



STATE OF ILLINOIS  
**HEALTH FACILITIES AND SERVICES REVIEW BOARD**

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|   |   |   |
|---|---|---|
| <b>DOCKET NO:</b><br><b>C-02 thru C-08</b>  | <b>BOARD MEETING:</b><br>April 30, 2019 |   |
| <b>FACILITY NAME:</b><br>USRC Villa Park, LLC<br>USRC Bolingbrook, LLC<br>USRC Hickory Hills, LLC<br>USRC Streamwood, LLC<br>USRC Oak Brook, LLC<br>USRC West Chicago, LLC<br>USRC Scottsdale Dialysis, LLC |   | #E-005-19<br>#E-006-19<br>#E-007-19<br>#E-008-19<br>#E-009-19<br>#E-010-19<br>#E-011-19 |

**I. PROJECT DESCRIPTION:**

U.S. Renal Care, Inc., a provider of dialysis services for patients suffering from end stage renal disease, is being acquired by a private investor group BCPE Cycle Buyer, Inc. U.S. Renal Care, Inc. operates in 32 states and the Territory of Guam. US Renal Care Inc. owns seven facilities in Illinois.

The Applicants are BCPE Cycle Buyer, Inc., (a private investor group that includes U.S. Renal Care’s current management team along with Bain Capital Private Equity, Summit Partners, Revelstoke Capital Partners and Mark Caputo). The transaction is a nationwide transaction involving approximately 335 facilities. The value of the transaction is approximately \$2.3 to \$2.8 billion. This is a private transaction the financial terms were not made public.

The operating entities and the owners of the site will not change because of this change of ownership. The seven U.S. Renal Care facilities in Illinois are:

**TABLE ONE**  
**US Renal Care Facilities in Illinois**

| Exemption # | Facility/Operating Entity                     | Owner of the Site                             | Address                        | City          | Stations | FMV <sup>(1)</sup> |
|-------------|---|---|--------------------------------|---------------|----------|--------------------|
| E-005-19    | USRC Villa Park, LLC.                         | Royal Plaza Management, LLC                   | 200 East North Avenue          | Villa Park    | 13       | \$6,554,196        |
| E-006-19    | USRC Bolingbrook, LLC                         | PHT Bolingbrook MOB/dba Partners Health Trust | 396 Remington Blvd. Suite 110  | Bolingbrook   | 13       | \$4,161,660        |
| E-007-19    | USRC Hickory Hills, LLC                       | H.P. Shopping Square Center LLC               | 9640 South Roberts Road        | Hickory Hills | 13       | \$1,532,713        |
| E-008-19    | USRC Streamwood, LLC.                         | Inland Real Estate Column I LLC               | 149 East Irving Road           | Streamwood    | 13       | \$9,781,638        |
| E-009-19    | USRC Oak Brook, LLC                           | Anar Real Estate Inc.                         | 1201-B Butterfield Road        | Downers Grove | 13       | \$2,897,160        |
| E-010-19    | USRC West Chicago, LLC                        | IN Retail Fund Chatham Ridge L.L.C.           | 112 West 87th Street, Suite N  | Chicago       | 13       | \$2,187,613        |
| E-011-19    | USRC Scottsdale Dialysis/Dialysis Newco, Inc. | A & R Katz Management Co.                     | 4651 W. 79th Street, Suite 100 | Chicago       | 36       | \$16,779,078       |

1. FMV – Fair Market Value

II. **Applicable Rules**

The Illinois Health Facilities Planning Act defines a change of ownership as  
“. . . a change in the person who has ownership or control of a health care facility's physical plant and capital assets. A change in ownership is indicated by the following transactions: sale, transfer, acquisition, lease, change of sponsorship or other means of transferring control.”

The State Board's rule (77 IAC 1130.500 & 77 ILAC 1130.520) specifies the requirements necessary for a change of ownership exemption application to be filed with the State Board. The State Board may, by rule, delegate authority to the Chairman to grant permits or exemptions when applications meet all of the State Board's review criteria and are unopposed [20 ILCS 3960/5].

All of the requirements of the State Board have been met.

| <b>TABLE TWO</b>                               |              |              |              |
|--|--------------|--------------|--------------|
| <b>US Renal Care</b>                           |              |              |              |
| <b>Charity Care for Illinois Facilities</b>    |              |              |              |
| Charity Care                                   | 2016         | 2017         | 2018         |
| Net Patient Revenue of All Illinois Facilities | \$26,319,558 | \$29,309,559 | \$33,049,058 |
| Amount of Charity Care (charges)               | \$100,882    | \$119,516    | \$93,851     |
| Cost of Charity Care                           | \$100,882    | \$119,516    | \$93,851     |