FRESENIUS KIDNEY CARE

Fresenius Kidney Care
3500 Lacey Road, Downers Grove, IL 60515
T 630-960-6807 F 630-960-6812
Email: lori.wright@fmc-na.com

January 8, 2020

RECEIVED
JAN 9 2020
HEALTH FACILITIES & SERVICES REVIEW BOARD

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

Re: Fresenius Kidney Care Galesburg

Dear Ms. Avery,

I am submitting the attached application for consideration by the Illinois Health Facilities and Services Review Board. A filing fee of $2500.00 payable to the Illinois Department of Public Health is enclosed.

Upon your staff's initial review of the enclosed application, please notify me of the total fee and the remaining fee due in connection with this application and I will arrange for payment of the remaining balance.

I believe this application conforms with the applicable standards and criteria of Part 1110 and 1120 of the Board's regulations. Please advise me if you require anything further to deem the enclosed application complete.

Sincerely,

Lori Wright

Lori Wright
Senior CON Specialist

Original

RECEIVED
JAN 9 2020
HEALTH FACILITIES & SERVICES REVIEW BOARD

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Fresenius Kidney Care Galesburg				
Street Address: 725 N. Seminary Street				
City and Zip Code: Galesburg 61401				
County:	Knox	Health Service Area:	2	Health Planning Area:

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Fresenius Medical Care Galesburg, LLC	
Street Address: 920 Winter Street	
City and Zip Code: Waltham, MA 02451	
Name of Registered Agent: CT Corporation Systems	
Registered Agent Street Address: 208 S. LaSalle Street, Suite 814	
Registered Agent City and Zip Code: Chicago, IL 60604	
Name of Chief Executive Officer:	Bill Valle
CEO Street Address:	920 Winter Street
CEO City and Zip Code:	Waltham, MA 02451
CEO Telephone Number:	800-662-1237

Type of Ownership of Applicants

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- ☒ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which they are 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 [Person to receive ALL correspondence or inquiries]

Name: Lori Wright
Title: Senior CON Specialist
Company Name: Fresenius Medical Care North America
Address: 3500 Lacey Road, Suite 900, Downers Grove, IL 60515
Telephone Number: 630-960-6807
E-mail Address: lori.wright@fmc-na.com
Fax Number: 630-960-6812

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

Name: Toni Huffman	
Title:	Regional Vice President
Company Name:	Fresenius Medical Care North America
Address:	3300 N. Main Street, East Peoria, IL 61611
Telephone Number: 309-698-8194	
E-mail Address: toni.huffman@fmc-na.com	
Fax Number: 309-698-8321	

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: Lori Wright
Title: Senior CON Specialist
Company Name: Fresenius Medical Care North America
Address: 3500 Lacey Road, Suite 900, Downers Grove, IL 60515
Telephone Number: 630-960-6807
E-mail Address: lori.wright@fmc-na.com
Fax Number: 630-960-6812

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Illinois Renal Services, LLC
Address of Site Owner: 2020 Broad Street, Galesburg, IL 61401
Street Address or Legal Description of the Site: 725 N. Seminary, Galesburg, IL 61401 **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, 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: Fresenius Medical Care Galesburg, LLC d/b/a Fresenius Kidney Care Galesburg
Address: 920 Winter Street, Waltham, MA 02451

☐ Non-profit Corporation ☐ Partnership
☐ For-profit Corporation ☐ Governmental
☒ Limited Liability Company ☐ Sole Proprietorship ☐ 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.
- **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 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 NOT APPLICABLE – ADDITION OF STATIONS ONLY

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 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 #2006-5 (**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
NOT APPLICABLE – ADDITION OF STATIONS ONLY

[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 1110.20 and Part 1120.20(b)]

Part 1110 Classification:

☐ Substantive

☒ Non-substantive

2. Narrative Description

In the space below, provide 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 Galesburg, LLC proposes to add 5 additional stations to its 16-station ESRD facility, Fresenius Kidney Care Galesburg, located at 725 N. Seminary, Galesburg, in existing space. The result will be a 21-station facility.

This project is "non-substantive" under Planning Board rule 1110.40 as it entails the addition of 5 stations to a facility that provides in-center hemodialysis 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 be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs	0	N/A	0
Site Survey and Soil Investigation	0	N/A	0
Site Preparation	0	N/A	0
Off Site Work	0	N/A	0
New Construction Contracts	0	N/A	0
Modernization Contracts (Plumbing Only)	21,000	N/A	21,000
Contingencies	0	N/A	0
Architectural/Engineering Fees	0	N/A	0
Consulting and Other Fees	0	N/A	0
Movable or Other Equipment (not in construction contracts)	24,000	N/A	24,000
Bond Issuance Expense (project related)	0	N/A	0
Net Interest Expense During Construction (project related)	0	N/A	0
Fair Market Value of Leased Space or Equipment	72,000	N/A	72,000
Other Costs To Be Capitalized	0	N/A	0
Acquisition of Building or Other Property (excluding land)	0	N/A	0
TOTAL USES OF FUNDS	**$117,000**	**N/A**	**$117,000**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	45,000	N/A	45,000
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)	72,000	N/A	72,000
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	**$117,000**	**N/A**	**$117,000**
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

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

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $_____
Fair Market Value: $_____

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

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

Estimated start-up costs and operating deficit cost is $ N/A.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☒ None or not applicable ☐ Preliminary
☐ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): March 31, 2021

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

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

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable:
☐ Cancer Registry
☐ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (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.**

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE							
In-Center Hemodialysis	117,000	750			750		
Total Clinical	**$117,000**	**750**			**750**		
NON REVIEWABLE							
Total Non-clinical	**$0**	**0**			**0**		
TOTAL	**$117,000**	**750**			**750**		

APPEND DOCUMENTATION AS ATTACHMENT 9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

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

**This Application is filed on the behalf of Fresenius Medical Care Galesburg, 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 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 fee required for this application is sent herewith or will be paid upon request.**

Toni Huffman
SIGNATURE

Toni Huffman
PRINTED NAME

Regional Vice President
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6th day of Jan, 2020

Candace M Turoski
Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/09/21

SIGNATURE

Brandy Maxwell
PRINTED NAME

Director of Operations
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2020

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

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

This Application is filed on the behalf of Fresenius Medical Care Galesburg, 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 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 fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	BMaxwell SIGNATURE
Toni Huffman PRINTED NAME	Brandy Maxwell PRINTED NAME
Regional Vice President PRINTED TITLE	Director of Operations PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____, 2020	Notarization: Subscribed and sworn to before me this 7th day of Jan, 2020
Signature of Notary	Candace M. Turoski Signature of Notary
Seal	Seal OFFICIAL SEAL CANDACE M TUROSKI NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES:12/09/21

*Insert the EXACT legal name of the applicant

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

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

This Application is filed on the behalf of Fresenius Medical Care Holdings, Inc * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application 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 fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Bryan Mello
PRINTED NAME

Assistant Treasurer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 16th day of September 2019

Signature of Notary

Seal

SIGNATURE

Dorothy Rizzo
PRINTED NAME

Assistant Treasurer
PRINTED TITLE

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

Signature of Notary

Seal

*Insert the 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.

1110.110(a) – Background of the Applicant

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 listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.

3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

    a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.

    b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed.

    c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.

    d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.

    e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.

4. 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.**

5. 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 that the information was 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.

Criterion 1110.110(b) & (d)

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 relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the 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 the age and condition of the project site, as well as 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 Board Staff 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 1110.120 - 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 and it shall include the basis used for determining the space and the methodology applied.**

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 and certified by the facility's Medical Director.

   b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.

   c. The project involves the conversion of existing space that results in excess square footage.

   d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

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	MEET STANDARD?
YEAR 1					
YEAR 2					

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

NOT APPLICABLE – THERE IS NO UNFINISHED SHELL SPACE

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) 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 is 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:

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.

SECTION V. SERVICE SPECIFIC REVIEW CRITERIA

F. Criterion 1110.230 - In-Center Hemodialysis

1. Applicants proposing to establish, expand and/or modernize the In-Center Hemodialysis category of service must submit the following information:

2. Indicate station capacity changes by Service: Indicate # of stations changed by action(s):

☐ In-Center Hemodialysis	16	21

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.230(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.230(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.230(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.230(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.2300(b)(5) - Planning Area Need - Service Accessibility	X		
1110.230(c)(1) - Unnecessary Duplication of Services	X		
1110.230(c)(2) - Maldistribution	X		
1110.230(c)(3) - Impact of Project on Other Area Providers	X		
1110.230(d)(1), (2), and (3) - Deteriorated Facilities and Documentation			X
1110.230(e) - Staffing	X	X	
1110.230(f) - Support Services	X	X	X
1110.230(g) - Minimum Number of Stations	X		
1110.230(h) - Continuity of Care	X		
1110.230(i) - Relocation (if applicable)	X		
1110.230(j) - Assurances	X	X	
APPEND DOCUMENTATION AS ATTACHMENT 23, 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 1130.525 – "Requirements for Exemptions Involving the Discontinuation of a Health Care Facility or Category of Service" and subsection 1110.230(i) - Relocation of an in-center hemodialysis facility.

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)**

VI. 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]:**

45,000	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 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;
N/A	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.
N/A	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
72,000	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: 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.
N/A	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;
N/A	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
N/A	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
$117,000	**TOTAL FUNDS AVAILABLE**

APPEND DOCUMENTATION AS ATTACHMENT 33, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VII. 1120.130 - FINANCIAL VIABILITY

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

Financial Viability Waiver

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

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. 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
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage	***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.***			
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.

Variance

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

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII.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)	
		28.00			750			21,000	21,000
Contingency		0			750			0	0
TOTALS		$28.00			750			$21,000	$21,000

* 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 36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

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.

2.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 37.

CHARITY CARE (Self-Pay)			
Charity (# of patients)(Self-Pay)	**2016**	**2017**	**2018**
(Out-patient only)	233	280	294
Total Charity (cost in dollars)	$3,269,127	$4,598,897	$5,295,686
MEDICAID			
Medicaid (# of patients)	**2016**	**2017**	**2018**
(Out-patient Only)	396	320	328
Medicaid (revenue)	$7,310,484	$4,383,383	$6,630,014

* As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay Self-pay balances are written off to bad debt. Medicare may reimburse a portion of bad debt as part of cost reporting.

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Note: Medicaid reported numbers are impacted by the large number of patients who switch from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2018 of our commercial patients we had 977 Medicaid Risk patients with Revenues of $30,748,374.

SECTION X. CHARITY CARE INFORMATION

Charity Care information MUST be furnished for ALL projects [1120.20(c)].

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 39.

CHARITY CARE			
	2016	2017	2018
Net Patient Revenue	$450,657,245	$461,658,707	$436,811,409
Amount of Charity Care (self-pay charges)	$3,269,127	$4,598,897	$5,295,686
Cost of Charity Care (Self-Pay)	$3,269,127	$4,598,897	$5,295,686

*As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay Self-pay balances are written off to bad debt. Medicare may reimburse a portion of bad debt as part of cost reporting.

APPEND DOCUMENTATION AS ATTACHMENT 38, 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 included attachments:

INDEX OF ATTACHMENTS

ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	23-24
2	Site Ownership	25
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	26
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	27
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	28
8	Financial Commitment Document if required	29
9	Cost Space Requirements	30
10	Discontinuation	
11	Background of the Applicant	31-38
12	Purpose of the Project	39
13	Alternatives to the Project	40-41
14	Size of the Project	42
15	Project Service Utilization	43
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
	Service Specific:	
18	Medical Surgical Pediatrics, Obstetrics, ICU	
19	Comprehensive Physical Rehabilitation	
20	Acute Mental Illness	
21	Open Heart Surgery	
22	Cardiac Catheterization	
23	In-Center Hemodialysis	44-57
24	Non-Hospital Based Ambulatory Surgery	
25	Selected Organ Transplantation	
26	Kidney Transplantation	
27	Subacute Care Hospital Model	
28	Community-Based Residential Rehabilitation Center	
29	Long Term Acute Care Hospital	
30	Clinical Service Areas Other than Categories of Service	
31	Freestanding Emergency Center Medical Services	
32	Birth Center	
	Financial and Economic Feasibility:	
33	Availability of Funds	
34	Financial Waiver	58
35	Financial Viability	59
36	Economic Feasibility	60-66
37	Safety Net Impact Statement	67
38	Charity Care Information	68-69
Appendix 1	Physician Referral Letter	70-73

Applicant Identification

Applicant

Exact Legal Name: Fresenius Medical Care Galesburg, LLC d/b/a Fresenius Kidney Care Galesburg	
Street Address:	920 Winter Street
City and Zip Code:	Waltham, MA 02451
Name of Registered Agent:	CT Corporation Systems
Registered Agent Street Address:	208 S. LaSalle Street, Suite 814
Registered Agent City and Zip Code:	Chicago, IL 60604
Name of Chief Executive Officer:	Bill Valle
CEO Street Address:	920 Winter Street
CEO City and Zip Code:	Waltham, MA 02451
CEO Telephone Number:	800-662-1237

Type of Ownership of Applicant

☐ Non-profit Corporation ☐ Partnership
☐ For-profit Corporation ☐ Governmental
☒ Limited Liability Company ☐ Sole Proprietorship ☐ Other

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

Certificate of Good Standing for Fresenius Medical Care Galesburg, LLC on following page.

Co-Applicant

Exact Legal Name:	Fresenius Medical Care Holdings, Inc.
Street Address:	920 Winter Street
City and Zip Code:	Waltham, MA 02451
Name of Registered Agent:	CT Corporation Systems
Registered Agent Street Address:	208 S. LaSalle Street, Suite 814
Registered Agent City and Zip Code:	Chicago, IL 60604
Name of Chief Executive Officer:	Bill Valle
CEO Street Address:	920 Winter Street
CEO City and Zip Code:	Waltham, MA 02451
CEO Telephone Number:	800-662-1237

Type of Ownership of Co-Applicant

☐ Non-profit Corporation ☐ Partnership
☒ For-profit Corporation ☐ Governmental
☐ Limited Liability Company ☐ Sole Proprietorship ☐ Other

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

File Number 0394346-1

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

FRESENIUS MEDICAL CARE GALESBURG, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JUNE 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* 6TH *day of* JANUARY *A.D.* 2020 .

Authentication #: 2000602208 verifiable until 01/06/2021
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

Certificate of Good Standing
ATTACHMENT 1

Site Ownership

Exact Legal Name of Site Owner: Illinois Renal Services, LLC
Address of Site Owner: 2020 Broad Street, Galesburg, IL 61401
Street Address or Legal Description of the Site: 725 N. Seminary, Galesburg, IL 61401

Operating Identity/Licensee

Exact Legal Name: Fresenius Medical Care Galesburg, LLC d/b/a Fresenius Kidney Care Galesburg			
Address: 920 Winter Street, Waltham, MA 02451			
☐ Non-profit Corporation	☐ Partnership		
☐ For-profit Corporation	☐ Governmental		
☒ Limited Liability Company	☐ Sole Proprietorship	☐	Other

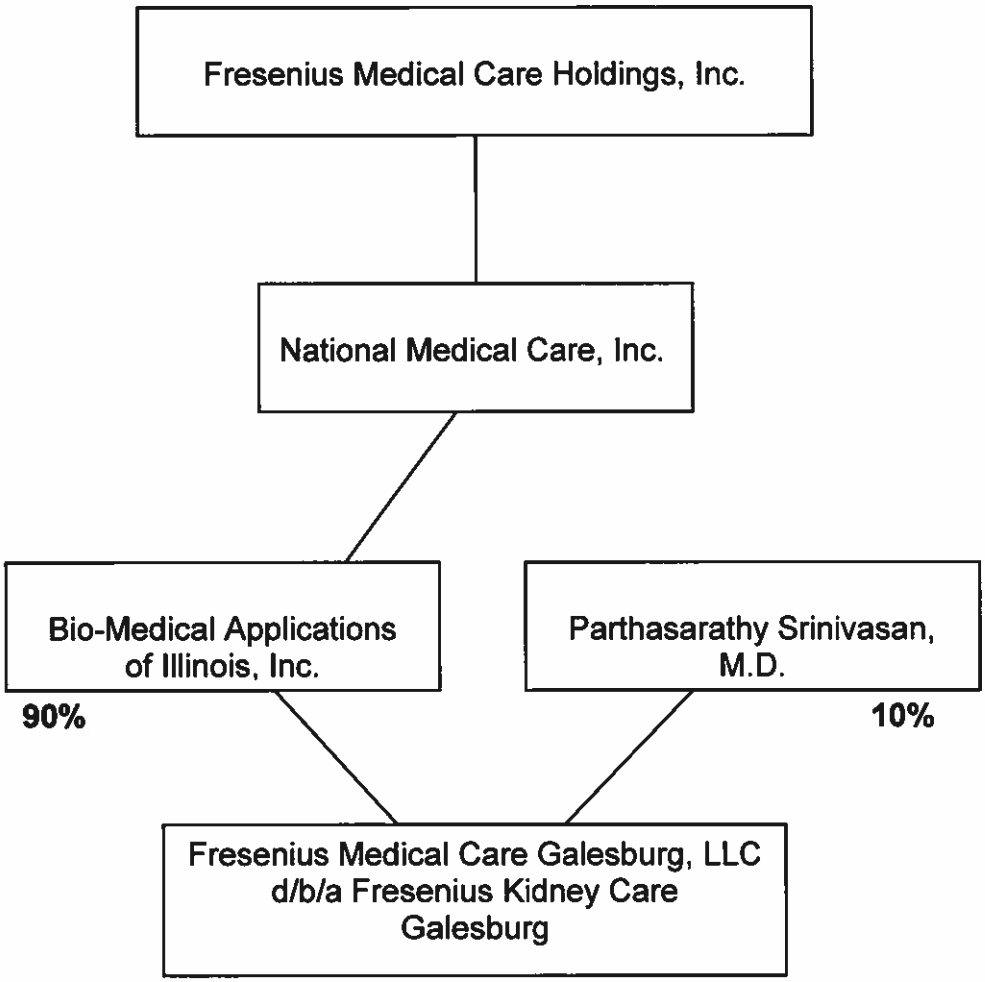
- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

***Certificate of Good Standing at Attachment – 1.**

Ownership

Fresenius Medical Care of Illinois, LLC has a 90% membership interest in Fresenius Medical Care Galesburg, LLC. Its address is 920 Winter Street, Waltham, MA 02451

Parthasarathy Srinivasan, M.D. has a 10% membership interest in Fresenius Medical Care Galesburg, LLC. His address is 2020 N. Broad Street, Galesburg, IL, 61404



Org Chart
ATTACHMENT - 4

SUMMARY OF PROJECT COSTS

Modernization	
Plumbing	21,000
Total	**$21,000**

Contingencies	**$0**

Architecture/Engineering Fees	**$0**

Moveable or Other Equipment	
Dialysis Chairs	14,000
TVs & Accessories	7,000
Other miscellaneous	3,000
Total	**$24,000**

Fair Market Value of Leased Space and Equipment	
FMV Leased Dialysis Machines	72,000
	$72,000

Grand Total	**$117,000**

Itemized Costs

ATTACHMENT - 7

Current Fresenius CON Permits and Status

Project Number	Project Name	Project Type	Completion Date	Comment
#16-042	Fresenius Kidney Care Paris Community	Establishment	03/31/2020	Permit Renewal/Financial Commitment Extension Request Approved 10/30/18
#17-065	Fresenius Kidney Care New Lenox	Establishment	12/31/2019	Undergoing Shell construction
#18-006	Fresenius Kidney Care Madison County	Establishment	06/30/2020	Undergoing Shell Construction
#18-039	Fresenius Kidney Care Grayslake	Establishment	03/31/2021	Permitting phase
#19-028	Fresenius Medical Care Metropolis	Expansion	05/31/2020	Stations in, waiting for certification
#19-034	Fresenius Medical Care Des Plaines	Expansion	03/31/2021	Permitted 10/22/19
#19-033	Fresenius Medical Care Skokie	Relocation	12/31/2021	Permitted 10/22/19
#19-035	Fresenius Medical Care Jackson Park	Relocation	10/22/2021	Permitted 10/22/19
#19-041	Fresenius Medical Care Melrose Park	Relocation	04/30/2021	Permitted 10/22/19
#19-045	Fresenius Medical Care Northfield	Discontinuation	07/31/2020	Operations Ceased 10/31/2019, waiting for decertification letter
#19-046	Fresenius Medical Care Maple City	Discontinuation	07/21/2020	Operations Ceased 10/31/2019 waiting for decertification letter
#19-047	Fresenius Medical Care Waterloo	Discontinuation	08/31/2020	Operations Ceased 11/30/2019 waiting for decertification letter
#19-040	Fresenius Kidney Care Mount Prospect	Expansion	12/31/2020	Permitted 12/10/2019

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.**

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing to be renovated**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE							
In-Center Hemodialysis Expansion Space	$117,000	750			750		
Total Reviewable	**$117,000**	**750**			**750**		
NON REVIEWABLE							
Total Non-Reviewable	**$0**	**0**			**0**		
TOTAL	**$117,000**	**750**			**750**		

FRESENIUS
KIDNEY CARE

About Us

Fresenius Kidney Care, a division of Fresenius Medical Care North America (FMCNA), provides dialysis treatment and services to over 190,000 people with kidney disease at more than 2,300 facilities nationwide. Fresenius Kidney Care patients have access to FMCNA's integrated network of kidney care services ranging from cardiology and vascular care to pharmacy and lab services as well as urgent care centers and the country's largest practice of hospitalist and post-acute providers. The scope and sophistication of this vertically integrated network provides us with seamless oversight of our patients' entire care continuum.

As a leader in renal care technology, innovation and clinical research, FMCNA's more than 67,000 employees are dedicated to the mission of delivering superior care that improves the quality of life for people with kidney disease. Fresenius Kidney Care supports people by helping to address both the physical and emotional aspects of kidney disease through personalized care, education and lifestyle support services so they can lead meaningful and fulfilling lives.

Bringing Our Mission to Life

At Fresenius Kidney Care, we understand that helping people with end stage renal disease (ESRD) live fuller, more active and vibrant lives is about much more than providing them with the best dialysis care. It's about caring for the whole person. That's why we use our vast resources to care for our patients emotional, medical, dietary, financial and well-being needs.

We also provide educational support for people with chronic kidney disease (CKD), including routine classes for people with later stage CKD. Our robust education programs are designed to improve patient outcomes and improve the quality of life for every patient.

- **KidneyCare:365**–A company-wide program designed to educate patients with CKD or ESRD about living with kidney disease. These classes are held routinely at a variety of locations including clinics, hospitals and physician offices. Class topics include understanding CKD, eating well, social support and treatment options.
- **Navigating Dialysis Program** – A patient education and engagement program focused on empowering patients with the knowledge they need to thrive during their first 90 days on dialysis. In-center and at- home patients receive a starter kit and supporting touchpoints from members of their care team covering topics like treatment, access, eating well and thriving.
- **Catheter Reduction Program** – 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). Starting dialysis with or converting patients to an AVF can significantly lower serious complications, hospitalizations and mortality rates.

Value Based Care Model

Healthcare is moving toward a value-based system focused on caring for the whole patient, improving efficiencies and reducing costs. One way that FMCNA has demonstrated its commitment is through a significant investment in End Stage Renal Disease Seamless Care Organizations (ESCOs), the nation's first disease-specific shared savings program designed to identify, test and evaluate new ways to improve care for Americans with ESRD.

In January 2017, the Centers for Medicaid and Medicare Services (CMS) awarded 18 new ESCO contracts to FMCNA, which was in addition to the six ESCOs the company was awarded in 2015. FMCNA now operates 24 of the 37 ESCOs awarded by CMS. FMCNA holds two ESCO contracts in Illinois, including Chicago and Bloomington that include Springfield and the St. Louis area.

Under each ESCO, local nephrologists and dialysis providers partner to develop an innovative care model based on highly coordinated, patient-centered care. By monitoring and managing the total care of the ESRD patient, the ESCO aims to avoid hospitalizations and help patients move from high-risk to lower-risk on the heath care continuum.

The cornerstone of the ESCO program for FMCNA is its Care Navigation Unit (CNU), a team of specially trained nurses and care technicians who provide 24/7 patient support and care management services. By focusing on both the physical and emotional needs of each patient, the CNU can anticipate issues before they arise and help patients respond more quickly when they happen. The CNU has proven that through rigorous patient monitoring and appropriate intervention, they can significantly improve patient health outcomes, reducing hospital admissions by up to 20 percent and readmissions by up to 27 percent in ESRD populations. This investment demonstrates the value FMCNA places on collaboration with CMS, policymakers and physicians for the benefit of its patients. It also shows the importance we place on patients taking active roles in their own care.

At FMCNA, we strive to be the partner of choice by leading the way with collaborative, entrepreneurial new models of value-based care that take full responsibility for the patients we serve while reducing costs and improving outcomes. This approach allows us to coordinate health care services at pivotal care points for hundreds of thousands of chronically ill people and enhance the lives of those trusted to our care.

FRESENIUS KIDNEY CARE

Five Star Quality Rated by CMS

Fresenius Kidney Care achieved the largest number of top-rated, Five Star dialysis centers in 2018, based on the Dialysis Facility Compare Five Star Quality Rating System issued by CMS. This focus on quality continues to drive Fresenius Kidney Care's success in Illinois.

Overview of Services

Treatment Settings and Options

- ✓ In-center hemodialysis
- ✓ At-home hemodialysis
- ✓ At-home peritoneal dialysis

Patient Support Services

- ✓ Nutritional counseling
- ✓ Social work services
- ✓ Home training program
- ✓ Clinical care
- ✓ Patient travel services
- ✓ Patient education classes
- ✓ Urgent care (acute)

Counseling and Guidance for Non-Dialysis Options

- ✓ Kidney transplant
- ✓ Supportive care without dialysis

Our Local Commitment

Fresenius Kidney Care is a predominant supporter of the National Kidney Foundation of Illinois (NKFI). The NKFI is an affiliate of the National Kidney Foundation, which funds medical research improving lives of those with kidney disease, prevention screenings and is a leading educator on kidney disease. Our Fresenius Kidney Care employees in the United States raised over $800,000 for the NKF Kidney Walk with $25,000 raised in Illinois through pledges and t-shirt sales. In addition, each year Fresenius Kidney Care donates $30,000 to the NKFI.

Background

ATTACHMENT - 11

Thrive On

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Fresenius Kidney Care In-center Clinics in Illinois

Clinic	Provider #	Address	City	Zip
Aledo	14-2658	409 NW 9th Avenue	Aledo	61231
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002
Aurora	14-2515	455 Mercy Lane	Aurora	60506
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651
Belleville	14-2839	6525 W. Main Street	Belleville	62223
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406
Bolingbrook	14-2605	329 Remington	Boilingbrook	60440
Breese	14-2637	160 N. Main Street	Breese	62230
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609
Burbank	14-2641	4811 W. 77th Street	Burbank	60459
Carbondale	14-2514	1425 Main Street	Carbondale	62901
Centre West Springfield	14-2546	1112 Centre West Drive	Springfield	62704
Champaign	14-2588	1405 W. Park Street	Champaign	61801
Chatham	14-2744	333 W. 87th Street	Chicago	60620
Chicago Dialysis	14-2506	1806 W. Hubbard Street	Chicago	60622
Chicago Heights	14-2832	15 E. Independence Drive	Chicago Heights	60411
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608
Cicero	14-2754	3000 S. Cicero	Chicago	60804
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624
Crestwood	14-2538	4861W. Cal Sag Road	Crestwood	60445
Decatur East	14-2603	1830 S. 44th St.	Decatur	62521
Deerfield	14-2710	405 Lake Cook Road	Deefield	60015
Des Plaines	14-2774	1625 Oakton Place	Des Plaines	60018
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185
DuQuoin	14-2595	825 Sunset Avenue	DuQuoin	62832
East Aurora	14-2837	840 N. Farnsworth Avenue	Aurora	60505
East Peoria	14-2562	3300 North Main Street	East Peoria	61611
Elgin	14-2726	2130 Point Boulevard	Elgin	60123
Elk Grove	14-2507	901 Biesterfield Road, Ste. 400	Elk Grove	60007
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805
Galesburg	14-8628	765 N Kellogg St, Ste 101	Galesburg	61401
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609
Geneseo	14-2592	600 North College Ave, Suite 150	Geneseo	61254
Glendale Heights	14-2617	130 E. Army Trail Road	Glendale Heights	60139
Glenview	14-2551	4248 Commercial Way	Glenview	60025
Grayslake	-	Belvidere Road	Grayslake	60030
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619
Gurnee	14-2549	101 Greenleaf	Gurnee	60031
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429
Highland Park	14-2782	1657 Old Skokie Road	Highland Park	60035
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195
Humboldt Park	14-2821	3500 W. Grand Avenue	Chicago	60651
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649
Joliet	14-2739	721 E. Jackson Street	Joliet	60432
Kewanee	14-2578	230 W. South Street	Kewanee	61443
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613
Lemont	14-2798	16177 W. 127th Street	Lemont	60439
Logan Square	14-2766	2721 N. Spalding	Chicago	60647
Lombard	14-2722	1940 Springer Drive	Lombard	60148
Macomb	14-2591	523 E. Grant Street	Macomb	61455
Madison County	-	1938 -1946 Grand Ave.	Granite City	62040
Marquette Park	14-2566	6515 S. Western	Chicago	60636
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
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
Moline	14-2526	400 John Deere Road	Moline	61265
Mount Prospect	14-2843	1710-1790 W. Golf Road	Mount Prospect	60056
Mundelein	14-2731	1400 Townline Road	Mundelein	60060

Clinic	Provider #	Address	City	Zip
Naperbrook	14-2765	2451 S Washington	Naperville	60565
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563
New City	14-2815	4622 S. Bishop Street	Chicago	60609
New Lenox	-	Cedar Crossing Development	New Lenox	60451
Niles	14-2559	7332 N. Milwaukee Ave	Niles	60714
Normal	14-2778	1531 E. College Avenue	Normal	61761
Norridge	14-2521	4701 N. Cumberland	Norridge	60656
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630
Northcenter	14-2531	2620 W. Addison	Chicago	60618
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611
NxStage Oak Brook	14-2779	1600 16th Street	Oak Brook	60513
Oak Forest	14-2764	5340A West 159th Street	Oak Forest	60452
Oak Park	14-2504	773 W. Madison Street	Oak Park	60302
Orland Park	14-2550	9160 W. 159th St.	Orland Park	60462
Oswego	14-2677	1051 Station Drive	Oswego	60543
Ottawa	14-2576	1601 Mercury Circle Drive, Ste. 3	Ottawa	61350
Palatine	14-2723	691 E. Dundee Road	Palatine	60074
Pekin	14-2571	3521 Veteran's Drive	Pekin	61554
Paris	-	721 E Court Street	Paris	61944
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
Plainfield North	14-2596	24024 W. Riverwalk Court	Plainfield	60544
Polk	14-2502	557 W. Polk St.	Chicago	60607
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764
Prairie	14-2569	1717 S. Wabash	Chicago	60616
Randolph County	14-2589	102 Memorial Drive	Chester	62233
Regency Park	14-2558	124 Regency Park Dr., Suite 1	O'Fallon	62269
River Forest	14-2735	103 Forest Avenue	River Forest	60305
Rock Island	14-2703	2623 17th Street	Rock Island	61201
Rock River - Dixon	14-2645	101 W. Second Street	Dixon	61021
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008
Roseland	14-2690	135 W. 111th Street	Chicago	60628
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621
Round Lake	14-2616	401 Nippersink	Round Lake	60073
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946
Sandwich	14-2700	1310 Main Street	Sandwich	60548
Schaumburg	14-2802	815 Wise Road	Schaumburg	60193
Silvis	14-2658	880 Crosstown Avenue	Silvis	61282
Skokie	14-2618	9801 Wood Dr.	Skokie	60077
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617
South Elgin	14-2856	770 N. McLean Blvd.	South Elgin	60177
South Deering	14-2756	10559 S. Torrence Ave.	Chicago	60617
South Holland	14-2542	17225 S. Paxton	South Holland	60473
South Shore	14-2572	2420 E. 79th Street	Chicago	60649
Southside	14-2508	3134 W. 76th St.	Chicago	60652
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461
Southwestern Illinois	14-2535	7 Professional Drive	Alton	62002
Spoon River	14-2565	340 S. Avenue B	Canton	61520
Springfield East	14-2853	1800 E. Washington Street	Springfield	62703
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
Summit	14-2802	7319-7322 Archer Avenue	Summit	60501
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640
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
West Chicago	14-2702	1859 N. Neltnor	West Chicago	60185
West Metro	14-2536	1044 North Mozart Street	Chicago	60622
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302
West Willow	14-2730	1444 W. Willow	Chicago	60620
Westchester	14-2520	2400 Wolf Road, Ste. 101A	Westchester	60154
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959
Willowbrook	14-2632	6300 S. Kingery Hwy, Ste. 408	Willowbrook	60527
Woodridge	14-2845	7550 Janes Avenue	Woodridge	60517
Zion	14-2841	1920-1920 N. Sheridan Road	Zion	60099

Facility List
ATTACHMENT - 11

Certification & Authorization

Fresenius Medical Care Galesburg, LLC

In accordance with Section III, A (2) of the Illinois Health Facilities & Services Review Board Application for Certificate of Need; I do hereby certify that no adverse actions have been taken against Fresenius Medical Care Galesburg, 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 & Services Review Board; and

In regards to section III, A (3) of the Illinois Health Facilities Services & Review 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: Toni Huffman

Toni Huffman

ITS: Regional Vice President

Notarization:
Subscribed and sworn to before me
this 6th day of Jan, 2020

Candace M Turoski

Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/09/21

By: _____

Brandy Maxwell

ITS: Director Of Operations

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2020

_____

Signature of Notary

Seal

ATTACHMENT - 11

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Fresenius Medical Care Galesburg, LLC

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By:_____
Toni Huffman

ITS: Regional Vice President

Notarization:
Subscribed and sworn to before me
this_____ day of _____, 2020

_____
Signature of Notary

Seal

By: B Maxwell
Brandy Maxwell

ITS: Director Of Operations

Notarization:
Subscribed and sworn to before me
this 7th day of Jan, 2020

Candace M Turoski
Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/09/21

ATTACHMENT - 11

Certification & Authorization

Fresenius Medical Care Holdings, Inc.

In accordance with Section III, A (2) of the Illinois Health Facilities & Services Review 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 & Services Review Board; and

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

By: _____

ITS: Bryan Mello
Assistant Treasurer

By: _____

ITS: Dorothy Rizzo
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 16th day of September, 2019

Signature of Notary

Seal

Notarization:
Subscribed and sworn to before me
this_____ day of _____, 2019

Signature of Notary

Seal

ELIZABETH D. SCULLY
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
October 14, 2022

ATTACHMENT - 11

Criterion 1110.230 – Purpose of Project

1. The purpose of this project is to maintain life-sustaining dialysis services in the Federally Designated Medically Underserved Area of Galesburg, in Knox County, the most cost-effective way by adding 5 ESRD stations in existing space at the Fresenius Galesburg facility. As of December 2019, the facility was operating at 90% utilization with 86 patients and 16 stations. The result of the expansion will be a 21-station ESRD facility.

2. The Fresenius Galesburg facility is located in Galesburg, which is in Knox County and HSA 2. This is a Medically Underserved Area.

3. Fresenius Galesburg has been operating at an average 85% utilization rate over the past 12 months and 87% over the past 24 months. High utilization rates restrict access to treatment schedule times for patients new to dialysis causing conflicts with their work or family responsibilities. At high utilization rates, new patients generally are scheduled on the 3rd shift of the day which ends around 8 p.m. There are fewer transportation options for patients going home from treatment at this time of night causing hardship for the patient and family members who must transport them.

4. Not Applicable

5. Increasing the capacity at the Galesburg facility will maintain access to dialysis services in this medically underserved area where the closest clinic is 27 miles away. The additional stations will help to prevent the initiation of a 4th treatment shift, if the facility reaches capacity, that ends at midnight. They will also provide patients with a choice of treatment shift times that would better coordinate with their home life, employment, and transportation options.

6. The goal of Fresenius Medical Care is to keep dialysis access available to this underserved patient population that it has served for over 20 years. 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. This facility participates in the Value Based CMS ESRD Seamless Care Organization (ESCO) which increases patient monitoring resulting in higher quality, fewer hospitalizations/readmissions and significant cost savings to Medicare. It is expected that this facility would continue to have similar quality outcomes after the expansion. Fresenius Galesburg's patients have the quality values as listed below:

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

Alternatives

1) All Alternatives

A-C.

- The alternative of doing nothing will not address patient access issues due to the high utilization currently and historically at the Fresenius Galesburg clinic and therefore was not considered. There is no cost to this alternative.

- The closest facility to Fresenius Galesburg is 27 miles away and is not an option for Galesburg area patients. There is no cost to referring patients to other area facilities.

- The alternative of adding fewer stations was already acted upon. Two stations were added in 2019 and the facility remains above the 80% State standard at 90%. The cost of the two stations was approximately $38,000.

- The facility is already a joint venture, which does not impact the overall project costs.

- The chosen alternative for addressing high utilization at the Galesburg facility, located in a medically underserved area, is the most cost effective by adding five stations in existing space. The cost of this project is $117,000.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Do Nothing	Rejected – won't address patient access issues in Galesburg			
Admit patients to other area facilities.	The nearest facility is 27 miles away.			
Establish a Joint Venture	The facility is already a joint venture.			
Expand Fresenius Galesburg by 5 stations.	$117,000	Access to dialysis treatment will be maintained in the medically underserved Galesburg area of Knox County. New ESRD patients will have treatment shift scheduling options with additional stations.	Fresenius Kidney Care Galesburg's patient quality is above standards and it is expected to remain so. This facility also participates in the Value Based CMS ESCO.	This cost is to Fresenius 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. This facility participates in the Value Based CMS ESRD Seamless Care Organization which increases patient monitoring resulting in higher quality, fewer hospitalizations/readmissions and significant cost savings to Medicare. It is expected that this facility would continue to have similar quality outcomes after the expansion. The Galesburg facility patients have the quality values as listed below:

- 96% 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 450-650 BGSF Per Station**	**DIFFERENCE**	**MET STANDARD?**
ESRD IN-CENTER HEMODIALYSIS	750 Existing (5 Stations)	2,200 – 3,250 BGSF	None	Yes

The State Standard for ESRD is between 450 - 650 BGSF per station. The proposed 750 BGSF of existing expansion space meets the State standard.

Criterion 1110.234, Project Services Utilization

Utilization calculated on conventional 6 daily shifts					
	DEPT/SERVICE	CURRENT UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
Current Utilization	IN-CENTER HEMODIALYSIS	86 Patients 90% Utl		80%	Yes
YEAR 1	IN-CENTER HEMODIALYSIS		Patients 108 86%	80%	Yes
YEAR 2	IN-CENTER HEMODIALYSIS		115 Patients 91%	80%	Yes

The facility is expected to remain above the 80% State target Utilization despite the 5-station addition.

2. Planning Area Need – Service to Planning Area Residents:

A. The primary purpose of this project is to provide access to in-center hemodialysis services to the residents of the Galesburg area of Knox County in HSA 2. 100% of current ESRD and pre-ESRD patients identified who are expected to be referred to the Galesburg facility reside in HSA 2, thereby meeting this requirement.

HSA	Pre-ESRD PATIENTS EXPECTED TO BE REFERRED TO FRESENIUS KIDNEY CARE GALESBURG IN 2 YEARS AFTER THE 5-STATION ADDITION
2	72 Pts. - 100%

HSA	DECEMBER 2019 ESRD PATIENTS OF FRESENIUS KIDNEY CARE GALESBURG
2	86 Pts. - 100%

Service Demand – Expansion of In-center Hemodialysis Service

A. Historical Service Demand

The Fresenius Kidney Care Galesburg 16-station dialysis facility, located in a Medically Underserved Area, is operating at 90% utilization with 86 patients as of December 2019 and has been operating at 85% for the past year and 87% for the past 24 months based on three daily shifts.

The facility recently relocated and added 2 additional stations, but due to the unforeseen closure of the nearby Maple City facility in Monmouth, triggering the transfer of several patients to Galesburg, additional stations are needed to keep up with the demand. We also anticipate utilizing two of the proposed in-center stations to have patients learn about other modalities through our "Experience the Difference" program.

Experience the Difference places the 3-times-a week in-center patient in one of the designated stations for 2 weeks and provides 4 or 5 times-a-week dialysis treatments. Through this program, the patient experiences how much better they can feel by dialyzing more often, all while learning more about home therapies options. At the end of two weeks the patient is free to remain as a traditional in-center patient or chose a home therapy option. The Galesburg facility also offers a home therapies program to provide continuity of care for these patients.

See following page for Dr. Srinivasan's patient referral letter.

Illinois
Kidney Disease &
Hypertension Center

RenalCare
Associates, S.C.

Nephrology Associates
Alexander J. Alonso, M.D.
Robert Bruha, M.D.
Sudha Cherukuri, M.D.
Anthony R. Horinek, M.D.
Raji Jacob, M.D.
Gordon W. James, M.D.
Amit B. Jamnadas, M.D.
Usman Khan, M.D.
Muhammad Khattak, M.D.
Dinesh K. Kannabhiran, M.D.
Timothy A. Pflederer, M.D.
David C. Rosborough, M.D.
Samer B. Sader, M.D.
Kumarpal C. Shrishrimal, M.D.
Robert T. Sparrow, M.D., FASH
Parthasarathy Srinivasan, M.D.

Surgery Associates
Manish Gupta, M.D.
Timothy P. O'Connor, M.D., F.A.C.S.

Physician Assistants
Holly R. Walker, P.A.-C.

Nurse Practitioners
Sarah Adams, APN
Judith A. Dansizen, A.P.R.N.-B.C.
Karen A. Helfers, F.N.P.
Catherine Lang, APN
Tonya K. McDougall, F.N.P.
Tonya Moore, APN
DaNae Nelson, APN
Jill C. Peterson, A.N.P.

Executive Director
Beth A. Shaw, MBA

Director of Operations
Annette Miller, MSN, RN, CEN, CNE

Main Offices
Peoria
200 E. Pennsylvania Ave., Suite 212
(309) 676-8123

Bloomington
1404 Eastland Drive, Suite 103
(309) 663-4766

Galesburg
765 N. Kellogg, Suite 203
(309) 343-4114

Ottawa
1050 E. Norris Dr., Suite 2C
(815) 431-0785

January 2, 2020

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 Parthasarathy Srinivasan, M.D. and I am a nephrologist practicing in western Illinois with Renal Care Associates (RCA) and am the medical director at Fresenius Medical Care Galesburg. I am writing in support of the 5-station expansion at the Galesburg facility. The facility just added two stations, however due to the unforeseen closure of the Maple City clinic, triggering the transfer of 15 patients to Galesburg, additional stations are now needed.

I am a strong proponent for home therapies, which is easier on the patient and produces better patient outcomes. I have seen a 25% increase in patients on home dialysis here in the past year, however, I have also seen a steady increase in the in-center population. Two of the additional 5 stations will offer Fresenius' Experience the Difference program. Current in-center hemodialysis patients will be able to spend two weeks dialyzing 4 to 5 times a week, similar to how home dialysis patients receive treatment. In this short time patients generally notice a significant difference in how much better they start to feel. After this experience many choose to begin training to dialyze at home.

My partner and I have referred 32 new patients for hemodialysis services over the past twelve months. We were treating 100 hemodialysis patients at the of 2017, 109 at the end of 2018, and 107 as of December 30, 2019. We have 266 Stage 4 and 5 Chronic Kidney Disease patients in our practice who live in the Galesburg area and I anticipate that 26 will require dialysis services in the upcoming year and another 72 will require dialysis in the first two years of operation of the 5 additional stations.

I respectfully ask the Board to approve the 5-station expansion of Fresenius Medical Care Galesburg dialysis facility to allow ample access for new patients who will be starting dialysis in the near future. Thank you for your consideration.

Illinois
Kidney Disease &
Hypertension Center

RenalCare
Associates, S.C.

Nephrology Associates
Alexander J. Alonso, M.D.
Robert Bruha, M.D.
Sudha Cherukuri, M.D.
Anthony R. Horinek, M.D.
Raji Jacob, M.D.
Gordon W. James, M.D.
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Galesburg
765 N. Kellogg, Suite 203
(309) 343-4114

Ottawa
1050 E. Norris Dr., Suite 2C
(815) 431-0785

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,

Parthasarathy Srinivasan, M.D.

Notarization:
Subscribed and sworn to before me this 2nd day of January, 2020

Rebecca L. Webster
Signature of Notary
(seal)

OFFICIAL SEAL
REBECCA L. WEBSTER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES DECEMBER 04, 2020

NEW HEMODIALYSIS REFERRALS FOR THE PAST 12 MONTHS

Zip Code	Patients
61401	13
61469	1
61488	1
61413	1
61455	3
61430	1
62367	1
61489	1
62326	1
61410	1
61412	1
61467	1
61480	1
61485	1
61422	1
61462	1
62321	1
61544	1
Total	32

CURRENT GALESBURG IN-CENTER PATIENTS

Zip Code	Patients
61401	54
61410	4
61412	2
61414	1
61418	1
61430	1
61447	1
61448	2
61462	12
61467	2
61469	1
61472	1
61486	1
61489	2
61544	1
Total	86

PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE GALESBURG FACILITY THE UPCOMING YEAR AND IN THE 1ST TWO YEARS AFTER ADDITION OF THE 5 NEW STATIONS

Zip Code	Before Stations Operate - Stage 5	Year 1 & 2 of New Stations - Stage 4
61485	1	0
61489	1	1
61572	1	1
61472	1	1
61488	1	2
61414	0	1
61423	0	1
61410	1	5
61467	0	1
61401	18	50
61448	1	6
61436	1	1
61428	0	1
61458	0	1
Total	26	72

DR. SRINIVASAN'S PRACTICE HEMODIALYSIS PATIENTS

Facility/Zip Code	In-Center Patients			
	12/16	12/17	12/18	12/19
Fresenius Macomb	**18**	**18**	**15**	**21**
61416	1	1		
61422				4
61427	1			
61441		1		
61450			1	
61452			1	
61455	11	12	8	10
61473				2
61480				1
61484	1			
61501	1	1	1	
61604		1		
62305			1	1
62321			1	1
62374	1	1	1	1
61567	1	1	1	1
62319	1			
Fresenius Galesburg	**68**	**74**	**73**	**86**
34677	1	1		
55448	1	1		
61401	51	57	56	54
61410	4	4	5	4
61412			1	2
61414			1	1
61418				1
61422	1			
61430	1	1		1
61447				1
61448	4	4	2	2
61458		1		
61462	1	2	1	12
61467			1	2
61469				1
61472			1	1
61486	1	1	1	1
61488	1	1	2	
61489	2	1	2	2
61544				1
Fresenius Maple City	**14**	**17**	**19**	**Closed**
61401	1	1		
61418	1	1	1	
61447	1			
61453			1	
61462	9	10	11	
61469		1	1	
61473	2	4	3	
61480			1	
89119			1	
Grand Total	**100**	**109**	**107**	**107**

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Parthasarathy Srinivasan is currently the Medical Director for Fresenius Kidney Care Galesburg and will continue to be the Medical Director after the expansion. Attached is his curriculum vitae.

B. All Other Personnel

The Galesburg facility currently employs the following staff:

- Clinic Manager who is a Registered Nurse
- 7 Registered Nurses
- 1 Licensed Practical Nurse
- 5 Patient Care Technicians
- Part-time Registered Dietitian
- Part-time Licensed Master Level Social Worker
- Part-time Equipment Technician
- Full-time Secretary

4-5 additional patient care technicians will be hired for the 5-station expansion.

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

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

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

CURRICULUM VITAE

Smitha R. Pamulaparthy, M.D.

PERSONAL INFORMATION

Date of Birth:	August 14, 1977
Place of Birth:	Hyderabad, India
Home Telephone:	
Work Address:	RenalCare Associates, S.C. 200 Pennsylvania Ave, Suite 212 Peoria, Illinois, 61603 02/12 - present
Work Telephone:	309/676-8123
Work Fax:	309/676-8455

BOARD CERTIFICATION

10/13	**Board Certified** in Nephrology by American Board of Internal Medicine
07/06 – 12/16	**Board Certified** in Internal Medicine by American Board of Internal Medicine

MEDICAL EDUCATION

10/94 – 06/00	**Bachelor of Medicine and Bachelor of Surgery (M.B.B.S.)** *NTR University of Health Sciences*	*A.P., India*
07/03 – 06/04	**Internal Medicine Intern** *Mercy Catholic Medical Center*	*Darby, PA*
07/04 – 06/06	**Internal Medicine Resident** *Louis A. Weiss/University of Illinois*	*Chicago, IL*
11/09 – 11/11	**Fellow in Nephrology** *Wayne State University*	*Detroit, MI*

CLINICAL EXPERIENCE

07/06 – 10/09	**Hospitalist** *Memorial Medical Center*	*Modesto, CA*
07/99 – 06/10	**Internship** *Ghandhi General Hospital*	*A.P., India*

CERTIFICATIONS

- Basic and Advanced Cardiac Life Support
- Lumbar Puncture
- Paracentesis
- Thoracentesis
- Central Line Insertions
- Arterial Line Insertions
- Swan Ganz Catheter Insertions

- USMLE Step 1
- USMLE Step 2
- ECFMG Certified
- USMLE Step 3

HONORS AND AWARDS

- Best outgoing student of SV High School Batch of 1994
- Honors in Pharmacology and Microbiology
- Ranked among the first 10% of students of my class in Medical School
- Travel grant to attend National Kidney Foundation 2010 at Orlando from April 14-17, 2010
- Travel grant to attend Annual American Society of Nephrology Meeting at Denver, Colorado, from November 18-21, 2010

PROFESSIONAL ASSOCIATION MEMBERSHIP

- American College of Physicians
- Gandhi Medical College Alumni Association
- American Society of Nephrology
- National Kidney Foundation

HOSPITAL STAFF APPOINTMENTS

2012-present	St. Francis Medical Center, Peoria, Illinois, active staff
2012-present	Unity Point Health Methodist , Peoria, Illinois, active staff
2012-present	Unity Point Health Proctor, Peoria, Illinois, courtesy staff
2012-present	Graham Hospital, Canton, Illinois, consulting staff
2012-present	Pekin Hospital, Pekin, Illinois, courtesy staff
2012-present	Advocate BroMenn Medical Center, Normal, Illinois, courtesy staff
2012-present	St. Joseph's Medical Center, Bloomington, Illinois, courtesy staff
2012-present	St. Margaret's Hospital, Spring Valley, Illinois, consulting staff
2012-present	Kewanee Hospital, Kewanee, Illinois, pending staff
2012-present	St. Elizabeth Medical Center, Ottawa, Illinois, affiliate staff
2012-present	Perry Memorial Hospital, Peru, Illinois, consulting staff
2012-present	Illinois Valley Community Hospital, Princeton, Illinois, consulting staff
2012-present	Kindred Healthcare, Peoria, Illinois, consulting staff
2012-present	McDonough Hospital, Macomb, Illinois, consulting staff
2012-present	Mendota Hospital, Mendota, Illinois, consulting staff
2012-present	St. Mary's Hospital, Streator, Illinois, courtesy staff
2012-present	Hopedale Hospital, Hopedale, Illinois, courtesy staff
2012-present	OSF St. Mary's Medical Center, Galesburg, Illinois, courtesy staff
2012-present	Galesburg Cottage Hospital, Galesburg, Illinois, temporary staff

LANGUAGE FLUENCY

- English
- Hindi
- Telugu

Facility Affiliations

Doctor: Smitha Pamulaparthy, M.D.

Facility	Address, Phone, Fax	Start Date	End Date	Status
Bromenn Advocate Healthcare	P.O. Box 2850 Bloomington, IL 61702 P: 309-268-2171 F: 309-451-2949	04/12	Present	Courtesy
DaVita Dialysis Center	5200 Virginia Way, Suite 400 Brentwood, TN 37027 P: 615-341-6528 F:877-819-6530	1/14	Present	Active
Fresenius Dialysis Centers	3300 N Main St East Peoria, IL 61611 P: 309-698-8312 F: 309-624-6983	02/12	Present	Active
Graham Hospital	210 W. Walnut St. Canton, IL 61520 P: 309-647-5240 F: 309-649-5101	03/12	Present	Consulting
Hopedale Hospital	107 Tremont St Hopedale, IL 61747 P: 309-449-3321 F: 309-449-5441	02/12	Present	Courtesy
IVCH Hospital	925 West St Peru, IL 61354 P: 815-223-3300 F: 815-780-3640	05/12	Present	Consulting
Kindred Healthcare	500 W Romeo B Garrett Ave Peoria, IL 61605 P: 309-680-1500 F: 309-680-1486	06/12	Present	Consulting
McDonough Hospital	525 E Grant St Macomb, IL 61455 P: 309-833-4101 F: 309-836-1610	03/12	Present	Consulting
Mendota Hospital	1401 East 12th Street Mendota, IL 61342 P: 815-539-7461 F: 815-539-1765	04/12	Present	Consulting
Unity Point Health Methodist	221 NE Glen Oak Ave Peoria, IL 61636 P: 309-672-4932 F: 309-672-4517	02/12	Present	Active
OSF St. Elizabeth Medical Center	1100 E Norris Dr Ottawa, IL 61350 P: 815-431-5454 F: 815-431-5500	04/12	Present	Affiliate
*OSF St. Francis Medical Center	530 NE Glen Oak Ave Peoria, IL 61637 P: 309-655-6769 F: 309-624-8933	03/12	Present	Active
OSF St. Joseph Medical Center	2200 E. Washington Bloomington, IL 61701 P: 309-662-3311 F: 309-662-0006	03/12 4/12	Present	Courtesy
OSF St. Mary Medical Center	3333 N. Seminary Street Galesburg, IL 61401 P: 309-344-3161 F: 309-344-9423	09/12 11/12	Present	Courtesy
Pekin Hospital	600 S. 13th St. Pekin, IL 61554 P: 309-347-1151 F: 309-353-0561	05/12	Present	Courtesy
Perry Memorial Hospital	530 Park Ave East Princeton, IL 61356 P: 815-876-2293 F: 815-872-6006	03/12	Present	Consulting
Unity Point Health Proctor	5409 N. Knoxville Ave. Peoria, IL 61614 P: 309-691-1000 F: 309-683-6137	04/12	Present	Courtesy
Renal Intervention Center Ambulatory Surgery Center	430 Maxine Dr Morton, IL 61550 P: 309-266-7600 F: 309-266-7680	08/12	Present	Active
St. Margaret's Hospital	600 E. 1st St. Spring Valley, IL 61362 P: 815-664-1424 F: 815-223-5346	03/12	Present	Consulting
St. Mary's Hospital	111 Spring St Streator, IL 61364 P: 815-673-4623 F: 815-673-4621	03/12	Present	Courtesy
PRS Dialysis	188 Industrial Drive, Suite 315 Elmhurst, IL 60126 P: 630-359-3249 F: 630-359-3251	07/12	Present	Active

Physician CV
ATTACHMENT 23e

Criterion 1110.1430 (e)(5) Medical Staff

I am the Regional Vice President at Fresenius Medical Care who oversees the Galesburg facility and in accordance with 77 Il. Admin Code 1110.230, I certify the following:

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

Toni Huffman
Signature

Toni Huffman
Printed Name

Regional Vice President
Title

Subscribed and sworn to before me
this 16th day of Jan, 2020

Candace M Turoski
Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/09/21

Criterion 1110.1430 (f) – Support Services

I am the Regional Vice President at Fresenius Medical Care who oversees the Galesburg facility. In accordance with 77 Il. Admin Code 1110.230, and with regards to Fresenius Kidney Care Galesburg, I certify to the following:

- Fresenius Medical Care utilizes a patient data tracking system in all its facilities.
- These support services are available at Fresenius Kidney Care Galesburg during all six shifts:
  - Nutritional Counseling
  - Psychiatric/Social Services
  - Home/self training
  - Clinical Laboratory Services – provided by Spectra Laboratories
- The following services are provided via referral to Galesburg Cottage Hospital, Galesburg:
  - Blood Bank Services
  - Rehabilitation Services
  - Psychiatric Services

Toni Huffman

Signature

Toni Huffman/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 6th day of Jan, 2020

Candace M Turoski

Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/09/21

Criterion 1110.1430 (j) – Assurances

I am the Vice President of Operations at Fresenius Medical Care who oversees the Galesburg facility. In accordance with 77 Il. Admin Code 1110.230, and with regards to Fresenius Kidney Care Galesburg, I certify the following:

1. As supported in this application through current patients and expected referrals to Fresenius Kidney Care Galesburg in the first two years of operation of the additional 5 stations, the facility is expected to achieve and maintain the utilization standard, specified in 77 Ill. Adm. Code 1100, of 80% and;

2. Fresenius Kidney Care Galesburg hemodialysis patients have achieved adequacy outcomes of:

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

and same is expected after the expansion.

Toni Huffman

Signature

Toni Huffman/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 6th day of Jan, 2020

Candace M Turoski

Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/09/21

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.

2017 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted to the Board via email on August 14, 2018.

2018 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted to the Board via email on May 15, 2019.

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	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. New Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Mod. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
ESRD Expansion		28			750			21,000	21,000
Contingency		0			0			0	0
Total Expansion		**$28**			**750**			**$21,000**	**$21,000**
Non Reviewable		0			0			0	0
Contingency		0			0			0	0
Total Non-Reviewable		**$0**			**0**			**$0**	**$0**
TOTALS		**$28**			**750**			**$21,000**	**$21,000**

* Include the percentage (%) of space for circulation

Criterion 1120.310 (d) – Projected Operating Costs

Year 2020

Estimated Personnel Expense:	$1,224,272
Estimated Medical Supplies:	$525,319
Estimated Other Supplies (Exc. Dep/Amort):	$1,330,113
	$3,079,705
Estimated Annual Treatments:	13,824
Cost Per Treatment:	$222.78

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

Year 2020

Depreciation/Amortization:	$60,891
Interest	$0
Capital Costs:	$60,891
Treatments:	13,824
Capital Cost per Treatment	$4.40

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Galesburg, 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: Toni Huffman

Toni Huffman

Title: Regional Vice President

Notarization:
Subscribed and sworn to before me
this 6th day of Jan, 2020

Candace M Turoski

Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/09/21

By: _____

Brandy Maxwell

Title: Director of Operations

Notarization:
Subscribed and sworn to before me
this_____ day of _____, 2020

_____

Signature of Notary

Seal

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Galesburg, 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: _____
Toni Huffman

Title: Regional Vice President

Notarization:
Subscribed and sworn to before me
this_____ day of _____, 2020

_____
Signature of Notary

Seal

By: B Maxwell
Brandy Maxwell

Title: Director of Operations

Notarization:
Subscribed and sworn to before me
this 7th day of Jan, 2020

Candace M Turoski
Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/09/21

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: Bryan Mello
Assistant Treasurer

By: _____

Title: Dorothy Rizzo
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 16th day of September 2019

Signature of Notary

Seal

Notarization:
Subscribed and sworn to before me
this_____ day of _____, 2019

Signature of Notary

Seal

ELIZABETH D. SCULLY
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
October 14, 2022

Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Galesburg, 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: Toni Huffman

Toni Huffman

ITS: Regional Vice President

Notarization:
Subscribed and sworn to before me
this 6th day of Jan, 2020

Candace M. Turoski

Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/09/21

By: _____

Brandy Maxwell

ITS: Director of Operations

Notarization:
Subscribed and sworn to before me
this_____ day of _____, 2020

_____

Signature of Notary

Seal

Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Galesburg, 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: _____
Toni Huffman

ITS: Regional Vice President

Notarization:
Subscribed and sworn to before me
this_____ day of _____, 2020

_____
Signature of Notary

Seal

By: B Maxwell
Brandy Maxwell

ITS: Director of Operations

Notarization:
Subscribed and sworn to before me
this 7th day of Jan, 2020

Candace M Turoski
Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/09/21

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: Bryan Mello
Assistant Treasurer

By: _____

ITS: Dorothy Rizzo
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 16th day of September 2019

Signature of Notary

Seal

Notarization:
Subscribed and sworn to before me
this_____ day of _____, 2019

Signature of Notary

Seal

ELIZABETH D. SCULLY
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
October 14, 2022

Safety Net Impact Statement

The 5-station expansion of Fresenius Kidney Care Galesburg will not have any impact on safety net services in the Galesburg area of Knox County in HSA 2. Outpatient dialysis services are not typically considered "safety net" services, however, we do provide care for patients in the community who are economically challenged and/or who are undocumented who do not qualify for Medicare/Medicaid and qualify under FMCNA's Indigent Waiver policy. We assist patients who do not have insurance in enrolling when possible in Medicare, Medicaid or insurance on the Healthcare Marketplace. Also, our social services department assists patients who have issues regarding transportation and/or mobility needs with making arrangement for transport to and from the unit.

This 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 North America is a for-profit publicly traded company and is not required to provide charity care, nor does it do so according to the CON Board's definition. However, Fresenius Kidney Care provides care to patients who do not qualify for any type of coverage for dialysis services. These patients are considered "self-pay" patients. They are billed for services rendered, and after three statement reminders the charges are evaluated to determine if criteria has been met for 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. 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 below 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 Kidney Care facilities in Illinois.

CHARITY CARE (Self-Pay)			
Charity (# of patients)(Self-Pay)	**2016**	**2017**	**2018**
(Out-patient only)	233	280	294
Total Charity (cost in dollars)	$3,269,127	$4,598,897	$5,295,686
MEDICAID			
Medicaid (# of patients)	**2016**	**2017**	**2018**
(Out-patient Only)	396	320	328
Medicaid (revenue)	$7,310,484	$4,383,383	$6,630,014

* As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay Self-pay balances are written off to bad debt. Medicare may reimburse a portion of bad debt as part of cost reporting.

Note: Medicaid reported numbers are impacted by the large number of patients who switch from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2018 of our commercial patients we had 977 Medicaid Risk patients with Revenues of $30,748,374.

Fresenius Medical Care North America - Community Care/Charity Care

Fresenius Medical Care North America is a for-profit publicly traded company and is not required to provide charity care, nor does it do so according to the CON Board's definition. However, Fresenius Kidney Care provides care to patients who do not qualify for any type of coverage for dialysis services. The following will document all the programs available to FMCNA patients to assist with any financial need for the provision of dialysis care.

Fresenius Medical Care North America (FMCNA) assists all our patients in securing and maintaining insurance coverage when possible.

.

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. This program is not advertised to patients, but is discussed with patients who have indicated a financial hardship and a need for Indigent Waiver consideration and have not qualified for any other available programs
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 four (4) times the Federal Poverty Standard in effect at the time. Patients whose annual income is greater than two (4) 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 an amount of thirteen (13) times the Federal Poverty Standard (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 (or excuses a portion of the charges if patient qualifies for sliding scale discount when annual income is between 5 and 13 times the Federal Poverty Guideline). Patients may have dual coverage of AKF assistance (or other insurance coverage) and an Indigent Waiver if their financial status qualifies them for multiple programs.

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 their healthcare needs, including transportation to their appointments. Patients who are not found to qualify may apply for the Indigent Waiver Program.

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.

Patient Accounts are reviewed periodically for consideration of patient liability and to determine if the account meets criteria to be written off as bad debt (uncollected revenue).

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) provided they have met the government work credit requirements.

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.

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 they meet AKF eligibility requirements.

Patients who are self-pay are eligible to apply for the Indigent Wavier Program or any other insurance assistance. Self-pay patient accounts are reviewed on a periodic basis for consideration of patient liability and to determine if the account meets the criteria to be written off to bad debt (uncollected revenue).

CHARITY CARE			
	2016	2017	2018
Net Patient Revenue	$450,657,245	$461,658,707	$436,811,409
Amount of Charity Care (self-pay charges)	$3,269,127	$4,598,897	$5,295,686
Cost of Charity Care (Self-Pay)	$3,269,127	$4,598,897	$5,295,686

*As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay Self-pay balances are written off to bad debt. Medicare may reimburse a portion of bad debt as part of cost reporting.

Illinois
Kidney Disease &
Hypertension Center

RenalCare
Associates, S.C.

Nephrology Associates
Alexander J. Alonso, M.D.
Robert Bruha, M.D.
Sudha Cherukuri, M.D.
Anthony R. Horinek, M.D.
Raji Jacob, M.D.
Gordon W. James, M.D.
Amit B. Jamnadas, M.D.
Usman Khan, M.D.
Muhammad Khattak, M.D.
Dinesh K. Kannabhiran, M.D.
Timothy A. Pflederer, M.D.
David C. Rosborough, M.D.
Samer B. Sader, M.D.
Kumarpal C. Shrishrimal, M.D.
Robert T. Sparrow, M.D., FASH
Parthasarathy Srinivasan, M.D.

Surgery Associates
Manish Gupta, M.D.
Timothy P. O'Connor, M.D., F.A.C.S.

Physician Assistants
Holly R. Walker, P.A.-C.

Nurse Practitioners
Sarah Adams, APN
Judith A. Dansizen, A.P.R.N.-B.C.
Karen A. Helfers, F.N.P.
Catherine Lang, APN
Tonya K. McDougall, F.N.P.
Tonya Moore, APN
DaNae Nelson, APN
Jill C. Peterson, A.N.P.

Executive Director
Beth A. Shaw, MBA

Director of Operations
Annette Miller, MSN, RN, CEN, CNE

Main Offices
Peoria
200 E. Pennsylvania Ave., Suite 212
(309) 676-8123
•
Bloomington
1404 Eastland Drive, Suite 103
(309) 663-4766
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Galesburg
765 N. Kellogg, Suite 203
(309) 343-4114
•
Ottawa
1050 E. Norris Dr., Suite 2C
(815) 431-0785

January 2, 2020

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 Parthasarathy Srinivasan, M.D. and I am a nephrologist practicing in western Illinois with Renal Care Associates (RCA) and am the medical director at Fresenius Medical Care Galesburg. I am writing in support of the 5-station expansion at the Galesburg facility. The facility just added two stations, however due to the unforeseen closure of the Maple City clinic, triggering the transfer of 15 patients to Galesburg, additional stations are now needed.

I am a strong proponent for home therapies, which is easier on the patient and produces better patient outcomes. I have seen a 25% increase in patients on home dialysis here in the past year, however, I have also seen a steady increase in the in-center population. Two of the additional 5 stations will offer Fresenius' Experience the Difference program. Current in-center hemodialysis patients will be able to spend two weeks dialyzing 4 to 5 times a week, similar to how home dialysis patients receive treatment. In this short time patients generally notice a significant difference in how much better they start to feel. After this experience many choose to begin training to dialyze at home.

My partner and I have referred 32 new patients for hemodialysis services over the past twelve months. We were treating 100 hemodialysis patients at the of 2017, 109 at the end of 2018, and 107 as of December 30, 2019. We have 266 Stage 4 and 5 Chronic Kidney Disease patients in our practice who live in the Galesburg area and I anticipate that 26 will require dialysis services in the upcoming year and another 72 will require dialysis in the first two years of operation of the 5 additional stations.

I respectfully ask the Board to approve the 5-station expansion of Fresenius Medical Care Galesburg dialysis facility to allow ample access for new patients who will be starting dialysis in the near future. Thank you for your consideration.

Illinois Kidney Disease & Hypertension Center

RenalCare Associates, S.C.

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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,

Parthasarathy Srinivasan, M.D.

Notarization:
Subscribed and sworn to before me this 2nd day of January, 2020

Rebecca L. Webster
Signature of Notary
(seal)

OFFICIAL SEAL
REBECCA L. WEBSTER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES DECEMBER 04, 2020

NEW HEMODIALYSIS REFERRALS FOR THE PAST 12 MONTHS

Zip Code	Patients
61401	13
61469	1
61488	1
61413	1
61455	3
61430	1
62367	1
61489	1
62326	1
61410	1
61412	1
61467	1
61480	1
61485	1
61422	1
61462	1
62321	1
61544	1
Total	32

CURRENT GALESBURG IN-CENTER PATIENTS

Zip Code	Patients
61401	54
61410	4
61412	2
61414	1
61418	1
61430	1
61447	1
61448	2
61462	12
61467	2
61469	1
61472	1
61486	1
61489	2
61544	1
Total	86

PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE GALESBURG FACILITY THE UPCOMING YEAR AND IN THE 1ST TWO YEARS AFTER ADDITION OF THE 5 NEW STATIONS

Zip Code	Before Stations Operate - Stage 5	Year 1 & 2 of New Stations - Stage 4
61485	1	0
61489	1	1
61572	1	1
61472	1	1
61488	1	2
61414	0	1
61423	0	1
61410	1	5
61467	0	1
61401	18	50
61448	1	6
61436	1	1
61428	0	1
61458	0	1
Total	26	72

DR. SRINIVASAN'S PRACTICE HEMODIALYSIS PATIENTS

Facility/Zip Code	In-Center Patients			
	12/16	12/17	12/18	12/19
Fresenius Macomb	**18**	**18**	**15**	**21**
61416	1	1		
61422				4
61427	1			
61441		1		
61450			1	
61452			1	
61455	11	12	8	10
61473				2
61480				1
61484	1			
61501	1	1	1	
61604		1		
62305			1	1
62321			1	1
62374	1	1	1	1
61567	1	1	1	1
62319	1			
Fresenius Galesburg	**68**	**74**	**73**	**86**
34677	1	1		
55448	1	1		
61401	51	57	56	54
61410	4	4	5	4
61412			1	2
61414			1	1
61418				1
61422	1			
61430	1	1		1
61447				1
61448	4	4	2	2
61458		1		
61462	1	2	1	12
61467			1	2
61469				1
61472			1	1
61486	1	1	1	1
61488	1	1	2	
61489	2	1	2	2
61544				1
Fresenius Maple City	**14**	**17**	**19**	**Closed**
61401	1	1		
61418	1	1	1	
61447	1			
61453			1	
61462	9	10	11	
61469		1	1	
61473	2	4	3	
61480			1	
89119			1	
Grand Total	**100**	**109**	**107**	**107**