1			1
60556								1			1
60659		1									1
60804						1					1
61008						1					1
Total	1	8	15	10	3	19	1	9	2	1	69

PATIENTS OF NANI AS OF DECEMBER 31, 2009

Zip Code	Fresenius Medical Care					DaVita			ARA		Quality Renal Care		Total
	Hoffman Estates	McHenry	Rolling Meadows	Round Lake	West Chicago	Crystal Springs	Sycamore	Cobblestone	Barrington	Crystal Lake	Carpentersville	Marengo	
60012										1			1
60013						4							4
60014		2				5				3	1	1	12
60020					1								1
60033												2	2
60050		1		1									2
60051		1		1									2
60081				1									1
60097		2											2
60098		4				1				2			7
60102						1					1		2
60103	2												2
60107	9												9
60110								2			1		3
60115							3						3
60123							1						1
60133	5												5
60140							1		1			1	3
60142							2			1	1	3	7
60152												1	1
60156											2		2
60169	6												6
60172	1												1
60192	1		1										2
60194	4												4
60707	1												1
Total	29	10	1	3	1	11	7	2	1	7	6	8	86

122

PATIENTS OF NANI AS OF DECEMBER 31, 2010

Zip Code	Fresenius Medical Care				DaVita			ARA		Quality Renal Care		Total
	Elgin	Hoffman Estates	McHenry	Round Lake	Crystal Springs	Sycamore	Cobblestone	Barrington	Crystal Lake	Carpentersville	Marengo	
60010		1										1
60013					3							3
60014			2		6				3	1		12
60020				1								1
60021												0
60033			1								2	3
60034			1									1
60050			2	1								3
60051			3	1								4
60056									1			1
60071			1									1
60081				1								1
60098			3		1				1		4	9
60102					1					1		2
60103		2										2
60107		10										10
60110		1						1				2
60115						2						2
60120	1											1
60123	1						2					3
60133		4										4
60140		1										1
60142					1					1	1	3
60152											2	2
60156			1					1				2
60169		4										4
60172		1										1
60178						1						1
60192		1										1
60193		1										1
60194		4										4
60556						1						1
60707												0
61021												0
61068						1						1
61201												0
Total	2	30	14	4	12	5	2	2	5	3	9	88

123

PATIENTS OF NANI AS OF DECEMBER 31, 2011

Zip Code	Fresenius Medical Care				DaVita				ARA		Quality Renal Care		Total
	Elgin	Hoffman Estates	McHenry	Round Lake	Cobblestone	Crystal Springs	Lake Villa	Sycamore	Barrington	Crystal Lake	Carpentersville	Marengo	
60010		4											4
60013						3							3
60014			1			11				3			15
60021													0
60033			1									3	4
60034			2										2
60046							1						1
60050			5										5
60051			3										3
60073							1						1
60074						1							1
60081				1									1
60097			3										3
60098			5			2				1		2	10
60102	1					1					1		3
60103		2											2
60107		11							1				12
60110		1							1		1		3
60115								8					8
60120	2	1			1								4
60123					2								2
60133		4											4
60135								1					1
60140		1											1
60142	1		1			1					1	1	5
60151								1					1
60152												1	1
60156			1			1				1	1		4
60169		4							1				5
60172		1											1
60178								5					5
60188	1												1
60192		2											2
60194		5											5
60432													0
60505								1					1
60550								1					1
60556								1					1
60634		1											1
Total	5	37	22	1	3	20	2	18	3	5	4	7	127

PATIENTS OF NANI AS OF SEPTEMBER 30, 2012

Zip Code	Fresenius Medical Care				DaVita					ARA		Quality Renal Care		Total
	Antioch	Elgin	Hoffman Estates	McHenry	Barrington Creek	Cobblestone	Crystal Springs	Lake Villa	Sycamore	Barrington	Crystal Lake	Carpentersville	Marengo	
60010			2											2
60012				1										1
60013							2							2
60014				1			14				4			19
60021													1	1
60033				2									3	5
60034				2										2
60044							1							1
60046								1						1
60050				4			2							6
60051				4										4
60071				1										1
60073							1							1
60074					1									1
60081	1													1
60097				3										3
60098				5			4				1		3	13
60102							1					2		3
60103			1											1
60107	1		7							1				9
60108			1											1
60110	1		1							1		2		5
60112								1						1
60115								6						6
60118									1					1
60120	4					3								7
60123	3					3								6
60133			9											9
60135								2						2
60140			1											1
60142	1						2					1	1	5
60151								1						1
60152													1	1
60156				1			4				1			6
60169			5											5
60172			1											1
60178	1							5						6
60188	1													1
60193			1											1
60194			6											6
60406		1												1
60550								1						1
60556								1						1
Total	1	13	35	24	1	6	31	1	17	3	6	5	9	152