

Original

10-066

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

SEP 21 2010

This Section must be completed for all projects.

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name: <i>Fresenius Medical Care Joliet</i>			
Street Address: <i>721- 740 E. Jackson Street</i>			
City and Zip Code: <i>Joliet 60432</i>			
County:	<i>Will</i>	Health Service Area	<i>9</i>
		Health Planning Area:	

Applicant /Co-Applicant Identification

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

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

Type of Ownership of Applicant/Co-Applicant

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

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

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

Primary Contact

[Person to receive all correspondence or inquiries during the review period]

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

Additional Contact

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

Name: <i>Coleen Muldoon</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154</i>
Telephone Number: <i>708-498-9118</i>
E-mail Address: <i>coleen.muldoon@fmc-na.com</i>
Fax Number: <i>708-498-9283</i>

**Post Permit Contact**

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

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

**Additional Contact**

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

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

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>Plainfield 550, LLC</i>
Address of Site Owner: <i>1051 Timberwood Circle, Suite D, Louisville, KY 40223</i>
Street Address or Legal Description of Site: <i>721- 740 E. Jackson Street, Joliet, IL 60432</i>
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Operating Identity/Licensee**

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

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

**Organizational Relationships**

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

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

**Flood Plain Requirements NOT APPLICABLE – PROJECT IS NOT NEW CONSTRUCTION**

[Refer to application instructions.]

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

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

**Historic Resources Preservation Act Requirements**

[Refer to application instructions.]

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

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

**DESCRIPTION OF PROJECT**

**1. Project Classification**

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

Part 1110 Classification:

- Substantive
- Non-substantive

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

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

**2. Narrative Description**

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

*Fresenius Medical Care of Plainfield, LLC, proposes to establish a 16 station in-center hemodialysis facility at 721-740 E. Jackson Street, Joliet, Illinois. The facility will be in leased space in a single tenant building. The interior of the leased space will be built out by the applicant.*

*Fresenius Medical Care Joliet will be in HSA 9.*

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

### Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	1,109,250	N/A	1,109,250
Contingencies	110,900	N/A	110,900
Architectural/Engineering Fees	120,500	N/A	120,500
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	600,000	N/A	600,000
Bond Issuance Expense (project related)	N/A	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	2,455,310	N/A	2,455,310
Other Costs To Be Capitalized	N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)	N/A	N/A	N/A
<b>TOTAL USES OF FUNDS</b>	<b>4,395,960</b>		<b>4,395,960</b>
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	CLINICAL
Cash and Securities	1,940,650	N/A	1,940,650
Pledges	N/A	N/A	N/A
Gifts and Bequests	N/A	N/A	N/A
Bond Issues (project related)	N/A	N/A	N/A
Mortgages	N/A	N/A	N/A
Leases (fair market value)	2,455,310	N/A	2,455,310
Governmental Appropriations	N/A	N/A	N/A
Grants	N/A	N/A	N/A
Other Funds and Sources	N/A	N/A	N/A
<b>TOTAL SOURCES OF FUNDS</b>	<b>4,395,960</b>	<b>N/A</b>	<b>4,395,960</b>
<b>NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>			

**Related Project Costs**

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

Land acquisition is related to project	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service		
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, provide the dollar amount of all <b>non-capitalized</b> 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 \$ <u>62,882</u>		

**Project Status and Completion Schedules**

Indicate the stage of the project's architectural drawings:	
<input checked="" type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>May 31, 2013</u>	
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed.	
<input type="checkbox"/> Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies	
<input checked="" type="checkbox"/> Project obligation will occur after permit issuance.	
APPEND DOCUMENTATION AS <u>ATTACHMENT-8</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

**State Agency Submittals**

Are the following submittals up to date as applicable:
<input type="checkbox"/> Cancer Registry
<input type="checkbox"/> APORS
<input type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> All reports regarding outstanding permits
<b>Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.</b>

**Cost Space Requirements**

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

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
<b>REVIEWABLE</b>							
ESRD							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>							

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

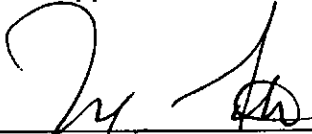
**CERTIFICATION**

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

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

This Application for Permit is filed on the behalf of Fresenius Medical Care of Plainfield, LLC \*

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

  
SIGNATURE

Mark Fawcett  
Vice President & Asst. Treasurer  
PRINTED NAME

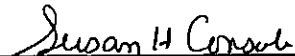
PRINTED TITLE

  
SIGNATURE

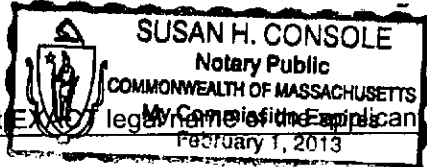
Marc Lieberman  
Asst. Treasurer  
PRINTED NAME

PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 13 day of Sept 2010

  
Signature of Notary

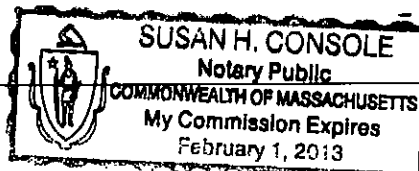
Seal



Notarization:  
Subscribed and sworn to before me  
this 13 day of Sept 2010

  
Signature of Notary

Seal





**CERTIFICATION**

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

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

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

*[Handwritten Signature]*

SIGNATURE

Mark Fawcett  
Vice President & Asst. Treasurer

PRINTED NAME

PRINTED TITLE

*[Handwritten Signature]*

SIGNATURE

Marc Lieberman  
Asst. Treasurer

PRINTED NAME

PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this \_\_\_ day of \_\_\_ 2010

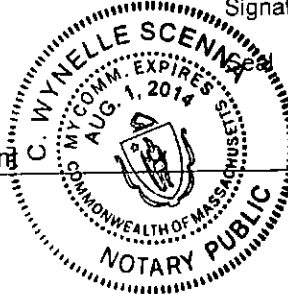
Notarization:  
Subscribed and sworn to before me  
this 7 day of Sept 2010

*[Handwritten Signature]*

Signature of Notary

Signature of Notary

Seal



\*Insert EXACT legal name of the applicant

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

##### BACKGROUND OF APPLICANT

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

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

##### PURPOSE OF PROJECT

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

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

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

**APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.**

**ALTERNATIVES**

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

Alternative options **must** include:

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

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

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

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

READ THE REVIEW CRITERION and provide the following information:

**SIZE OF PROJECT:**

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

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

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

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

**PROJECT SERVICES UTILIZATION:**

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

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

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

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

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

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

Provide the following information:

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

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

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

Submit the following:

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

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

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

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

Category of Service	# Existing Stations	# Proposed Stations
<input checked="" type="checkbox"/> In-Center Hemodialysis	0	16

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.1430(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.1430(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.1430(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.1430(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.1430(b)(5) - Planning Area Need - Service Accessibility	X		
1110.1430(c)(1) - Unnecessary Duplication of Services	X		
1110.1430(c)(2) - Maldistribution	X		
1110.1430(c)(3) - Impact of Project on Other Area Providers	X		
1110.1430(d)(1) - Deteriorated Facilities			X
1110.1430(d)(2) - Documentation			X
1110.1430(d)(3) - Documentation Related to Cited Problems			X
1110.1430(e) - Staffing Availability	X	X	
1110.1430(f) - Support Services	X	X	X
1110.1430(g) - Minimum Number of Stations	X		
1110.1430(h) - Continuity of Care	X		
1110.1430(j) - Assurances	X	X	X
<b>APPEND DOCUMENTATION AS ATTACHMENT-26, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>			

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

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

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

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

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

<u>1,940,650</u>	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;
<u>N/A</u>	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
<u>N/A</u>	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>2,455,310</u>	d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
	1)	For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
	2)	For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
	3)	For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
	4)	For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
	5)	For any option to lease, a copy of the option, including all terms and conditions.
<u>N/A</u>	e)	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
<u>N/A</u>	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
<u>\$4,395,960</u>	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
<b>TOTAL FUNDS AVAILABLE</b>		

**IX. 1120.130 - Financial Viability**

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

<p><b><u>Financial Viability Waiver</u></b></p> <p>The applicant is not required to submit financial viability ratios if:</p> <ol style="list-style-type: none"> <li>1. All of the projects capital expenditures are completely funded through internal sources</li> <li>2. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent</li> <li>3. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.</li> </ol> <p>See Section 1120.130 Financial Waiver for information to be provided</p> <p><b>APPEND DOCUMENTATION AS <u>ATTACHMENT-40</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b></p>
---

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

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

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

**2. Variance NOT APPLICABLE**

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

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



**X. 1120.140 - Economic Feasibility**

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

**A. Reasonableness of Financing Arrangements**

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

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

**B. Conditions of Debt Financing**

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

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

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

Read the criterion and provide the following:

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

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

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

**D. Projected Operating Costs**

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

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

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

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

**XI. Safety Net Impact Statement**

**SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS: NOT APPLICABLE - PROJECT IS NON-SUBSTANTIVE AND IS NOT A DISCONTINUATION**

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

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

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

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

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

Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

**XII. Charity Care Information**

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

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

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

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

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

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

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

<b>INDEX OF ATTACHMENTS</b>		
<b>ATTACHMENT NO.</b>		<b>PAGES</b>
1	Applicant/Co-applicant Identification including Certificate of Good Standing	21-22
2	Site Ownership	23-26
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	27
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	28
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	29
7	Project and Sources of Funds Itemization	30-31
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9	Cost Space Requirements	33
10	Discontinuation	
11	Background of the Applicant	34 - 37
12	Purpose of the Project	38
13	Alternatives to the Project	39-42
14	Size of the Project	43
15	Project Service Utilization	44
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	<b>Service Specific:</b>	
20	Medical Surgical Pediatrics, Obstetrics, ICU	
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	45-79
27	Non-Hospital Based Ambulatory Surgery	
28	General Long Term Care	
29	Specialized Long Term Care	
30	Selected Organ Transplantation	
31	Kidney Transplantation	
32	Subacute Care Hospital Model	
33	Post Surgical Recovery Care Center	
34	Children's Community-Based Health Care Center	
35	Community-Based Residential Rehabilitation Center	
36	Long Term Acute Care Hospital	
37	Clinical Service Areas Other than Categories of Service	
38	Freestanding Emergency Center Medical Services	
	<b>Financial and Economic Feasibility:</b>	
39	Availability of Funds	80-85
40	Financial Waiver	86-87
41	Financial Viability	
42	Economic Feasibility	88-92A
43	Safety Net Impact Statement	
44	Charity Care Information	92B
Appendix 1	MapQuest Travel Times	93-100
Appendix 2	Referral Letters	101-108



**To all to whom these Presents Shall Come, Greeting:**

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

FRESENIUS MEDICAL CARE OF PLAINFIELD, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON SEPTEMBER 06, 2007, 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.



Authentication #: 1025302074

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

***In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 10TH day of SEPTEMBER A.D. 2010 .***

*Jesse White*

SECRETARY OF STATE

Certificate of Good Standing  
**ATTACHMENT - 1**

## Co-Applicant

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

Exact Legal Name: *Fresenius Medical Care Holdings, Inc.*

Address: *920 Winter Street, Waltham, MA 02451*

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

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

## Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: *Plainfield 550, LLC – Chad Middendorf*

Address of Site Owner: *10531 Timberwoods Circle, Suite D, Louisville, KY 40223*

Street Address or Legal Description of Site: *721-740 E. Jackson Street, Joliet, IL 60432*

Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.

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

Plainfield 550 LLC  
10531 Timberwood Circle, Suite D  
Louisville, KY 40223

August 17, 2010

Bill Popken  
Real Estate Manager  
Fresenius Medical Care North America  
Reservoir Woods  
920 Winter Street  
Waltham, MA 02451-1457

RE: Fresenius Medical Care Dialysis Center  
721 East Jackson Street  
Joliet, IL

Dear Mr. Popken,

Plainfield 550 LLC, an Illinois limited liability company ("Landlord") hereby expresses its interest in negotiating a Lease of the above reference property to the Fresenius Medical Care ("Tenant"). By your execution hereof, you represent that you have been duly authorized to sign this letter on behalf of Tenant.

This is a letter of intent only. It is not legally binding on either party, notwithstanding anything to the contrary in this letter. It is, however, an indication of good faith intent between the parties to be detailed in the future lease agreement if the parties so agree.

The terms and conditions of this letter of interest are as follows:

**OWNERSHIP:**

PLAINFIELD 550 LLC  
10531 Timberwood Circle, Suite D  
Louisville, KY 40223

**LOCATION:**

721 East Jackson Street  
Joliet, IL

**SPACE  
REQUIREMENTS:**

Approximately 8,500 SF of contiguous rentable square feet.

**PRIMARY TERM:**

Twelve (12) year term.

**OPTION TO RENEW:**

FMC will have three (3) five (5) year options to renew the lease.

**RENTAL RATE:**

Twenty Two Dollars PSF (\$22) Triple Net.

**ESCALATION:**

Rent shall escalate ten percent (10%) in the fifth (5<sup>th</sup>) and tenth (10<sup>th</sup>) lease year, and every five years thereafter.



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

Tenant shall pay Real Estate Taxes and Operating Expenses.

**POSSESSION DATE:**

FMC will have the right to take possession of the premises upon substantial completion of Landlord's Work to complete its necessary improvements.

**COMMENCEMENT DATE:**

Rent shall commence ninety (90) days following Possession date.

**DEMISED PREMISES  
SHELL:**

Per Landlord's Work Exhibit.

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

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

**PARKING:**

Tenant shall have exclusive use of all available on site parking.

**CORPORATE  
IDENTIFICATION:**

FMC shall have all signage rights in accordance with local code.

**ASSIGNMENT/  
SUBLETTING:**

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

**SECURITY:**

Fresenius Medical Care Holding will fully guarantee the lease.

**BROKERAGE FEE:**

Per separate agreement.

It is expressly understood, agreed, and hereby acknowledged, that only upon the proper execution of a fully completed, formal lease contract, with all the lease terms and conditions clearly defined and included therein, will there then be any obligation, of any kind or nature, incurred or created between the herein parties in connection with the referenced property. Should you have any comments or questions, please do not hesitate to contact me.

Very truly yours,

PLAINFIELD 550 LLC



Chad Middendorf  
Manager

AGREED AND ACCEPTED this \_\_\_\_ day of \_\_\_\_\_, 2010

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

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

## Operating Identity/Licensee

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

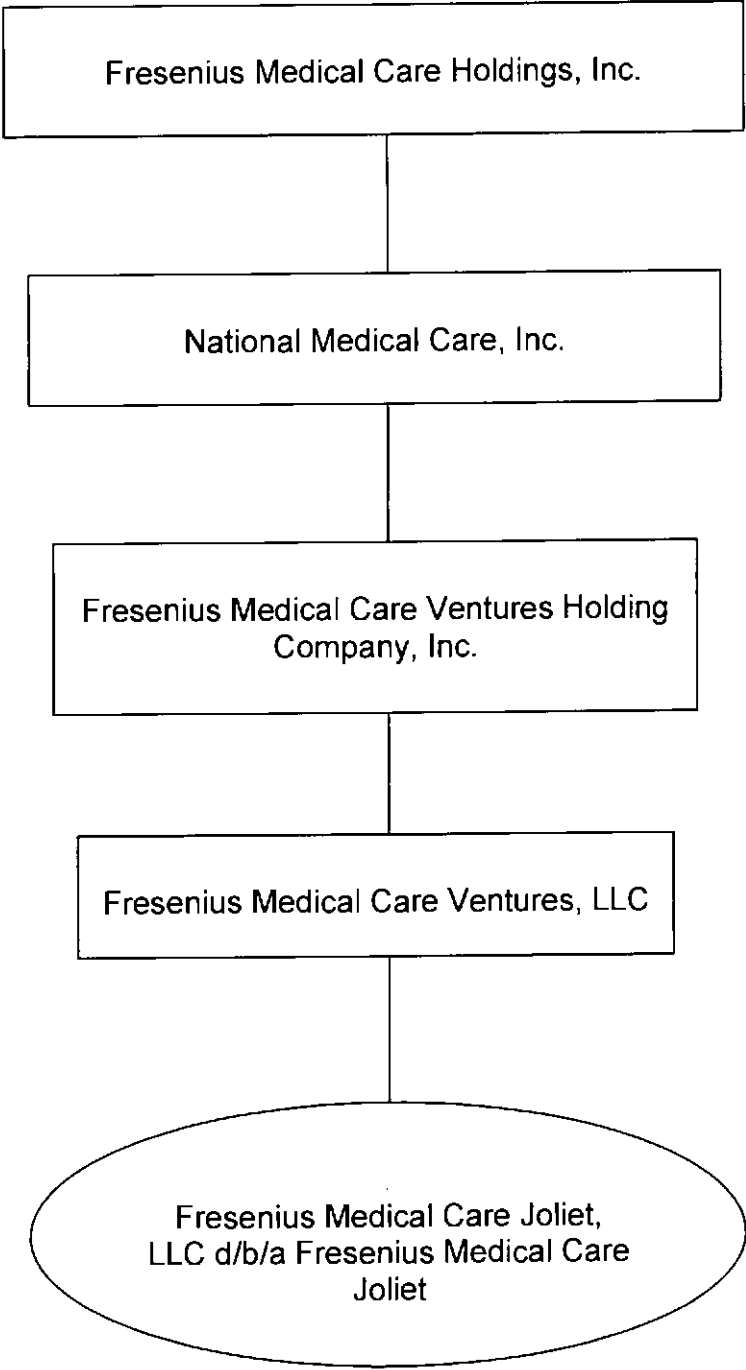
Exact Legal Name: <i>Fresenius Medical Care of Plainfield, LLC d/b/a Fresenius Medical Care Joliet</i>		
Address: <i>920 Winter Street, Waltham, MA 02451</i>		
<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input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

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

#### Ownership

Fresenius Medical Care Ventures, LLC has a 60% membership interest in Fresenius Medical Care of Plainfield, LLC.

Kidney Care Center of Northern Illinois, LLC has a 40% membership interest in Fresenius Medical Care of Plainfield, LLC. Its address is 95 - 129<sup>th</sup> Infantry Drive, Joliet, IL 60435.





**Illinois Historic  
Preservation Agency**

FAX (217) 782-8161

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

Will County  
Joliet

CON - Establish a 16 Station Dialysis Facility  
712 E. Jackson St.  
IHPA Log #012081310

August 25, 2010

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

Dear Ms. Wright:

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

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

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

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

Sincerely,

Anne E. Haaker  
Deputy State Historic  
Preservation Officer

## SUMMARY OF PROJECT COSTS

### Modernization Contracts

General Conditions	54,383
Temp Facilities, Controls, Cleaning, Waste Management	2,250
Concrete	14,049
Masonry	16,738
Metal Fabrications	8,002
Carpentry	97,547
Thermal, Moisture & Fire Protection	19,430
Doors, Frames, Hardware, Glass & Glazing	76,010
Walls, Ceilings, Floors, Painting	178,956
Specialities	13,609
Casework, FI Mats & Window Treatments	6,521
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	354,105
Wiring, Fire Alarm System, Lighting	213,466
Miscellaneous Construction Costs	54,131
<b>Total</b>	<b>1,109,250</b>

### Contingencies

Contingencies	<b>\$110,900</b>
---------------	------------------

### Architectural/Engineering

Architecture/Engineering Fees	<b>\$120,500</b>
-------------------------------	------------------

**Movable or Other Equipment**

Dialysis Chairs	\$24,000
Dialysis Machines	229,000
Misc. Clinical Equipment	30,000
Computers	6,000
Clinical Furniture & Equipment	35,000
Office Equipment & Other Furniture	35,000
Water Treatment	120,000
TVs & Accessories	48,000
Telephones	12,500
Generator	35,000
Facility Automation	20,000
Other miscellaneous	5,500
<b>Total</b>	<b>\$600,000</b>

**Fair Market Value Leased Space & Equipment**

FMV Leased Space (8,500 GSF)	\$2,455,310
<b>Total</b>	<b>\$2,455,310</b>

Project obligation will occur after permit issuance.



**Cost Space Requirements**

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

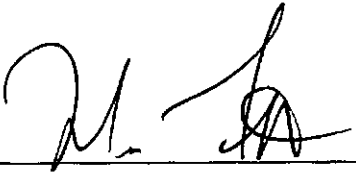
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
<b>REVIEWABLE</b>							
In-Center Hemodialysis	4,395,960	8,500			8,500		
Total Clinical	4,395,960	8,500			8,500		
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>	<b>4,395,960</b>	<b>8,500</b>			<b>8,500</b>		
APPEND DOCUMENTATION AS <u>ATTACHMENT-9</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

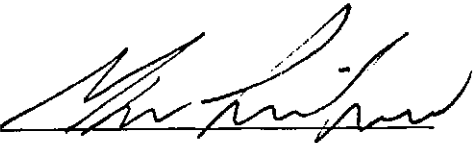
Certification & Authorization

Fresenius Medical Care of Plainfield, LLC

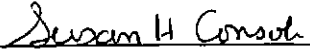
In accordance with Section III, A (2) of the Illinois Health Facilities Planning Board Application for Certificate of Need; I do hereby certify that no adverse actions have been taken against Fresenius Medical Care Plainfield, LLC by either Medicare or Medicaid, or any State or Federal regulatory authority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

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

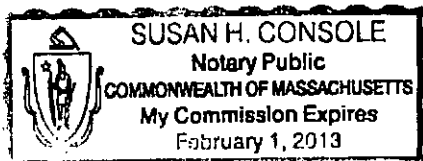
By:   
ITS: Mark Fawcett  
Vice President & Asst. Treasurer

By:   
ITS: Marc Lieberman  
Asst. Treasurer

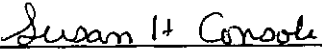
Notarization:  
Subscribed and sworn to before me  
this 13 day of Sept, 2010

  
Signature of Notary

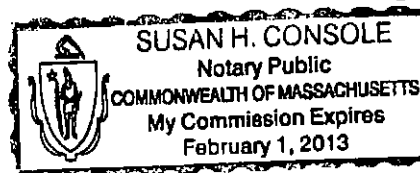
Seal



Notarization:  
Subscribed and sworn to before me  
this 13 day of Sept, 2010

  
Signature of Notary

Seal



Certification & Authorization

Fresenius Medical Care Holdings, Inc.

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

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

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

By: *Marc Lieberman*  
Marc Lieberman  
ITS: Asst. Treasurer

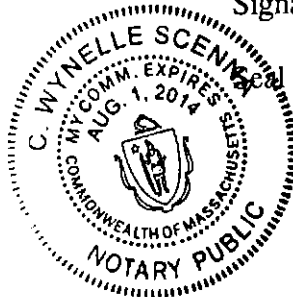
Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2010

Notarization:  
Subscribed and sworn to before me  
this 7 day of Sept, 2010

*C Wynelle Scenna*  
Signature of Notary

*C Wynelle Scenna*  
Signature of Notary

Seal



Fresenius Medical Care Holdings, Inc. Clinics in Illinois

Clinic	Provider #	Address	City	Zip
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
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	538 E. Boughton Road	Boilingbrook	60440
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609
Burbank	14-2641	4811 W. 77th Street	Burbank	60459
Carbondale	14-2514	725 South Lewis Lane	Carbondale	62901
Champaign (managed)	14-2588	1405 W. Park Street	Champaign	61801
Chatham		S. Holland Avenue	Chicago	60633
Chicago Dialysis	14-2506	820 West Jackson Blvd.	Chicago	60607
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624
Crestwood	14-2538	4861-73 W. Cal Sag Road	Crestwood	60445
Decatur East	14-2503	1830 S. 44th St.	Decatur	62521
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015
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	#4 West Main Street	DuQuoin	62832
East Belmont	14-2531	1331 W. Belmont	Chicago	60613
East Peoria	14-2562	3300 North Main Street	East Peoria	61611
Elgin		2130 Point Boulevard	Elgin	60123
Elk Grove	14-2507	901 Biesterfeld Road	Elk Grove	60007
Evanston	14-2621	2953 Central Street	Evanston	60201
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609
Glendale Heights	14-2617	520 E. North Avenue	Glendale Heights	60139
Glenview	14-2551	4248 Commercial Way	Glenview	60025
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
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649
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
Lockport		Thornton Avenue	Lockport	60441
Lombard		1940 Springer Drive	Lombard	60148
Lutheran General	14-2559	8565 West Dempster	Niles	60714
Macomb	14-2591	523 E. Grant Street	Macomb	61455
Marquette Park	14-2566	6515 S. Western	Chicago	60636
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704
McHenry	14-2672	4312 W. Elm St.	McHenry	60050
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		6201 W. 63rd Street	Chicago	60638
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448
Morris	14-2596	1401 Lakewood Dr., Ste. B	Morris	60450
Naperville	14-2543	100 Spalding Drive Ste. 108	Naperville	60566
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714
Norridge	14-2521	4701 N. Cumberland	Norridge	60656
North Avenue	14-2602	805 W. North Avenue	Melrose Park	60160
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611
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 Court	Ottawa	61350
Palatine		Dundee Road	Palatine	60074

Facility List

ATTACHMENT - 11

Pekin	14-2571	600 S. 13th Street	Pekin	61554
Peoria Downtown	14-2574	410 R.B. Garrett Ave.	Peoria	61605
Peoria North	14-2613	10405 N. Juliet Court	Peoria	61615
Plainfield	14-2707	2300 Michas Drive	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
River Forest		103 Forest Avenue	River Forest	60305
Rockford	14-2615	1302 E. State Street	Rockford	61104
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
Sandwich	14-2700	1310 Main Street	Sandwich	60548
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946
Skokie	14-2618	9801 Wood Dr.	Skokie	60077
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617
South Holland	14-2542	17225 S. Paxton	South Holland	60473
South Shore	14-2572	2420 E. 79th Street	Chicago	60649
South Side	14-2508	3134 W. 76th St.	Chicago	60652
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461
Southwestern Illinois	14-2535	Illinois Rts 3&143, #7 Eastgate Plz.	East Alton	62024
Spoon River	14-2565	210 W. Walnut Street	Canton	61520
Spring Valley	14-2564	12 Woffer Industrial Drive	Spring Valley	61362
Steger		219 34th Street	Steger	60475
Streator	14-2695	2356 N. Bloomington Street	Streator	61364
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640
Villa Park	14-2612	200 E. North Ave.	Villa Park	60181
West Batavia		Branson Drive	Batavia	60510
West Belmont	14-2523	4848 W. Belmont	Chicago	60641
West Chicago	14-2702	1855-1863 N. Neltnor	West Chicago	60185
West Metro	14-2536	1044 North Mozart Street	Chicago	60622
West Suburban	14-2530	518 N. Austin Blvd., Ste. 5000	Oak Park	60302
West Willow		14404W. 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

## Criterion 1110.230 – Purpose of Project

1. The purpose of this project is to keep dialysis services accessible to a rapidly growing area with a growing ESRD population in Will County (HSA 9), more specifically the Joliet market area.
2. The market area that Fresenius Medical Care Joliet will serve is the city of Joliet, Crest Hill and areas further south such as Channahon, Manhattan and Wilmington.
3. This facility is needed to accommodate the pre-ESRD patients that Dr. Alausa has identified from this area who will require dialysis services in the next 1-3 years. The two main facilities that Dr. Alausa's practice refers to in Joliet are both operating at high capacities. These are Silver Cross Hospital and Silver Cross Renal West. Silver Cross West has expanded to accommodate the growth in Joliet and still remains highly utilized and Silver Cross Hospital has plans to expand to accommodate the growth it has seen. These high utilizations make it difficult to place patients especially on a shift that suits the patient's choice/lifestyle. The only other facility serving Joliet is Sun Health, which although, under 80% utilization cannot accommodate all of the pre-ESRD patients that Dr. Alausa is seeing in his practice from Joliet.
4. Utilization of area facilities is obtained from the Renal Network for the 2nd Quarter 2010. Pre-ESRD patients for the market area were obtained from Dr. Alausa.
5. The goal of Fresenius Medical Care is to keep dialysis access available to this patient population as we continue to monitor the growth and provide responsible healthcare planning for this area. 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.
6. It is expected that this facility would have and maintain the same quality outcomes as the other Fresenius Medical Care facilities in Illinois as listed below.
  - 90.55% of patients had a URR  $\geq$  65%
  - 92.66% of patients had a Kt/V  $\geq$  1.2

## Alternatives

### 1) All Alternatives

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

There was only one alternative considered that would entail a lesser scope and cost than the project proposed in this application, however it was not determined to be a feasible option. This was the alternative of doing nothing. Dr. Alausa's practice has seen continued growth of ESRD and pre-ESRD in the Joliet area. The facilities they refer to have consistently operated at high utilizations despite station additions. As well, Dr. Alausa is Medical Director of the nearby Fresenius Plainfield facility which is already at 50% utilization after only being operational for 9 months. The high utilizations, growth, number of pre-ESRD patients in the Joliet market area as well as the ratio of patients to stations (1/6,960) warrants a responsibility to plan for these patients to keep access to dialysis treatment available. There is no monetary cost associated with this alternative.

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

The preferred Fresenius model of ownership is for our facilities to be wholly owned, however we do enter into joint ventures on occasion, such is the case in this proposed facility. Fresenius Medical Care Ventures, LLC is in partnership with Kidney Care Center of Northern Illinois, LLC, which is a 60%/40% Joint Venture. Fresenius Medical Care always maintains control of the governance, assets and operations of a facility it jointly owns. Our healthy financial position and abundant liquidity indicate that that we have the ability to support the development of additional dialysis centers. The total cost of the project is \$4,395,960, and Fresenius Medical Care Ventures, LLC will be responsible for \$2,637,576 of this amount and Kidney Care Center of Northern Illinois, LLC will be responsible for the remainder of \$1,758,384.

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

The option of sending Dr. Alausa's pre-ESRD patients to underutilized facilities in the area as they require dialysis treatment is an option that is already being acted upon. Dr. Alausa and his partners admit to Silver Cross Hospital, Silver Cross Renal West, Sun Health and Fresenius Plainfield. Aside from the patients identified for the Fresenius Joliet facility, they have patients who live closer to the above mentioned facilities and also to the not yet operational Fresenius Lockport facility that they will refer to. However, considering the facility utilizations and the number of pre-ESRD patients of Dr. Alausa alone, not to mention those of the other nephrologists in the region, there has been a decline in available services and there simply will not be adequate access to dialysis services in the near future. The only facility within 30 minutes travel time that has considerable access is the Lockport facility which is not due to be operational for another year yet. The physicians supporting that facility have identified 78 patients from the immediate Lockport area that they will refer to that facility in the first two years of operation. Dr. Alausa also has 41 pre-ESRD patients from Lockport that he will likely refer there. These patients are not included in the number of pre-ESRD patients identified for the Joliet facility.

Sun Health, in Joliet, is operating at 60%. 20 more patients would bring that facility to 80%. Dr. Alausa currently does and will continue to refer patients to that facility as appropriate or per the patients choice.

Fresenius Medical Care Plainfield has been open for nine months and is already at 50%, with patients Dr. Alausa has referred to this facility. He still has an additional 48 patients from that area that he expects to refer there in the next two years.

The only other facility in the area with reasonable excess capacity is Fresenius Mokena. This facility is 14 miles away and does not serve the city of Joliet. Dr. Alausa does not practice in Mokena and if a patient were referred there not only would they have to travel out of their market for healthcare, they would have to change physicians and thus lose continuity of care.

- D. As discussed further in this application, the most desirable alternative to keep access to dialysis services available by planning for documented growth in the Joliet area market is to establish Fresenius Medical Care Joliet as a Joint Venture, while still referring patients to the other providers in the area for services as needed per the patient/physician decision. The cost of this project is \$4,395,960.



## 2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Maintain Status Quo	\$0	Gradual loss of access as facilities fill up with identified pre-ESRD patients of Dr. Alausa and unidentified pre-ESRD of other area nephrologists.	Patient clinical quality would remain above standards in the Fresenius Medical Care facilities.	No effect on patients
Pursue Joint Venture	\$2,637,576  \$1,758,384	Cost to Fresenius Medical Care  Cost to Kidney Care Center of Northern Illinois, LLC	Patient clinical quality would remain above standards	No effect on patients  Fresenius Medical Care is capable of meeting its financial obligations and does not require additional funding, however this project is going to be a Joint Venture lowering the cost to Fresenius. Fresenius Medical Care will maintain control of the facility and therefore final financial responsibility.
Utilize Area Providers	\$0	Dr. Alausa currently admits to other area providers and will also admit to Fresenius Lockport upon its opening.  If patients sent out of market area for treatment it would create transportation problems as patients would not have access to shifts with available county/township transportation.  Loss of access to treatment schedule times  Would create ripple effect of raising utilization of area providers to or above capacity	Dr. Alausa currently sees patients at Silver Cross Hospital, Silver Cross West, Sun Health and Fresenius Plainfield.  If patients sent out of market area for treatment the result would be loss of continuity of care which would lead to lower patient outcomes	No financial cost to Fresenius Medical Care  Cost of patient's transportation would increase with higher travel times
Establish Fresenius Medical Care Joliet	\$4,395,960	Continued access to dialysis treatment as patient numbers continue to grow.  Improved access to favored treatment schedule times.	Patient clinical quality would remain above standards  Patient satisfaction would improve with facilities closer to patient's home resulting in decreased travel times.	This is an expense to Fresenius Medical Care only who is able to support the development of additional dialysis facilities and is capable of meeting all financial obligations.

**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. It is expected that the Joliet facility would maintain the same quality outcomes as the other Fresenius facilities in Illinois as listed below:

- 90.55% of patients had a URR  $\geq$  65%
- 92.66% of patients had a Kt/V  $\geq$  1.2

**Criterion 1110.234, Size of Project**

<b>SIZE OF PROJECT</b>				
<b>DEPARTMENT/SERVICE</b>	<b>PROPOSED BGSF/DGSF</b>	<b>STATE STANDARD</b>	<b>DIFFERENCE</b>	<b>MET STANDARD?</b>
ESRD IN-CENTER HEMODIALYSIS	8,500 (16 Stations)	360-520 DGSF	11 DGSF Over	No

As seen in the chart above, the State Standard for ESRD is between 360-520 DGSF per station. This project is being accomplished in leased space with the interior to be built out by the applicant therefore the standard being applied is expressed in departmental gross square feet. The proposed 8,500 DGSF amounts to 531 DGSF per station and falls just 11DGSF over the State standard per station.

Fresenius Medical Care has seen in a majority of its facilities that as the clinics reach target utilization, up to capacity in some instances, that additional stations need to be added to accommodate growth. It is more financially prudent planning to account for room for this growth during the establishment of the facility rather than to wait until the need is seen and there be no room to expand. It is far less expensive to add stations to a facility than it is to relocate in order to expand or to establish another facility all together.

**Criterion 1110.234, Project Services Utilization**

<b>UTILIZATION</b>					
	<b>DEPT/SERVICE</b>	<b>HISTORICAL UTILIZATION</b>	<b>PROJECTED UTILIZATION</b>	<b>STATE STANDARD</b>	<b>MET STANDARD?</b>
	IN-CENTER HEMODIALYSIS	N/A New Facility		80%	Yes
<b>YEAR 1</b>	IN-CENTER HEMODIALYSIS		60%	80%	No
<b>YEAR 2</b>	IN-CENTER HEMODIALYSIS		114%	80%	Yes

Dr. Alausa expects to admit 58 patients to the Joliet facility in the first year of operation to bring the facility to 60%. Of the remaining 163 pre-ESRD patients who are expected to begin dialysis in the 2<sup>nd</sup> and 3<sup>rd</sup> year of the facility's operation, it is expected that approximately 57 of them would be referred to the facility in the 2<sup>nd</sup> year. There is an approximate 30% loss of patients due to death or moving out of the area reported by Dr. Alausa prior to a patient beginning dialysis. Numbers also account for an approximate 10-14% loss of dialysis patients due to death or transplant.

## **Planning Area Need – Formula Need Calculation:**

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

The proposed Fresenius Medical Care Joliet dialysis facility is located in HSA 9, which is comprised of Will, Kendall, Kankakee and Grundy counties. According to the August 2010 station inventory there are 47 excess stations in this HSA.

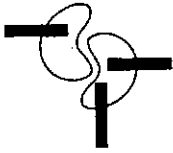
While this project is requesting more stations than is determined needed in HSA 9, Joliet is a heavily populated area that is growing rapidly. The ratio of stations to population within a 30-minute travel zone of Fresenius Joliet is 1/5,233 according to the 2000 census. Since the 2000 census, Will county has grown 33% (according to 2008 projections). If this growth is applied to the census within 30 minutes of Fresenius Joliet, the ratio of stations is more accurately figured at 1/6,960. The State average is 1/3,766 for the same time period. The Joliet area ratio is nearly twice as high as the State ratio exhibiting need. Also, the average overall utilization of the facilities within the 30-minute travel zone is 73%, only 57 patients away from being at 80%. Dr. Alausa, only one of many nephrologist practicing in the Joliet area, has already identified 58 patients he will admit to the facility in the first year of operation. It will take two years to complete the facility. It is evident by the pre-ESRD numbers that the area utilization will be much higher at that time.

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

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

- A. The primary purpose of this project is to provide in-center hemodialysis services to the residents of Joliet in HSA 9. 100% of the pre-ESRD patients reside in HSA 9.

<b>County</b>	<b>HSA</b>	<b># Pre-ESRD Patients Who Will Be Referred to Fresenius Medical Care Joliet</b>
Will	9	221 – 100%



## GERMANE NEPHROLOGY ASSOCIATES

95 - 129TH INFANTRY DRIVE, JOLIET, IL 60435

TEL: (815) 741-6830 • FAX: (815) 741-6832

Tunji Alausa, M.D.  
Diplomat of American  
Board of Nephrology

Diplomat of American  
Board of  
Internal Medicine

M.S. Shafi, M.D.  
Diplomat of American  
Board of Nephrology

Diplomat of American  
Board of  
Critical Care Medicine

Quan Wang, M.D.  
Diplomat of American  
Board of Nephrology

Diplomat of American  
Board of  
Internal Medicine

September 7, 2010

Mr. Dale Galassie  
Acting Chair  
Illinois Health Facilities & Services Review Board  
525 W. Jefferson St., 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Mr. Galassie:

I am a nephrologist practicing in Will County in the Joliet/Plainfield area and also serve as Medical Director of the Fresenius Medical Care Plainfield dialysis center as well as the Joliet Home Dialysis Network facility. I am part of Germane Nephrology Associates in Joliet. Along with my partner, Mohammed Shafi, M.D., I currently refer patients to Fresenius Medical Care Plainfield, Joliet Home Dialysis Network, Fairview Nursing Home, Silver Cross Renal West, Silver Cross Hospital and Sun Health. The Joliet/Plainfield area has seen a constant increase of end stage renal disease (ESRD) patients over the past several years. The recently operational Plainfield facility is already halfway to capacity and other facilities I refer patients to are operating at high utilizations. For this reason, I am in full support of the proposed Fresenius Medical Care Joliet dialysis clinic.

The selected site for this facility is in an area that is predominantly Hispanic and African American. These populations are twice as likely to be diagnosed with diabetes which is the leading cause of kidney failure. This is contributing to the high growth of ESRD in the area. This is evident in 92% growth of my hemodialysis patients over the last three and a half years (92 in 2007 up to 177 in 2010). Due to this excessive growth I am adding two more new nephrologists to my practice by the end of 2010.

Over the past three years I was treating 92 hemodialysis patients at the end of 2007, 130 patients at the end of 2008 and 174 patients at the end of 2009, as reported to The Renal Network. At the end of the 2nd quarter 2010 I had 177 hemodialysis patients. As well, over the past twelve months, I have referred 77 hemodialysis patients to those facilities mentioned above. I am a strong supporter of home dialysis and have also referred another 60 patients for this modality in the past year. I currently have 535 pre-ESRD patients in my practice from the Joliet area that will be requiring dialysis in the next 1-3

years as indicated by lab values. Of these I expect approximately 30% to either expire, regain function or move out of the area before dialysis therapy is started. I expect to refer 58 patients to the Fresenius Joliet facility in the first year and another 163 in the 2<sup>nd</sup> and third year of operation. (see attached patient lists). I also have patients that live closer to other area facilities such as Silver Cross Renal West, Silver Cross Hospital, Fresenius Plainfield, Lockport, Oswego, Naperville & Bolingbrook or to Sun Health and I will

continue to refer to these facilities per the patients choice. As well I will continue to refer those patients who are good candidates for home dialysis services.  
(see attached patient lists)

I therefore urge the Board to approve the establishment of Fresenius Medical Care Joliet to keep access to dialysis treatment available to the patients in this growing area of Will County. Thank you for your consideration.

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

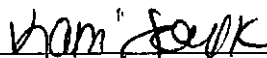
Sincerely,



Morufu Alausa, M.D.

Notarization:

Subscribed and sworn to before me  
this 7<sup>th</sup> day of September 2010



Signature of Notary

Seal



**GERMANE NEPHROLOGY ASSOCIATES**

95 - 129<sup>TH</sup> INDIANBY DRIVE, JOLIET, IL 60435

TEL: (815) 741-6830 • FAX: (815) 741-6832

Planning Area Need - Service Demand - Establish - Physician Referral Letter

ATTACHMENT - 26b - 3



**PRE - ESRD PATIENTS DR. ALAUSA EXPECTS TO REFER TO FRESENIUS  
MEDICAL CARE JOLIET BY 2 YEARS AFTER PROJECT COMPLETION  
ALSO INCLUDED ARE HIS PATIENTS WHO WILL BE REFERRED TO  
OTHER AREA FACILITIES**

**FRESENIUS MEDICAL CARE JOLIET**

Zip Code	1 YEAR	2-3 YEARS
60432	9	18
60433	17	29
60442	6	22
60410	4	26
60481	3	27
60403	20	40
<b>TOTAL</b>	<b>58</b>	<b>163</b>

**SILVER CROSS HOSPITAL DIALYSIS NEW LENOX**

60451	13	19
<b>TOTAL</b>	<b>13</b>	<b>19</b>

**FRESENIUS MEDICAL CARE PLAINFIELD**

60586	5	8
60431	5	9
60404	3	15
60544	10	15
<b>TOTAL</b>	<b>22</b>	<b>48</b>

**FRESENIUS MEDICAL CARE LOCKPORT**

60441	13	41
<b>TOTAL</b>	<b>13</b>	<b>41</b>

**POTENTIALLY TO FRESENIUS MEDICAL CARE  
OSWEGO, NAPERVILLE, BOLINGBROOK**

60543	6	12
60585	6	11
60446	5	17
60564	6	12
<b>TOTAL</b>	<b>23</b>	<b>51</b>

**POTENTIALLY TO SILVER CROSS WEST, SUN  
HEALTH OR FRESENIUS JOLIET**

60436	22	13
60421	10	20
60435	10	20
<b>TOTAL</b>	<b>42</b>	<b>53</b>

<b>GRAND TOTAL</b>	<b>172</b>	<b>375</b>
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**GERMANE NEPHROLOGY ASSOCIATES**

95 - 129TH INDIANBY DRIVE, JOLIET, IL 60435  
 TEL: (815) 741-6830 • FAX: (815) 741-6832

Planning Area Need - Service Demand - Establish - Physician Referral Letter  
**ATTACHMENT - 26b -3**

**ADMISSIONS OF DR. ALAUSA FOR THE PREVIOUS TWELVE MONTHS -**  
**08/01/2009 THROUGH 07/31/2010**

Zip Code	Fairview Nursing Home	Fresenius Plainfield	Silver Cross Hospital	Silver Cross Renal West	Sun Health	Total
60403		4		1		5
60404		3				3
60407		1				1
60421		1				1
60431		3				3
60432		2	5	3	1	11
60433		2		1		3
60435	8	8				16
60436	1	2		3		6
60439		1				1
60440				1		1
60441		4		1		5
60442				1		1
60446		2				2
60447		1			1	2
60448		2				2
60544		4		1		5
60559		1				1
60565		1				1
60586		6		1		7
Total	9	48	5	13	2	77

**GERMANE NEPHROLOGY ASSOCIATES**

95 - 129TH INDIANRY DRIVE, JOLIET, IL 60435  
Planning Area Need - Service Demand - Establish - Physician Referral Letter  
**TEL: (815) 741-6830 • FAX: (815) 741-6832**      **ATTACHMENT - 26b -3**

**PATIENTS OF DR. ALAUSA FOR 2007**  
**BY FACILITY AND ZIP CODE**

Zip Code	Silver Cross Renal West	Sun Health	Silver Cross Hospital	Total
60432	5	2	2	9
60433	6	1	0	7
60436	5	1	1	7
60451	3	0	1	4
60410	2	0	0	2
60481	3	0	0	3
60441	3	1	1	5
60435	9	2	0	11
60403	2	0	1	3
60518	1	0	1	2
60407	1	0	0	1
60450	3	1	0	4
60431	2	0	1	3
60404	2	0	0	2
60446	3	0	0	3
60544	2	0	0	2
60486	2	1	0	3
60420	1	0	1	2
60477	3	0	0	3
60434	4	1	0	5
60560	1	0	1	2
60538	1	0	0	1
60416	2	0	1	3
60448	1	0	0	1
60491	2	0	0	2
60440	1	0	1	2
Total	70	10	12	92

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95 - 129TH INFANTRY DRIVE, JOLIET, IL 60435

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Planning Area Need - Service Demand - Establish - Physician Referral Letter  
**ATTACHMENT - 26b - 3**

**PATIENTS OF DR. ALAUSA FOR 2008  
BY FACILITY AND ZIP CODE**

Zip Code	Silver Cross Renal West	Sun Health	Silver Cross Hospital	Total
60432	11	1	2	14
60433	7	2	1	10
60436	9	2	1	12
60451	3	1	1	5
60410	2	0	0	2
60481	4	1	0	5
60441	3	1	1	5
60435	14	4	2	20
60403	4	1	1	6
60518	1	0	0	1
60407	1	0	1	2
60450	4	1	1	6
60431	4	2	1	7
60404	4	1	0	5
60446	5	1	1	7
60544	2	0	0	2
60486	1	0	0	1
60420	1	0	0	1
60477	1	0	0	1
60434	5	2	1	8
60560	1	0	1	2
60538	2	0	0	2
60416	1	0	1	2
60448	1	1	0	2
60491	1	0	0	1
60440	1	0	0	1
Total	93	21	16	130

**GERMANE NEPHROLOGY ASSOCIATES**

95 - 129TH INFANTRY DRIVE, JOLIET, IL 60435

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ATTACHMENT - 26b -3

**PATIENTS OF DR. ALAUSA FOR 2009**  
**BY FACILITY AND ZIP CODE**

Zip Code	Silver Cross Renal West	Sun Health	Silver Cross Hospital	Fresenius Plainfield	Total
60432	14	5	8	0	27
60433	12	2	0	0	14
60436	7	1	1	0	9
60451	5	2	4	0	11
60410	2	0	0	0	2
60481	1	0	1	0	2
60441	12	1	1	0	14
60435	19	2	0	1	22
60403	2	0	2	1	5
60518	1	0	0	0	1
60407	4	0	2	1	7
60450	5	2	0	0	7
60431	2	0	1	0	3
60404	2	0	2	0	4
60446	3	0	0	0	3
60544	2	1	0	0	3
60486	3	0	0	0	3
60420	1	0	4	0	5
60477	1	0	1	0	2
60434	12	1	0	0	13
60560	1	0	1	0	2
60538	1	0	0	0	1
60416	3	1	1	0	5
60448	1	1	0	0	2
60491	1	0	2	0	3
60440	2	0	0	0	2
60447	0	0	0	1	1
Total	119	19	31	4	173

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TEL: (815) 741-6830 • FAX: (815) 741-6832

Planning Area Need - Service Demand - Establish - Physician Referral Letter  
**ATTACHMENT - 26b - 3**

**PATIENTS OF DR. ALAUSA FOR 2ND QUARTER 2010**  
**BY FACILITY AND ZIP CODE**

Zip Code	Silver Cross Renal West	Sun Health	Silver Cross Hospital	Fresenius Plainfield	Total
60432	9	3	8	2	22
60433	8	1	0	2	11
60436	7	1	1	2	11
60451	5	2	4	0	11
60410	2	0	0	0	2
60481	1	0	1	0	2
60441	8	1	1	3	13
60435	7	2	0	9	18
60403	2	0	2	4	8
60518	1	0	0	0	1
60407	4	0	2	1	7
60450	5	2	0	0	7
60431	2	0	1	3	6
60404	1	0	2	3	6
60446	1	0	0	2	3
60544	1	1	0	4	6
60486	3	0	0	0	3
60420	1	0	2	0	3
60477	1	0	1	0	2
60434	5	1	0	0	6
60560	1	0	1	0	2
60538	1	0	0	0	1
60416	3	1	1	0	5
60448	1	1	0	2	4
60491	1	0	2	0	3
60440	1	0	0	0	1
60447	0	0	0	1	1
60565	1	1	0	1	3
60559	0	0	0	1	1
60586	1	0	0	6	7
60421	0	0	0	1	1
Total	84	17	29	47	177

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TEL: (815) 741-6830 • FAX: (815) 741-6832

Establish - Physician Referral Letter

ATTACHMENT - 26b - 3

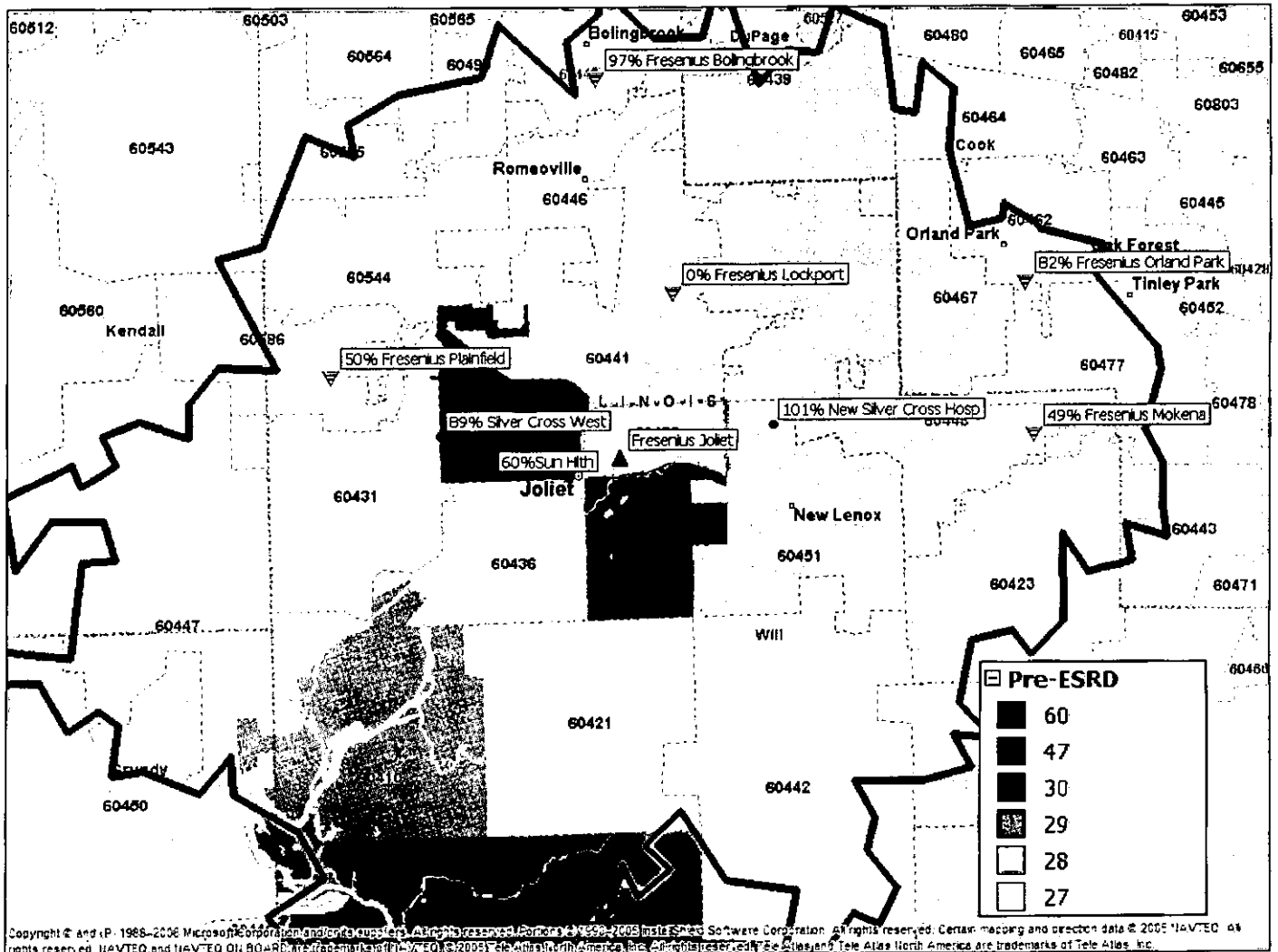


## FACILITIES WITHIN 30 MINUTES TRAVEL TIME OF FRESENIUS JOLIET

Facility	Address	City	State	ZIP Code	Miles	Time	Adjusted	Stations	Utilization
New Silver Cross Hosp	US-6 & N Clinton St	New Lenox	IL	60451	4.31	7	8	19	101%*
Fresenius Lockport	1062 Thornton Avenue	Lockport	IL	60441	5.75	11	13	12	0%
Sun Health	2121 W Oneida St	Joliet	IL	60435	5.79	13	15	17	60%
Silver Cross West	1051 Essington Rd	Joliet	IL	60435	5.73	17	20	29	89%
Fresenius Mokena	8910 W 192nd St	Mokena	IL	60448	13.82	22	25	12	49%
Fresenius Orland Park	9160 W 159th St	Orland Park	IL	60462	14.33	22	25	16	82%
Fresenius Plainfield	2320 Michas Dr	Plainfield	IL	60586	15.48	25	29	12	50%
Fresenius Bolingbrook	329 Remington Blvd	Bolingbrook	IL	60440	13.12	26	30	20	97%

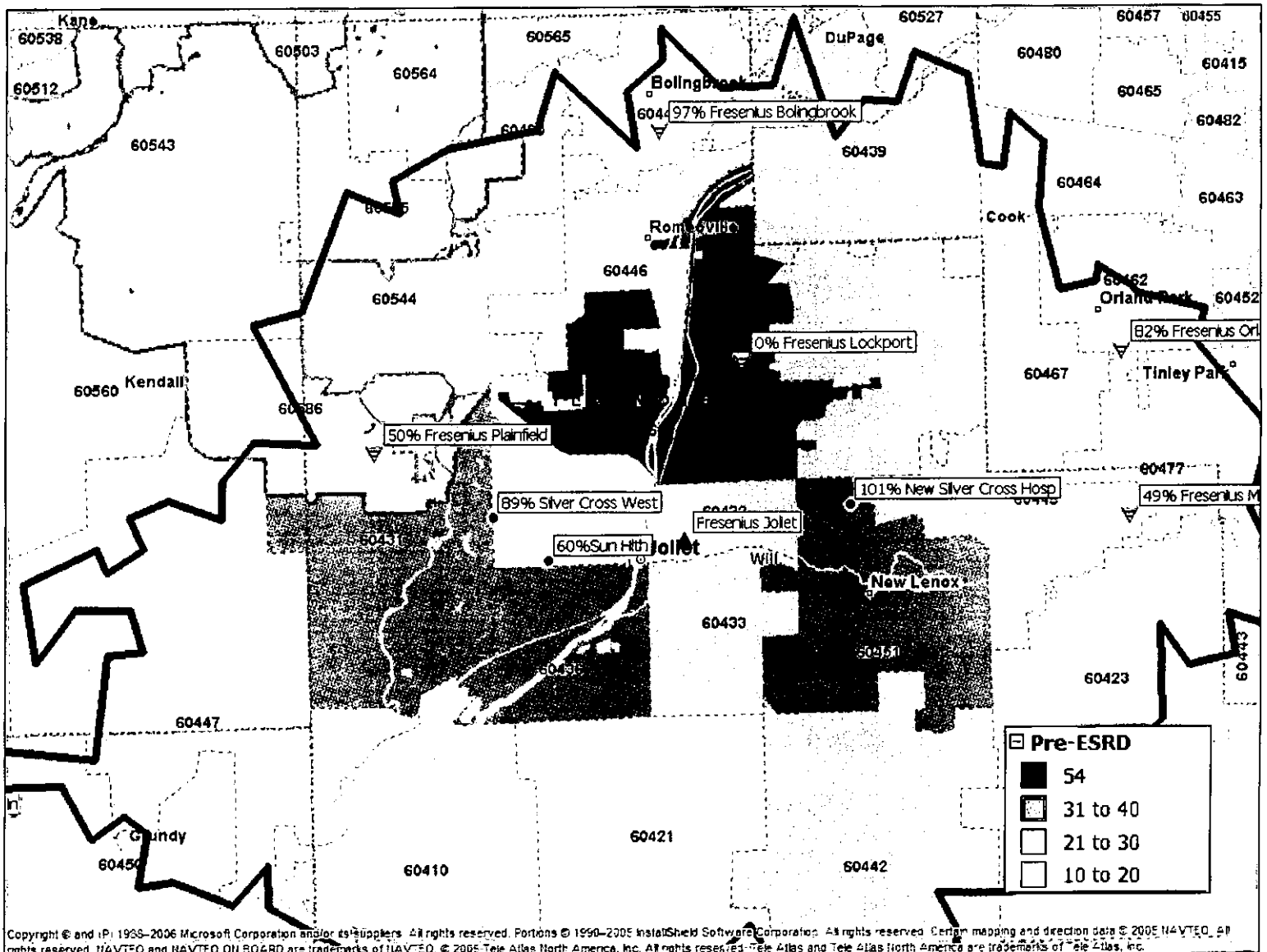
\*Based on current Joliet site and 14 current stations. Project #10-020 approved July 2010 to relocate facility to New Lenox and add 5 stations.

## DEMOGRAPHICS OF THE PRE-ESRD PATIENTS IDENTIFIED FOR FRESENIUS MEDICAL CARE JOLIET





**DEMOGRAPHICS OF ADDITIONAL 293 PRE-ESRD PATIENTS OF DR. ALAUSA WHO WILL  
BE REFERRED TO OTHER AREA FACILITIES PER THE PATIENTS CHOICE  
AND PLACE OF RESIDENCE**



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Access restrictions exist in regards to various aspects for the newly diagnosed end stage renal disease (ESRD) patients in Joliet. Two of the three current ESRD facilities in Joliet are operating at high utilization levels.

**Silver Cross Hospital** dialysis (currently at 101%) is above capacity and cannot realistically accept additional patients. This facility is planning on relocating out of downtown Joliet to New Lenox approximately four miles away and will add 5 stations. This addition will still leave the facility at 80%. Dr. Alausa has identified patients that he will continue to admit to this facility, which will continue to raise the utilization along with the other nephrologists in the area.

Although the four mile distance to the new facility is not excessive and all patients are expected to transfer to the new facility, any increase in travel time for a dialysis patient who must dialyze three times a week for life can be an impediment.

**Silver Cross Renal West** (a 29 station facility) is operating at 89% utilization, which is just 18 patients away from being at capacity. Even at this current utilization patient shift choice is compromised creating transportation issues.

The only other facility serving Joliet is **Sun Health**. Dr. Alausa currently admits patients to this facility and will continue to do so per the patients request or place of residence, however due to restrictive admission policies, not all of his patients are granted admittance.

**Fresenius Plainfield** serves a portion of the Joliet population and has been in operation nine months. That facility has ballooned to 50% utilization in this short time. Dr. Alausa has identified 48 additional patients he expects to refer to that facility.

**Of the remaining facilities within 30 minutes:**

**Fresenius Bolingbrook** is operating at 97% utilization after just adding 3 stations. This facility plans on adding 4 more; however the utilization will still be at 81% utilization.

**Fresenius Orland Park** is operating at 82%.

**Fresenius Mokena** is only operating at 49%, however this facility is not in the Joliet market area and patients would not generally choose to drive to Mokena for services. The Mokena facility is supported by a separate and distinct group of physicians. Dr. Alausa does not practice in the Mokena area and any patient who might be referred there would lose continuity of care by being forced to switch physicians which should not be a patient's only prerogative.

The only other facility in the area is **Fresenius Lockport**. As stated earlier, this facility in its application identified patients from the Lockport area that would bring the facility to 80% by the end of the second year of operation. As well, Dr. Alausa has identified patients that he too expects to admit to the facility.

The Fresenius Medical Care Joliet facility is thus needed to keep dialysis services available for years to come to a growing residential population, growing Hispanic population and also to a growing ESRD population\*.

\*ESRD growth in Will County from 2008-2009 was 7% according to the Renal Network while State growth was 3% for the same time period  
Population growth for Will County from 2000-2008 according to U.S. Census Bureau projections was 33%.  
Population growth for Joliet from 2000-2008 according to U.S. Census Bureau projections was 36%.  
(see attached data from U.S. Census Bureau)



**U.S. Census Bureau**  
**American FactFinder**

**FACT SHEET**

**Will County, Illinois**

View a Fact Sheet for a race, ethnic, or ancestry group

**Census 2000 Demographic Profile Highlights:**

**General Characteristics - show more >>**

	Number	Percent	U.S.		
Total population	502,266			map	brief
Male	250,832	49.9	49.1%	map	brief
Female	251,434	50.1	50.9%	map	brief
Median age (years)	33.3	(X)	35.3	map	brief
Under 5 years	42,028	8.4	6.8%	map	
18 years and over	351,555	70.0	74.3%		
65 years and over	41,610	8.3	12.4%	map	brief
One race	494,080	98.4	97.6%		
White	411,027	81.8	75.1%	map	brief
Black or African American	52,509	10.5	12.3%	map	brief
American Indian and Alaska Native	1,038	0.2	0.9%	map	brief
Asian	11,125	2.2	3.6%	map	brief
Native Hawaiian and Other Pacific Islander	162	0.0	0.1%	map	brief
Some other race	18,219	3.6	5.5%	map	
Two or more races	8,186	1.6	2.4%	map	brief
Hispanic or Latino (of any race)	43,768	8.7	12.5%	map	brief
Household population	492,605	98.1	97.2%	map	brief
Group quarters population	9,661	1.9	2.8%	map	
Average household size	2.94	(X)	2.59	map	brief
Average family size	3.36	(X)	3.14	map	
Total housing units	175,524			map	
Occupied housing units	167,542	95.5	91.0%		brief
Owner-occupied housing units	139,311	83.1	66.2%	map	
Renter-occupied housing units	28,231	16.9	33.8%	map	brief
Vacant housing units	7,982	4.5	9.0%	map	

**Social Characteristics - show more >>**

	Number	Percent	U.S.		
Population 25 years and over	310,918				
High school graduate or higher	270,085	86.9	80.4%	map	brief
Bachelor's degree or higher	79,270	25.5	24.4%	map	
Civilian veterans (civilian population 18 years and over)	39,536	11.2	12.7%	map	brief
Disability status (population 5 years and over)	57,868	12.8	19.3%	map	brief
Foreign born	35,715	7.1	11.1%	map	brief
Male, Now married, except separated (population 15 years and over)	118,270	63.8	56.7%		brief
Female, Now married, except separated (population 15 years and over)	115,161	60.8	52.1%		brief
Speak a language other than English at home (population 5 years and over)	55,114	12.0	17.9%	map	brief

**Economic Characteristics - show more >>**

	Number	Percent	U.S.		
In labor force (population 16 years and over)	257,898	70.3	63.9%		brief
Mean travel time to work in minutes (workers 16 years and over)	32.0	(X)	25.5	map	brief
Median household income in 1999 (dollars)	62,238	(X)	41,994	map	
Median family income in 1999 (dollars)	69,608	(X)	50,046	map	
Per capita income in 1999 (dollars)	24,613	(X)	21,587	map	
Families below poverty level	4,538	3.4	9.2%	map	brief
Individuals below poverty level	24,225	4.9	12.4%	map	

**Housing Characteristics - show more >>**

Number Percent U.S.

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**U.S. Census Bureau**  
**American FactFinder**

**FACT SHEET**

**Will County, Illinois**

**2006-2008 American Community Survey 3-Year Estimates - what's this?**

**Data Profile Highlights:**

**NOTE:** Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Estimate	Percent	U.S.	Margin of Error	
<b>Social Characteristics - show more &gt;&gt;</b>					
Average household size	3.07	(X)	2.61	+/-0.02	map
Average family size	3.54	(X)	3.20	+/-0.03	
Population 25 years and over	417,216			+/-104	
High school graduate or higher	(X)	89.4	84.5%	(X)	map
Bachelor's degree or higher	(X)	29.9	27.4%	(X)	map
Civilian veterans (civilian population 18 years and over)	34,810	7.3	10.1%	+/-1,206	map
With a Disability	(X)	(X)	(X)	(X)	
Foreign born	76,232	11.4	12.5%	+/-2,960	map
Male, Now married, except separated (population 15 years and over)	146,420	57.7	52.2%	+/-2,119	
Female, Now married, except separated (population 15 years and over)	141,196	55.1	48.2%	+/-2,187	
Speak a language other than English at home (population 5 years and over)	116,805	18.9	19.6%	+/-3,830	map
Household population	660,482			+/-2,164	
Group quarters population	(X)	(X)	(X)	(X)	
<b>Economic Characteristics - show more &gt;&gt;</b>					
In labor force (population 16 years and over)	358,768	71.8	65.2%	+/-2,804	map
Mean travel time to work in minutes (workers 16 years and over)	33.9	(X)	25.3	+/-0.5	map
Median household income (in 2008 inflation-adjusted dollars)	75,891	(X)	52,175	+/-976	map
Median family income (in 2008 inflation-adjusted dollars)	85,015	(X)	63,211	+/-1,316	map
Per capita income (in 2008 inflation-adjusted dollars)	29,820	(X)	27,466	+/-386	
Families below poverty level	(X)	4.5	9.6%	(X)	
Individuals below poverty level	(X)	6.0	13.2%	(X)	map
<b>Housing Characteristics - show more &gt;&gt;</b>					
Total housing units	228,573			+/-713	
Occupied housing units	215,201	94.1	88.0%	+/-1,606	
Owner-occupied housing units	183,466	85.3	67.1%	+/-1,882	
Renter-occupied housing units	31,735	14.7	32.9%	+/-1,679	
Vacant housing units	13,372	5.9	12.0%	+/-1,499	
Owner-occupied homes	183,466			+/-1,882	map
Median value (dollars)	245,200	(X)	192,400	+/-1,886	map
Median of selected monthly owner costs					
With a mortgage (dollars)	1,935	(X)	1,508	+/-17	map
Not mortgaged (dollars)	630	(X)	425	+/-11	
<b>ACS Demographic Estimates - show more &gt;&gt;</b>					
Total population	669,317			*****	
Male	335,262	50.1	49.3%	+/-68	

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**U.S. Census Bureau**  
**American FactFinder**

**FACT SHEET**

**Joliet city, Illinois**

View a Fact Sheet for a race, ethnic, or ancestry group

**Census 2000 Demographic Profile Highlights:**

**General Characteristics - show more >>**

	Number	Percent	U.S.		
Total population	106,221			map	brief
Male	52,623	49.5	49.1%	map	brief
Female	53,598	50.5	50.9%	map	brief
Median age (years)	31.0	(X)	35.3	map	brief
Under 5 years	9,868	9.3	6.8%	map	
18 years and over	74,934	70.5	74.3%		
65 years and over	11,709	11.0	12.4%	map	brief
One race	103,997	97.9	97.6%		
White	73,633	69.3	75.1%	map	brief
Black or African American	19,294	18.2	12.3%	map	brief
American Indian and Alaska Native	301	0.3	0.9%	map	brief
Asian	1,215	1.1	3.6%	map	brief
Native Hawaiian and Other Pacific Islander	22	0.0	0.1%	map	brief
Some other race	9,532	9.0	5.5%	map	
Two or more races	2,224	2.1	2.4%	map	brief
Hispanic or Latino (of any race)	19,552	18.4	12.5%	map	brief
Household population	101,727	95.8	97.2%	map	brief
Group quarters population	4,494	4.2	2.8%	map	
Average household size	2.81	(X)	2.59	map	brief
Average family size	3.39	(X)	3.14	map	
Total housing units	38,176			map	
Occupied housing units	36,182	94.8	91.0%		brief
Owner-occupied housing units	25,472	70.4	66.2%	map	
Renter-occupied housing units	10,710	29.6	33.8%	map	brief
Vacant housing units	1,994	5.2	9.0%	map	

**Social Characteristics - show more >>**

	Number	Percent	U.S.		
Population 25 years and over	64,520				
High school graduate or higher	50,834	78.8	80.4%	map	brief
Bachelor's degree or higher	12,004	18.6	24.4%	map	
Civilian veterans (civilian population 18 years and over)	8,004	10.7	12.7%	map	brief
Disability status (population 5 years and over)	16,171	17.4	19.3%	map	brief
Foreign born	11,566	10.9	11.1%	map	brief
Male, Now married, except separated (population 15 years and over)	22,202	57.4	56.7%		brief
Female, Now married, except separated (population 15 years and over)	20,899	51.3	52.1%		brief
Speak a language other than English at home (population 5 years and over)	18,146	18.8	17.9%	map	brief

**Economic Characteristics - show more >>**

	Number	Percent	U.S.		
In labor force (population 16 years and over)	50,227	64.4	63.9%		brief
Mean travel time to work in minutes (workers 16 years and over)	28.9	(X)	25.5	map	brief
Median household income in 1999 (dollars)	47,761	(X)	41,994	map	
Median family income in 1999 (dollars)	55,870	(X)	50,046	map	
Per capita income in 1999 (dollars)	19,390	(X)	21,587	map	
Families below poverty level	1,966	7.7	9.2%	map	brief
Individuals below poverty level	10,946	10.8	12.4%	map	

**Housing Characteristics - show more >>**

	Number	Percent	U.S.
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FACT SHEET

**Joliet city, Illinois**

**2006-2008 American Community Survey 3-Year Estimates - what's this?**

**Data Profile Highlights:**

**NOTE:** Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

<b>Social Characteristics - show more &gt;&gt;</b>	<b>Estimate</b>	<b>Percent</b>	<b>U.S.</b>	<b>Margin of Error</b>
Average household size	3.09	(X)	2.61	+/-0.06
Average family size	3.62	(X)	3.20	+/-0.07
Population 25 years and over	87,013			+/-1,910
High school graduate or higher	(X)	82.0	84.5%	(X)
Bachelor's degree or higher	(X)	20.2	27.4%	(X)
Civilian veterans (civilian population 18 years and over)	6,598	6.6	10.1%	+/-585
With a Disability	(X)	(X)	(X)	(X)
Foreign born	20,783	14.4	12.5%	+/-1,975
Male, Now married, except separated (population 15 years and over)	27,994	53.1	52.2%	+/-1,112
Female, Now married, except separated (population 15 years and over)	26,684	49.7	48.2%	+/-956
Speak a language other than English at home (population 5 years and over)	33,424	25.6	19.6%	+/-1,949
Household population	140,710			+/-2,700
Group quarters population	(X)	(X)	(X)	(X)

<b>Economic Characteristics - show more &gt;&gt;</b>	<b>Estimate</b>	<b>Percent</b>	<b>U.S.</b>	<b>Margin of Error</b>
In labor force (population 16 years and over)	74,341	71.1	65.2%	+/-1,964
Mean travel time to work in minutes (workers 16 years and over)	31.6	(X)	25.3	+/-1.3
Median household income (in 2008 inflation-adjusted dollars)	60,934	(X)	52,175	+/-2,421
Median family income (in 2008 inflation-adjusted dollars)	68,677	(X)	63,211	+/-2,698
Per capita income (in 2008 inflation-adjusted dollars)	22,830	(X)	27,466	+/-646
Families below poverty level	(X)	8.5	9.6%	(X)
Individuals below poverty level	(X)	10.8	13.2%	(X)

<b>Housing Characteristics - show more &gt;&gt;</b>	<b>Estimate</b>	<b>Percent</b>	<b>U.S.</b>	<b>Margin of Error</b>
Total housing units	49,320			+/-680
Occupied housing units	45,588	92.4	88.0%	+/-838
Owner-occupied housing units	34,179	75.0	67.1%	+/-861
Renter-occupied housing units	11,409	25.0	32.9%	+/-833
Vacant housing units	3,732	7.6	12.0%	+/-657
Owner-occupied homes	34,179			+/-861
Median value (dollars)	202,200	(X)	192,400	+/-3,761
Median of selected monthly owner costs				
With a mortgage (dollars)	1,714	(X)	1,508	+/-30
Not mortgaged (dollars)	547	(X)	425	+/-18

<b>ACS Demographic Estimates - show more &gt;&gt;</b>	<b>Estimate</b>	<b>Percent</b>	<b>U.S.</b>	<b>Margin of Error</b>
Total population	144,162			+/-3,028
Male	71,746	49.8	49.3%	+/-2,126

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## Unnecessary Duplication/Maldistribution

1(A-B-C) The ratio of ESRD stations to population in the zip codes within a 30 minute radius of Fresenius Joliet is 1 station per 6,960 residents according to the 2008 projected census (based on 953,581 residents and 137 stations – see chart below). This is higher than the State ratio of 1 station per 3,776 residents.

Zip Code	Population	Stations	Facility
60517	31,344		
60527	8,967		
60439	20,004		
60440	46,546	20	Fresenius Bolingbrook
60467	20,904		
60462	38,431	16	Fresenius Orland Park
60451	27,338	19	Silver Cross Hospital
60490	9,263		
60432	21,431		
60477	56,840		
60423	21,431		
60448	19,476	12	Fresenius Mokena
60487	58,879		
60449	5,705		
60442	6,285		
60446	20,141		
60441	49,103	12	Fresenius Lockport
60433	17,658		
60544	44,284		
60585	36,393		
60403	19,665		
60435	52,542	46	Sun Health, Silver Cross Renal West
60436	16,184		
60431	23,392		
60421	3,516		
60586	7,686	12	Fresenius Plainfield
60481	11,346		
60404	7,344		
60410	7,585		
60447	7,295		
Totals	716,978	137	

\*Will County has grown 33% and Joliet has grown 36% from 2000 to 2008 according to the U.S. Census Bureau. Accounting the more conservative 33% growth to the 2000 census population numbers on the chart above results in a population of 953,581 for 2008.

Although all facilities within thirty minutes travel time are not above the target utilization of 80%, Fresenius Medical Care Joliet will not create a maldistribution of services. While there is no determined need for stations in this HSA the ratio of stations to population exhibits that a mal-distribution of stations exists within the 30-minute travel zone of Fresenius Joliet.

**Facilities Within 30 Minutes of Fresenius Medical Care Joliet**

Facility	Address	City	State	ZIP Code	Miles	Time	Adjusted	Stations	Utilization
New Silver Cross Hosp	US-6 & N Clinton St	New Lenox	IL	60451	4.31	7	8	19	101%*
Fresenius Lockport	1062 Thornton Avenue	Lockport	IL	60441	5.75	11	13	12	0%
Sun Health	2121 W Oneida St	Joliet	IL	60435	5.79	13	15	17	60%
Silver Cross West	1051 Essington Rd	Joliet	IL	60435	5.73	17	20	29	89%
Fresenius Mokena	8910 W 192nd St	Mokena	IL	60448	13.82	22	25	12	49%
Fresenius Orland Park	9160 W 159th St	Orland Park	IL	60462	14.33	22	25	16	82%
Fresenius Plainfield	2320 Michas Dr	Plainfield	IL	60586	15.48	25	29	12	50%
Fresenius Bolingbrook	329 Remington Blvd	Bolingbrook	IL	60440	13.12	26	30	20	97%

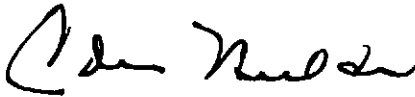
- 3A. Fresenius Medical Care Joliet will not have an adverse effect on any other area ESRD provider in that all of the patients identified who will be referred to the Joliet facility are pre-ESRD patients currently seeing Dr. Alausa and his partner Dr. Shafi and no patients will be transferred from any other facility. As well, Dr. Alausa has identified patients that he will continue to refer to Fresenius Plainfield, Silver Cross Joliet, Silver Cross Renal West, Sun Health as well as to the recently approved Fresenius Lockport facility.
- B. Not applicable – applicant is not a hospital, however the utilization will not be lowered at any other ESRD facility due to the establishment of the Joliet facility.



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

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

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



Signature

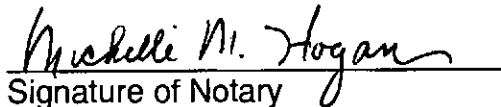
Coleen Muldoon

Printed Name

Regional Vice President

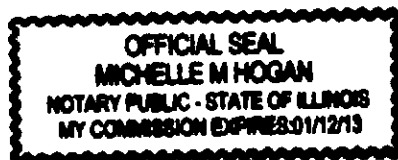
Title

Subscribed and sworn to before me  
this 2<sup>ND</sup> day of AUGUST, 2010



Signature of Notary

Seal



Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Alausa is currently the Medical Director for Fresenius Medical Care Plainfield. Attached is his curriculum vitae.

B. All Other Personnel

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

Upon opening we will also employ:

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

These positions will go to full time as the clinic census increases.

As well, the patient care staff will increase to the following:

- One Charge Nurse – Registered Nurse
- Four Registered Nurses
- Ten Patient Care Technicians

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

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

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

**Tunji M. Alausa M.D**

*Phone (630) 257-0469*

*Pager: (815) 851-0030*

*Fax: (630) 257-0469*

**EXPERIENCE**

7/2004 – Present  
**Attending Nephrologist**  
Germane Nephrology Associates  
Joliet, Illinois

7/2002 – 6/2004  
**Nephrology Fellow**  
Medical College of Wisconsin  
Milwaukee, Wisconsin

7/2001 - 6/2002  
**Attending Physician**  
Department Of Medicine  
Cook County Hospital  
Chicago, Illinois

6/2000 – 6/2001  
**Chief Medical Resident**  
Department Of Medicine  
Cook County Hospital  
Chicago, Illinois

7/97 – 5/2000  
**Residency in Internal Medicine**  
Cook County Hospital  
Chicago, Illinois

2/96 – 6/97  
**Residency in Internal Medicine**  
Sunderland District General Hospital  
University of Newcastle  
Sunderland, United Kingdom

11/95 – 1/96  
**Senior House Officer**  
Bolton General Hospital  
Bolton, United Kingdom

11/94 – 9/95  
**Clinical Clerkship for the United Kingdom**  
Professional and Linguistic Assessment  
Board (PLAB) Examination

4/93 – 10/94  
**Senior House Officer**  
San Fernando General Hospital  
Trinidad, and Tobago West Indies

**EDUCATION**

10/86 – 4/93  
University of Lagos, Lagos, Nigeria  
Bachelor of Medicine and Bachelor of Surgery (M.D)

**CERTIFICATIONS**

Board Eligible in Nephrology  
Board Certified, American Board of Internal Medicine  
Membership examination, Royal College of Physician (MRCP part 1)  
United Kingdom medical Licensing exam (PLAB) Certification  
Radiation Protection and Safety Certification  
United States Medical Licensing Examination Steps I, II, III  
Advanced Cardiac Life Support (ACLS) Certificate  
Pediatric Advanced Life Support (PALS) Certificate

Medical Director Curriculum Vitae  
**ATTACHMENT – 26e**

## PUBLICATIONS

Kidney Transplants After A Previous Bone Marrow Transplant (Abstract presented at the National Kidney Foundation Meeting in April 2002). Tunji Morufu Alausa et al

Characterization of persistently altered gene expression in rat kidney after recovery from ischemic ARF. Tunji Morufu Alausa et al

Refractory Acute Kidney Transplant Rejection with CD20 Graft Infiltrates and Successful Therapy with Rituximab. Tunji Morufu Alausa et al

Identification of Persistently Altered Gene Expression in Kidney Following Functional Recovery From Ischemic Acute Renal Failure David P. Basile, Tunji M. Alausa et al

Effusion That Won't Go Away (New England Journal Of Medicine Volume 345 Number 10) P. Muthuswamy, Tunji M. Alausa et al

A Comparative Study of Celecoxib versus Diclofenac Sodium On Blood Pressure Control and Renal Function in Hypertensive African Americans / Hispanics (Abstract presented at the American Society of Nephrology Annual Scientific Meeting 2002)

The Impact of Evidence on Physicians' Inpatient Treatment Decisions Brian Lucas, Tunji M. Alausa et al

## RESEARCH

Peritubular Capillary Loss following Recovery from Ischemic Acute Tubular Necrosis.

Identification of Persistently Altered Gene Expression in Kidney Following Functional Recovery From Ischemic Acute Renal Failure

Effects of Celecoxib versus Diclofenac Sodium on Blood pressure Control / Renal Function in Hypertensive African Americans and Hispanics (Randomized cross-over study)

Is Treatment of Medical Inpatients Evidence- Based? (A Study of Impact of Evidence Based Medicine on Treatment Decisions)

Project Brotherhood (A Community- Based Project on Health and Social needs of Minority Males in an Inner City Low Income Neighborhood)

**HONORS**

Lagos State Medical Student Association Outstanding Medical Student  
Award for Community Service and Development Programs

Nominated for the Best Teaching Attending in Primary Care Medicine -  
Cook County Hospital 2002 Academic Year

Physiology Distinction (viva): Basic Medical Sciences, College of  
Medicine, University of Lagos

**PROFESSIONAL  
MEMBERSHIPS**

American Society of Nephrology  
Renal Physician Association  
American Society of Transplantation  
American College of Physician  
American Medical Association  
British Medical Association  
Trinidad and Tobago Medical Association  
Nigeria Medical Association

**PERSONAL  
INFORMATION**

Married  
American Citizen  
Date of Birth - 04/16/1967


**REFERENCE**

Available upon request

Criterion 1110.1430 (f) – Support Services

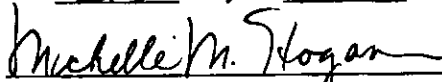
I am the Regional Vice President of the Chicago Central Region of the North Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, I certify to the following:

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

  
Signature

Coleen Muldoon/Regional Vice President  
Name/Title

Subscribed and sworn to before me  
this 2<sup>ND</sup> day of AUGUST, 2010

  
Signature of Notary

Seal



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

Fresenius Medical Care Joliet is located in the Chicago-Naperville-Joliet-Gary, IL-IN-WI Metropolitan Statistical Area (MSA). A minimum of eight dialysis stations is required to establish an in-center hemodialysis center in an MSA. Fresenius Medical Care Joliet will have sixteen dialysis stations thereby meeting this requirement.

## **Hospital Transfer Agreement**



## HOSPITAL TRANSFER AGREEMENT

**THIS HOSPITAL TRANSFER AGREEMENT ("Agreement")** is made this 1st day of September, 2010 (the "**Effective Date**") by and between Fresenius Medical Care Joliet, LLC d/b/a Fresenius Medical Care Joliet, a health care service provider, (the "**Transferring Facility**"), and **Provena Hospitals, d/b/a Provena Saint Joseph Medical Center**, an Illinois not-for-profit corporation ("**Receiving Hospital**"). (Transferring Facility and Receiving Hospital may each be referred to herein as a "**Party**" and collectively as the "**Parties**").

### RECITALS

**WHEREAS**, Transferring Facility provides health care services to the community; and

**WHEREAS**, patients of Transferring Facility ("**Patients**") may require transfer to a Hospital for acute-inpatient or other emergency health care services; and

**WHEREAS**, Receiving Hospital owns and operates a licensed and Medicare certified acute care Hospital in reasonable proximity to Transferring Facility, which has a twenty-four (24) hour emergency room and provides emergency health care services; and

**WHEREAS**, the Parties desire to enter into this Agreement in order to specify the rights and duties of each of the Parties and to specify the procedure for ensuring the timely transfer of patients to Receiving Hospital.

**NOW, THEREFORE**, to facilitate the timely transfer of patients to Receiving Hospital, the Parties hereto agree as follows:

### ARTICLE I TRANSFER OF PATIENTS

In the event that any Patient needs acute inpatient or emergency care and has either requested to be taken to Receiving Hospital, or is unable to communicate a preference for Hospital services at a different Hospital, and a timely transfer to Receiving Hospital would best serve the immediate medical needs of Patient, a designated staff member of Transferring Facility shall contact the admitting office or emergency department of Receiving Hospital (the "**Emergency Department**") to facilitate admission. Receiving Hospital shall receive Patient in accordance with applicable federal and state laws and regulations, the standards of The Joint Commission ("**TJC**") and any other applicable accrediting bodies, and reasonable policies and procedures of Receiving Hospital's responsibility for patient care shall begin when Patient arrives upon Receiving Hospital's property.

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**ARTICLE II**  
**RESPONSIBILITIES OF TRANSFERRING FACILITY**

Transferring Facility shall be responsible for performing or ensuring the performance of the following:

- (a) Arranging for ambulance service to Receiving Hospital;
- (b) Designating a person who has authority to represent Transferring Facility and coordinate the transfer of Patient to Receiving Hospital;
- (c) Notifying Receiving Hospital's designated representative prior to transfer to alert him or her of the impending arrival of Patient and provide information on Patient to the extent allowed pursuant to Article IV;
- (d) Notifying Receiving Hospital of the estimated time of arrival of the Patient;
- (e) Recognizing and complying with the requirements of any federal and state law and regulations or local ordinances that apply to the care and transfer of individuals to Receiving Hospitals for emergency care.

**ARTICLE III**  
**RESPONSIBILITIES OF RECEIVING HOSPITAL**

Receiving Hospital shall be responsible for performing or ensuring performance of the following:

- (a) Designating a person who has authority to represent and coordinate the transfer and receipt of Patients into the Emergency Department; and
- (b) Timely admission of Patient to Receiving Hospital when transfer of Patient is medically appropriate as determined by Receiving Hospital attending physician subject to Hospital capacity and patient census issues; and
- (c) Recognizing and complying with the requirements of any federal and state law and regulations or local ordinances that apply to Patients who present at Emergency Departments.

**ARTICLE IV**  
**PATIENT INFORMATION**

In order to meet the needs of Patients with respect to timely access to emergency care, Transferring Facility shall provide information on Patients to Receiving Hospital, to the extent approved in advance or authorized by law and to the extent Transferring Facility has such information available. Such information may include: Patient Name, Social Security Number, Date of Birth, insurance coverage and/or Medicare beneficiary information (if applicable), known

allergies or medical conditions, treating physician, contact person in case of emergency and any other relevant information Patient has provided Transferring Facility in advance, to be given in connection with seeking emergency care. Transferring Facility shall maintain the confidentiality of medical/insurance information provided by Patient and received from Patient, in connection with Patient's provision of such information, Patient's authorization to disclose such information to Emergency Department personnel, all in accordance with applicable state and federal rules and regulations governing the confidentiality of patient information.

#### **ARTICLE V** **NON EXCLUSIVITY**

This Agreement shall in no way give Receiving Hospital an exclusive right of transfer of Patients of Transferring Facility. Transferring Facility may enter into similar agreements with other Receiving Hospitals, and Patients will continue to have complete autonomy with respect to choice of Receiving Hospital service providers, as further described in Article VI.

#### **ARTICLE VI** **FREEDOM OF CHOICE**

In entering into this Agreement, Transferring Facility in no way is acting to endorse or promote the services of Receiving Hospital. Rather, Transferring Facility intends to coordinate the timely transfer of Patients for emergency care. Patients are in no way restricted in their choice of emergency care providers.

#### **ARTICLE VII** **BILLING AND COLLECTIONS**

Receiving Hospital shall be responsible for the billing and collection of all charges for professional services rendered at Receiving Hospital. Transferring Facility shall in no way share in the revenue generated by professional services delivered to Patients at Receiving Hospital.

#### **ARTICLE VIII** **INDEPENDENT RELATIONSHIP**

*Section 8.1* In performing services pursuant to this Agreement, Receiving Hospital and all employees, agents or representatives of Receiving Hospital are, at all times, acting and performing as independent contractors and nothing in this Agreement is intended and nothing shall be construed to create an employer/employee, principal/agent, partnership or joint venture relationship. Transferring Facility shall neither have nor exercise any direction or control over the methods, techniques or procedures by which Receiving Hospital or its employees, agents or representatives perform their professional responsibilities and functions. The sole interest of Transferring Facility is to coordinate the timely transfer of Patients to Receiving Hospital for emergency care.

*Section 8.2* Receiving Hospital shall be solely responsible for the payment of compensation and benefits to its personnel and for compliance with any and all payments of all taxes, social security, unemployment compensation and worker's compensation.

**Section 8.3** Notwithstanding the terms of this Agreement, in no event shall Receiving Hospital or any Receiving Hospital personnel be responsible for the acts or omissions of non-Receiving Hospital personnel.

## **ARTICLE IX** **INSURANCE**

Both Parties shall maintain, at no cost to the other Party Facility, professional liability insurance in an amount customary for its business practices. Receiving Hospital shall provide evidence of the coverage required herein to Transferring Facility on an annual basis.

## **ARTICLE X** **INDEMNIFICATION**

Each Party shall indemnify, defend and hold harmless the other Party from and against any and all liability, loss, claim, lawsuit, injury, cost, damage or expense whatsoever (including reasonable attorneys' fees and court costs), imposed by a third party and arising out of, incident to or in any manner occasioned by the performance or nonperformance of any duty or responsibility under this Agreement by such indemnifying Party, or any of its employees, agents, contractors or subcontractors.

## **ARTICLE XI** **TERM AND TERMINATION**

**Section 11.1 Term.** The term of this Agreement shall commence on the Effective Date and shall continue in effect for one (1) year (the "**Initial Term**") and SHALL RENEW ON AN ANNUAL BASIS ("**RENEWAL TERM**") ABSENT WRITTEN NOTICE BY EITHER PARTY OF NON-RENEWAL TO THE OTHER PARTY THIRTY (30) CALENDAR DAYS PRIOR TO THE EXPIRATION OF THE INITIAL TERM OR ANY SUBSEQUENT RENEWAL TERM OF THIS AGREEMENT.

**Section 11.2 Events of Termination.** Notwithstanding the foregoing, this Agreement may be terminated upon the occurrence of any one (1) of the following events:

(a) Either Party may terminate this Agreement at any time upon sixty (60) days' prior written notice to the other Party.

(b) If either Party shall apply for or consent to the appointment of a receiver, trustee or liquidator of itself or of all or a substantial part of its assets, file a voluntary petition in bankruptcy, or admit in writing its inability to pay its debts as they become due, make a general assignment for the benefit of creditors, file a petition or an answer seeking reorganization or arrangement with creditors or take advantage of any insolvency law, or if an order, judgment, or decree shall be entered by a court of competent jurisdiction or an application of a creditor, adjudicating such Party to be bankrupt or insolvent, or approving a petition seeking reorganization of such Party or appointing a receiver, trustee or liquidator of such Party or of all or a substantial part of its assets, and such order, judgment, or decree shall continue in effect and unstayed for a period of thirty

(30) consecutive calendar days, then the other Party may terminate this Agreement upon ten (10) business days' prior written notice to such Party.

**Section 11.3 Immediate Termination.** Notwithstanding anything to the contrary herein, this Agreement will be terminated immediately upon the following events: (a) the suspension or revocation of the license, certificate or other legal credential authorizing Receiving Hospital to provide emergency care services; (b) termination of Receiving Hospital's participation in or exclusion from any federal or state health care program for any reason; (c) the cancellation or termination of Receiving Hospital's professional liability insurance required under this Agreement without replacement coverage having been obtained.

## **ARTICLE XII**

### **MISCELLANEOUS PROVISIONS**

**Section 12.1 Entire Agreement.** This Agreement constitutes the entire understanding between the Parties with respect to the subject matter hereof. This Agreement supersedes any and all other prior agreements either written or oral, between the Parties with respect to the subject matter hereof.

**Section 12.2 Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

**Section 12.3 Waiver.** Any waiver of any terms and conditions hereof must be in writing, and signed by the Parties. A waiver of any of the terms and conditions hereof shall not be construed as a waiver of any other terms and conditions hereof.

**Section 12.4 Severability.** The provisions of this Agreement shall be deemed severable, and, if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be effective and binding upon the Parties.

**Section 12.5 Headings.** All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

**Section 12.6 Assignment.** This Agreement, being intended to secure the services of Receiving Hospital, shall not be assigned, delegated or subcontracted by Receiving Hospital without prior written consent of Transferring Facility.

**Section 12.7 Governing Law.** This Agreement shall be construed under the laws of the state of Illinois, without giving affect to choice of law provisions.

**Section 12.8 Notices.** Any notice herein required or permitted to be given shall be in writing and shall be deemed to be duly given on the date of service if served personally on the other Party, or on the fourth (4th) day after mailing, if mailed to the other Party by certified mail, return receipt requested, postage pre-paid, and addressed to the Parties as follows:

**To Transferring Facility**

Fresenius Medical Care Joliet, LLC

721 E. Jackson Street

Joliet, IL 60432

**Copy to:**

Ms. Lori Wright  
Fresenius Medical Care North America  
One Westbrook Corporate Center  
Tower One, Suite 100  
Westchester IL 60154

**To Receiving Hospital**

Provena Saint Joseph Medical Center

333 North Madison Street

Joliet, IL 60435

**Copy to:**

General Counsel  
Provena Health  
19065 Hickory Creek Drive, Suite 115  
Mokena, IL 60448

or such other place or places as either Party may designate by written notice to the other.

**Section 12.9 Amendment.** This Agreement may be amended upon mutual, written agreement of the Parties.


**Section 12.10 Regulatory Compliance.** The Parties agree that nothing contained in this Agreement shall require Transferring Facility to refer patients to Receiving Hospital for emergency care services or to purchase goods and services. Notwithstanding any unanticipated effect of any provision of this Agreement, neither Party will knowingly and intentionally conduct its behavior in such a manner as to violate the prohibition against fraud and abuse in connection with the Medicare and Medicaid programs.

**Section 12.11 Access to Books and Records.** If applicable, upon written request of the Secretary of Health and Human Services or the Comptroller General of the United States, or any of their duly authorized representatives, Receiving Hospital shall make available to the Secretary or to the Comptroller General those contracts, books, documents and records necessary to verify the nature and extent of the costs of providing its services under this Agreement. Such inspection shall be available for up to four (4) years after the rendering of such service. This Section is included pursuant to and is governed by the requirements of Public Law 96-499 and Regulations promulgated thereunder. The Parties agree that any attorney-client, accountant-client or other legal privileges shall not be deemed waived by virtue of this Agreement.

**IN WITNESS THEREOF,** the Parties have caused this Agreement to be executed by their duly authorized officers hereto setting their hands as of the date first written above.

**TRANSFERRING FACILITY**

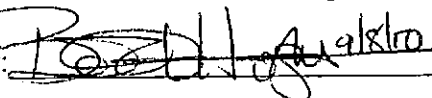
Fresenius Medical Care Joliet, LLC,

By: 

Its: Regional Vice President

**RECEIVING HOSPITAL**

Provena Saint Joseph Medical Center,  
an Illinois Not for Profit Corporation

By: 

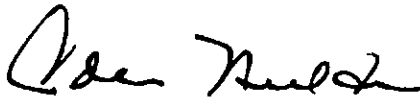
Its: EVPLCOO

Criterion 1110.1430 (j) – Assurances

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

1. As supported in this application through expected referrals to Fresenius Medical Care Joliet in the first two years of operation, the facility is expected to achieve and maintain the utilization standard, specified in 77 III. Adm. Code 1100, of 80% and;
2. Fresenius Medical Care hemodialysis patients in Illinois have achieved adequacy outcomes of:
  - o 90.55% of patients had a URR  $\geq$  65%
  - o 92.66% of patients had a Kt/V  $\geq$  1.2

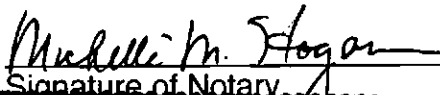
and same is expected for Fresenius Medical Care Joliet.



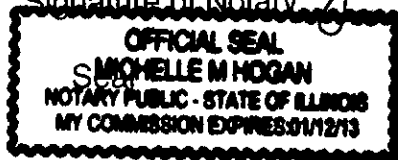
Signature

Coleen Muldoon/Regional Vice President  
Name/Title

Subscribed and sworn to before me  
this 2<sup>ND</sup> day of AUGUST, 2009



Signature of Notary



Plainfield 550 LLC  
10531 Timberwood Circle, Suite D  
Louisville, KY 40223

August 17, 2010

Bill Popken  
Real Estate Manager  
Fresenius Medical Care North America  
Reservoir Woods  
920 Winter Street  
Waltham, MA 02451-1457

RE: **Fresenius Medical Care Dialysis Center**  
**721 East Jackson Street**  
**Joliet, IL**

Dear Mr. Popken,

Plainfield 550 LLC, an Illinois limited liability company ("Landlord") hereby expresses its interest in negotiating a Lease of the above reference property to the Fresenius Medical Care ("Tenant"). By your execution hereof, you represent that you have been duly authorized to sign this letter on behalf of Tenant.

This is a letter of intent only. It is not legally binding on either party, notwithstanding anything to the contrary in this letter. It is, however, an indication of good faith intent between the parties to be detailed in the future lease agreement if the parties so agree.

The terms and conditions of this letter of interest are as follows:

**OWNERSHIP:** PLAINFIELD 550 LLC  
10531 Timberwood Circle, Suite D  
Louisville, KY 40223

**LOCATION:** 721 East Jackson Street  
Joliet, IL

**SPACE REQUIREMENTS:** Approximately 8,500 SF of contiguous rentable square feet.

**PRIMARY TERM:** Twelve (12) year term.

**OPTION TO RENEW:** FMC will have three (3) five (5) year options to renew the lease.

**RENTAL RATE:** Twenty Two Dollars PSF (\$22) Triple Net.

**ESCALATION:** Rent shall escalate ten percent (10%) in the fifth (5<sup>th</sup>) and tenth (10<sup>th</sup>) lease year, and every five years thereafter.



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

Tenant shall pay Real Estate Taxes and Operating Expenses.

**POSSESSION DATE:**

FMC will have the right to take possession of the premises upon substantial completion of Landlord's Work to complete its necessary improvements.

**COMMENCEMENT DATE:**

Rent shall commence ninety (90) days following Possession date.

**DEMISED PREMISES  
SHELL:**

Per Landlord's Work Exhibit.

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

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

**PARKING:**

Tenant shall have exclusive use of all available on site parking.

**CORPORATE  
IDENTIFICATION:**

FMC shall have all signage rights in accordance with local code.

**ASSIGNMENT/  
SUBLETTING:**

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

**SECURITY:**

Fresenius Medical Care Holding will fully guarantee the lease.

**BROKERAGE FEE:**

Per separate agreement.

It is expressly understood, agreed, and hereby acknowledged, that only upon the proper execution of a fully completed, formal lease contract, with all the lease terms and conditions clearly defined and included therein, will there then be any obligation, of any kind or nature, incurred or created between the herein parties in connection with the referenced property. Should you have any comments or questions, please do not hesitate to contact me.

Very truly yours,

PLAINFIELD 550 LLC



Chad Middendorf  
Manager

**AGREED AND ACCEPTED** this \_\_\_\_ day of \_\_\_\_\_, 2010

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

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



**DELL****QUOTATION**

QUOTE #: 485293558

Customer #: 84405601

Contract #: 70137

Customer Agreement #: Dell Std Terms

Quote Date: 4/22/09

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

Customer Name: FRESENIUS MEDICAL CARE N A

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

GROUP: 1	QUANTITY: 1	SYSTEM PRICE: \$584.51	GROUP TOTAL: \$584.51
Base Unit:	OptiPlex 760 Small Form Factor Base Standard PSU (224-2219)		
Processor:	OptiPlex 760, Core 2 Duo E7300/2.66GHz, 3M, 1066FSB (311-9514)		
Memory:	2GB, Non-ECC, 800MHz DDR2, 2X1GB OptiPlex (311-7374)		
Keyboard:	Dell USB Keyboard, No Hot Keys English, Black, OptiPlex (330-1987)		
Monitor:	Dell UltraSharp 1708FP BLK w/AdjStn, 17 inch, 1x08FPBLK OptiPlex, Precision and Latitude (320-7682)		
Video Card:	Integrated Video, GMA 4500, Dell OptiPlex 760 and 960 (320-7407)		
Hard Drive:	80GB SATA 3.0Gb/s and 8MB DataBurst Cache, Dell OptiPlex (341-8006)		
Floppy Disk Drive:	No Floppy Drive with Optical Filler Panel, Dell OptiPlex Small Form Factor (341-4609)		
Operating System:	Windows XP PRO SP3 with Windows Vista Business License English, Dell OptiPlex (420-9570)		
Mouse:	Dell USB 2 Button Optical Mouse with Scroll, Black OptiPlex (330-2733)		
NIC:	ASF Basic Hardware Enabled Systems Management (330-2901)		
CD-ROM or DVD-ROM Drive:	24X24 CDRW/DVD Combo, with Cyberlink Power DVD, No Media Media, Dell OptiPlex 960 Small Form Factor (313-7071)		
CD-ROM or DVD-ROM Drive:	Cyberlink Power DVD 8.1, with Media, Dell OptiPlex/Precision (420-9179)		
Sound Card:	Heat Sink, Mainstream, Dell OptiPlex Small Form Factor (311-9520)		
Speakers:	Dell AX510 black Sound Bar for UltraSharp Flat Panel Displays Dell OptiPlex/Precision/ Latitude (313-6414)		
Cable:	OptiPlex 760 Small Form Factor Standard Power Supply (330-1984)		
Documentation Diskette:	Documentation, English, Dell OptiPlex (330-1710)		
Documentation Diskette:	Power Cord, 125V, 2M, C13, Dell OptiPlex (330-1711)		
Factory Installed Software:	No Dell Energy Smart Power Management Settings, OptiPlex (467-3564)		
Feature:	Resource DVD contains Diagnostics and Drivers for Dell OptiPlex 760 Vista (330-2019)		
Service:	ProSupport for IT: Next Business Day Parts and Labor Onsite Response Initial Year (991-6370)		
Service:	ProSupport for IT: Next Business Day Parts and Labor Onsite Response 2 Year Extended (991-3642)		
Service:	Dell Hardware Limited Warranty Plus Onsite Service Initial Year (992-6507)		
Service:	Dell Hardware Limited Warranty Plus Onsite Service Extended Year(s) (992-6608)		
Service:	ProSupport for IT: 7x24 Technical Support for certified IT Staff, Initial (984-6640)		
Service:	ProSupport for IT: 7x24 Technical Support for certified IT Staff, 2 Year Extended (984-0002)		
Thank you choosing Dell ProSupport. For tech support, visit <a href="http://support.dell.com/ProSupport">http://support.dell.com/ProSupport</a>			

Service:	or call 1-866-616-31 (989-3449)
Installation:	Standard On-Site Installation Declined (900-9987)
Installation:	Standard On-Site Installation Declined (900-9987)
Misc:	Shipping Material for System Cypher Small Form Factor, Dell OptiPlex (330-2193)
	Vista Premium Downgrade Relationship Desktop (310-9161)
	CFI Routing SKU (366-0257)
	CFI, Rollup, Integration Service, Image Load (366-1416)
	CFI, Rollup, Custom Project, Fee for ESLH (366-1551)
	CFI, Rollup, Integration Services, BIOS Setting (366-1656)
	CFI, Information, Vista To WXP ONLY, Factory Install (372-6272)
	CFI, Software, Image, Quick Image, Titan, Factory Install (372-9740)
	CFI, BIOS, Across Line Of Business, Wakeup-on-lan, Enable, Factory Install (374-4558)
	CFI, Information, Optiplex 760 Only, Factory Install (374-8402)

SOFTWARE & ACCESSORIES			
Product	Quantity	Unit Price	Total
Office 2007 Sngl C 021-07777 (A0748570)	1	\$259.68	\$259.68
Windows Server CAL 2008 Sngl MVL Device CAL C R18-02830 (A1511502)	1	\$20.40	\$20.40
Number of S & A Items: 2		S&A Total Amount: \$280.08	

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

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

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

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

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

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

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

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

**Criterion 1120.310 Financial Viability**

Financial Viability Waiver

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

2009 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #10-036, Fresenius Medical Care Mundelein and are the same financials that pertain to this application. In order to reduce bulk these financials can be referred to if necessary.


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

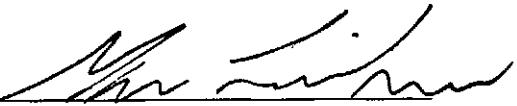
Fresenius Medical Care of Plainfield, LLC

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

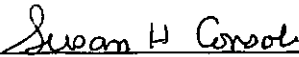
There is no debt financing. The project will be funded with cash and leasing arrangements; and

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

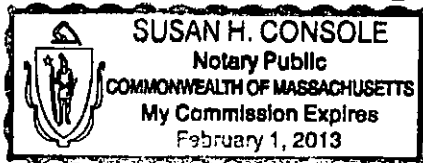
By:   
ITS: Mark Fawcett  
Vice President & Asst. Treasurer

By:   
ITS: Marc Lieberman  
Asst. Treasurer

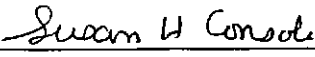
Notarization:  
Subscribed and sworn to before me  
this 13 day of Sept, 2010

  
Signature of Notary

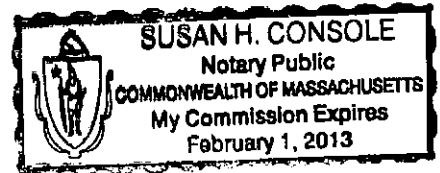
Seal



Notarization:  
Subscribed and sworn to before me  
this 13 day of Sept, 2010

  
Signature of Notary

Seal






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

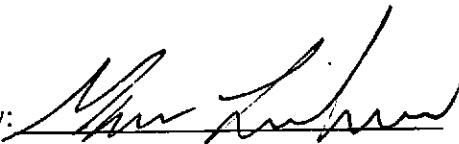
Fresenius Medical Care Holdings, Inc.

In accordance with 77 ILL. ADM Code 1120, Subpart D, Section 1120.310, of the Illinois Health Facilities Planning 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:   
Mark Fawcett  
Vice President & Asst. Treasurer  
ITS: \_\_\_\_\_

By:   
Marc Lieberman  
Asst. Treasurer

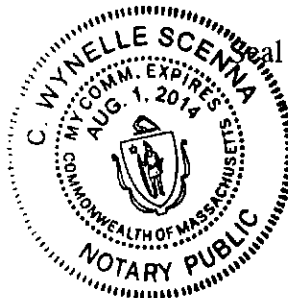
Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2010

Notarization:  
Subscribed and sworn to before me  
this 7 day of Sept, 2010

\_\_\_\_\_  
Signature of Notary

\_\_\_\_\_  
Signature of Notary


Seal

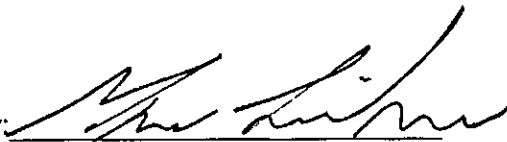


**Criterion 1120.310(a) Reasonableness of Financing Arrangements**

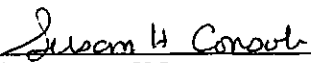
Fresenius Medical Care of Plainfield, LLC

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

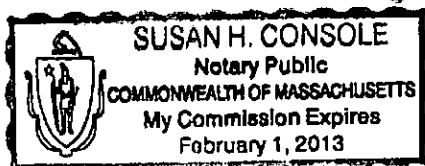
By:   
Title: Mark Fawcett  
Vice President & Asst. Treasurer

By:   
Title: Marc Lieberman  
Asst. Treasurer

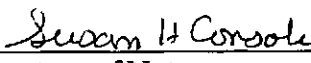
Notarization:  
Subscribed and sworn to before me  
this 13 day of Sept, 2010

  
Signature of Notary

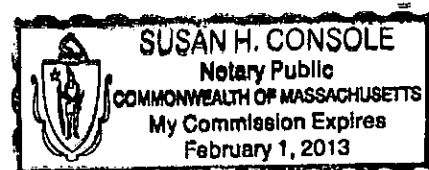
Seal



Notarization:  
Subscribed and sworn to before me  
this 13 day of Sept, 2010

  
Signature of Notary


Seal




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

Fresenius Medical Care Holdings, Inc.

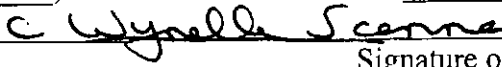
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By:   
ITS: Mark Fawcett  
Vice President & Asst. Treasurer

By:   
ITS: Marc Lieberman  
Asst. Treasurer

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2010

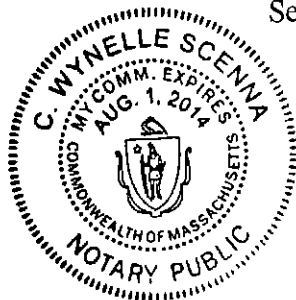
Notarization:  
Subscribed and sworn to before me  
this 7 day of Sept, 2010

Signature of Notary 

Signature of Notary \_\_\_\_\_

Seal

Seal



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

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD		130.50			8,500			1,109,250	1,109,250
Contingency		13.05			8,500			110,900	110,900
TOTALS		143.55			8,500			1,220,150	1,220,150

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

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

**Year 2014**

Salaries \$620,860  
 Benefits 155,215  
 Supplies 131,866  
 Total \$907,941

Annual Treatments 12,012

Cost Per Treatment \$75.59

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

**Year 2014**

Depreciation/Amortization \$143,252  
 Interest 0  
 CAPITAL COSTS \$143,252

Treatments: 12,012

Capital Cost per treatment \$11.93

## Charity Care Information

From a charity standpoint Fresenius Medical Care accepts any patient regardless of their ability to pay. Most ESRD patients qualify for Medicare coverage or have private insurance and there are some who qualify for Medicaid. For those patients who don't have insurance and for whatever reason don't pursue government payor sources, Fresenius Medical Care will treat and bill the patient even though payment is not expected. These patients are considered "self-pay" patients. These unpaid accounts are then written off as bad debt. This practice does not meet the Board's definition of Charity Care so therefore, Fresenius Medical Care would have no charity care to report.



# MAPQUEST.

**Trip to Maple Rd & N Clinton St**  
New Lenox, IL 60451  
4.31 miles - about 7 minutes

Notes

TO SILVER CROSS HOSPITAL



**721 E Jackson St, Joliet, IL 60432-2560**



1. Start out going EAST on E JACKSON ST / US-6 toward E RIDGEWOOD AVE. Continue to follow US-6.

go 4.3 mi



2. MAPLE RD & N CLINTON ST.

go 0.0 mi



**Maple Rd & N Clinton St, New Lenox, IL 60451**

Total Travel Estimate : 4.31 miles - about 7 minutes

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# MAPQUEST.

**Trip to 1062 Thornton St**  
Lockport, IL 60441-3231  
5.75 miles - about 11 minutes

Notes

TO FRESENIUS LOCKPORT



## 721 E Jackson St, Joliet, IL 60432-2560



1. Start out going **NORTHEAST** on **E JACKSON ST / US-6** toward **E RIDGEWOOD AVE**. Continue to follow **US-6**. go 1.2 mi



2. Turn **LEFT** onto **FERNWOOD AVE / N BRIGGS ST / CR-62**. Continue to follow **N BRIGGS ST / CR-62**. go 2.9 mi



3. Turn **LEFT** onto **E DIVISION ST**. go 0.2 mi



4. Turn **RIGHT** onto **GARFIELD AVE**. go 0.3 mi



5. Turn **RIGHT** onto **E 9TH ST / IL-7**. go 1.0 mi



6. Turn **LEFT** onto **THORNTON ST / CR-68**. go 0.0 mi



7. Turn **LEFT** to stay on **THORNTON ST / CR-68**. go 0.0 mi



8. **1062 THORNTON ST** is on the **RIGHT**. go 0.0 mi



## 1062 Thornton St, Lockport, IL 60441-3231

Total Travel Estimate : 5.75 miles - about 11 minutes

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# MAPQUEST.

**Trip to 2121 Oneida St**  
 Joliet, IL 60435-6544  
 5.79 miles - about 13 minutes

Notes

TO SUN HEALTH DIALYSIS

**A** **721 E Jackson St, Joliet, IL 60432-2560**

- |   |   |           |
|---|---|-----------|
|    | 1. Start out going WEST on E JACKSON ST / US-6 toward N ABE ST.         | go 0.5 mi |
|    | 2. Turn LEFT onto N COLLINS ST / US-6. Continue to follow N COLLINS ST. | go 0.6 mi |
|    | 3. Turn LEFT onto S RICHARDS ST.  | go 0.8 mi |
|  | 4. Merge onto I-80 W toward MOLINE / ROCK ISLAND.                       | go 2.4 mi |
|  | 5. Merge onto S LARKIN AVE / IL-7 N via EXIT 130B.                      | go 1.0 mi |
|  | 6. Turn LEFT onto US-52 / W JEFFERSON ST.                               | go 0.3 mi |
|  | 7. Turn RIGHT onto N HAMMES AVE.  | go 0.2 mi |
|  | 8. Turn LEFT onto W ONEIDA ST.  | go 0.0 mi |
|  | 9. 2121 ONEIDA ST is on the RIGHT.                                      | go 0.0 mi |

**B** **2121 Oneida St, Joliet, IL 60435-6544**  
 Total Travel Estimate : 5.79 miles - about 13 minutes

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# MAPQUEST.

**Trip to 1051 Essington Rd**  
Joliet, IL 60435-2801  
5.73 miles - about 17 minutes

Notes

TO SILVER CROSS RENAL WEST

## **A** 721 E Jackson St, Joliet, IL 60432-2560



1. Start out going WEST on E JACKSON ST / US-6 toward N ABE ST. Continue to follow E JACKSON ST.

go 0.9 mi



2. Turn RIGHT onto N SCOTT ST / IL-53 N.

go 0.3 mi



3. Turn LEFT onto E COLUMBIA ST / IL-53 N. Continue to follow IL-53 N.

go 0.3 mi



4. Stay STRAIGHT to go onto W RUBY ST.

go 0.8 mi



5. W RUBY ST becomes W BLACK RD.

go 3.1 mi



6. Turn RIGHT onto ESSINGTON RD.

go 0.3 mi



7. 1051 ESSINGTON RD is on the LEFT.

go 0.0 mi

## **B** 1051 Essington Rd, Joliet, IL 60435-2801

Total Travel Estimate : 5.73 miles - about 17 minutes

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# MAPQUEST.












**Trip to 8910 W 192nd St**  
Mokena, IL 60448-8110  
13.82 miles - about 22 minutes

Notes

TO FRESENIUS MOKENA



## 721 E Jackson St, Joliet, IL 60432-2560

- 
1. Start out going **EAST** on **E JACKSON ST / US-6** toward **E RIDGEWOOD AVE**. Continue to follow **US-6 E**.
go 4.6 mi
- 

2. Merge onto **I-355 S / VETERANS MEMORIAL TOLLWAY** via the ramp on the **LEFT** toward **I-80** (Portions toll).
go 1.2 mi
- 

3. Merge onto **I-80 E** via the exit on the **LEFT** toward **INDIANA**.
go 6.0 mi
- 

4. Merge onto **US-45 S / LA GRANGE RD** via **EXIT 145**.
go 1.0 mi
- 
5. Turn **LEFT** onto **191ST ST / CR-84**.
go 0.6 mi
- 
6. Turn **RIGHT** onto **DARVIN DR**.
go 0.2 mi
- 
7. **DARVIN DR** becomes **W 192ND ST**.
go 0.3 mi
- 
8. **8910 W 192ND ST** is on the **LEFT**.
go 0.0 mi

## 8910 W 192nd St, Mokena, IL 60448-8110

Total Travel Estimate : 13.82 miles - about 22 minutes

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# MAPQUEST.

**Trip to 9160 W 159th St**  
Orland Park, IL 60462-5648  
14.33 miles - about 22 minutes

Notes

TO FRESENIUS ORLAND PARK



**721 E Jackson St, Joliet, IL 60432-2560**



1. Start out going **EAST** on **E JACKSON ST / US-6** toward **E RIDGEWOOD AVE**. Continue to follow **US-6 E**.

go 9.9 mi



2. Turn **LEFT** onto **WOLF RD / US-6**.

go 1.9 mi



3. Turn **RIGHT** onto **W 159TH ST / US-6**.

go 2.6 mi



4. **9160 W 159TH ST** is on the **LEFT**.

go 0.0 mi



**9160 W 159th St, Orland Park, IL 60462-5648**

Total Travel Estimate : 14.33 miles - about 22 minutes

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# MAPQUEST.

**Trip to 2300 Michas Dr**  
 Plainfield, IL 60586-5045  
 15.48 miles - about 25 minutes

Notes

TO FRESENIUS PLAINFIELD

**A** **721 E Jackson St, Joliet, IL 60432-2560**

- |   |   |           |
|---|---|-----------|
|    | 1. Start out going <b>WEST</b> on <b>E JACKSON ST / US-6</b> toward <b>N ABE ST.</b>          | go 0.5 mi |
|    | 2. Turn <b>LEFT</b> onto <b>N COLLINS ST / US-6</b> . Continue to follow <b>N COLLINS ST.</b> | go 0.6 mi |
|   | 3. Turn <b>LEFT</b> onto <b>S RICHARDS ST.</b>  | go 0.8 mi |
|  | 4. Merge onto <b>I-80 W</b> toward <b>MOLINE / ROCK ISLAND.</b>                               | go 6.6 mi |
|  | 5. Merge onto <b>I-55 N</b> via <b>EXIT 126B</b> toward <b>CHICAGO.</b>                       | go 1.6 mi |
|  | 6. Take the <b>IL-59</b> exit, <b>EXIT 251</b> , toward <b>SHOREWOOD / PLAINFIELD.</b>        | go 0.7 mi |
|  | 7. Turn <b>SLIGHT RIGHT</b> onto <b>COTTAGE ST / IL-59</b> . Continue to follow <b>IL-59.</b> | go 3.6 mi |
|  | 8. Turn <b>LEFT</b> onto <b>W CATON FARM RD / CR-5.</b>                                       | go 1.1 mi |
|  | 9. Turn <b>LEFT</b> onto <b>MICHAS DR.</b>  | go 0.0 mi |
|  | 10. <b>2300 MICHAS DR</b> is on the <b>LEFT.</b>  | go 0.0 mi |

**B** **2300 Michas Dr, Plainfield, IL 60586-5045**















# MAPQUEST.

**Trip to 329 Remington Blvd**  
 Bolingbrook, IL 60440-5827  
 13.12 miles - about 26 minutes

Notes

TO FRESENIUS BOLINGBROOK

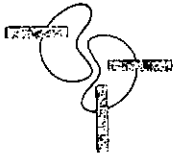
**A** **721 E Jackson St, Joliet, IL 60432-2560**

- |   |  |           |
|---|--|-----------|
|    | 1. Start out going WEST on E JACKSON ST / US-6 toward N ABE ST. Continue to follow E JACKSON ST. | go 0.9 mi |
|       | 2. Turn RIGHT onto N SCOTT ST / IL-53 N.   | go 0.3 mi |
|     | 3. Turn LEFT onto E COLUMBIA ST / IL-53 N. Continue to follow IL-53 N.                           | go 0.3 mi |
|   | 4. Turn RIGHT onto N BROADWAY ST / IL-53. Continue to follow IL-53.                              | go 9.5 mi |
|   | 5. Turn LEFT onto IL-53 N / BOLINGBROOK DR.  | go 1.4 mi |
|    | 6. Turn LEFT onto REMINGTON BLVD.  | go 0.6 mi |
|    | 7. Make a U-TURN onto REMINGTON BLVD.  | go 0.0 mi |
|    | 8. 329 REMINGTON BLVD is on the RIGHT.   | go 0.0 mi |

**B** **329 Remington Blvd, Bolingbrook, IL 60440-5827**  
 Total Travel Estimate : 13.12 miles - about 26 minutes

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# GERMANE NEPHROLOGY ASSOCIATES

95 - 129TH INFANTRY DRIVE, JOLIET, IL 60435

TEL: (815) 741-6830 • FAX: (815) 741-6832

**Tunji Alausa, M.D.**  
Diplomat of American  
Board of Nephrology

Diplomat of American  
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Board of  
Critical Care Medicine

**Quan Wang, M.D.**  
Diplomat of American  
Board of Nephrology

Diplomat of American  
Board of  
Internal Medicine

September 7, 2010

Mr. Dale Galassie  
Acting Chair  
Illinois Health Facilities & Services Review Board  
525 W. Jefferson St., 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Mr. Galassie:

I am a nephrologist practicing in Will County in the Joliet/Plainfield area and also serve as Medical Director of the Fresenius Medical Care Plainfield dialysis center as well as the Joliet Home Dialysis Network facility. I am part of Germane Nephrology Associates in Joliet. Along with my partner, Mohammed Shafi, M.D., I currently refer patients to Fresenius Medical Care Plainfield, Joliet Home Dialysis Network, Fairview Nursing Home, Silver Cross Renal West, Silver Cross Hospital and Sun Health. The Joliet/Plainfield area has seen a constant increase of end stage renal disease (ESRD) patients over the past several years. The recently operational Plainfield facility is already halfway to capacity and other facilities I refer patients to are operating at high utilizations. For this reason, I am in full support of the proposed Fresenius Medical Care Joliet dialysis clinic.

The selected site for this facility is in an area that is predominantly Hispanic and African American. These populations are twice as likely to be diagnosed with diabetes which is the leading cause of kidney failure. This is contributing to the high growth of ESRD in the area. This is evident in 92% growth of my hemodialysis patients over the last three and a half years (92 in 2007 up to 177 in 2010). Due to this excessive growth I am adding two more new nephrologists to my practice by the end of 2010.

Over the past three years I was treating 92 hemodialysis patients at the end of 2007, 130 patients at the end of 2008 and 174 patients at the end of 2009, as reported to The Renal Network. At the end of the 2nd quarter 2010 I had 177 hemodialysis patients. As well, over the past twelve months, I have referred 77 hemodialysis patients to those facilities mentioned above. I am a strong supporter of home dialysis and have also referred another 60 patients for this modality in the past year. I currently have 535 pre-ESRD patients in my practice from the Joliet area that will be requiring dialysis in the next 1-3


years as indicated by lab values. Of these I expect approximately 30% to either expire, regain function or move out of the area before dialysis therapy is started. I expect to refer 58 patients to the Fresenius Joliet facility in the first year and another 163 in the 2<sup>nd</sup> and third year of operation. (see attached patient lists). I also have patients that live closer to other area facilities such as Silver Cross Renal West, Silver Cross Hospital, Fresenius Plainfield, Lockport, Oswego, Naperville & Bolingbrook or to Sun Health and I will

continue to refer to these facilities per the patients choice. As well I will continue to refer those patients who are good candidates for home dialysis services.  
(see attached patient lists)

I therefore urge the Board to approve the establishment of Fresenius Medical Care Joliet to keep access to dialysis treatment available to the patients in this growing area of Will County. Thank you for your consideration.

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

Sincerely,



Morufu Alausa, M.D.

Notarization:

Subscribed and sworn to before me  
this 7<sup>th</sup> day of September 2010

  
Signature of Notary

Seal



**PRE - ESRD PATIENTS DR. ALAUSA EXPECTS TO REFER TO FRESENIUS  
MEDICAL CARE JOLIET BY 2 YEARS AFTER PROJECT COMPLETION  
ALSO INCLUDED ARE HIS PATIENTS WHO WILL BE REFERRED TO  
OTHER AREA FACILITIES**

**FRESENIUS MEDICAL CARE JOLIET**

Zip Code	1 YEAR	2-3 YEARS
60432	9	18
60433	17	29
60442	6	22
60410	4	26
60481	3	27
60403	20	40
<b>TOTAL</b>	<b>58</b>	<b>163</b>

**SILVER CROSS HOSPITAL DIALYSIS NEW LENOX**

60451	13	19
<b>TOTAL</b>	<b>13</b>	<b>19</b>

**FRESENIUS MEDICAL CARE PLAINFIELD**

60586	5	8
60431	5	9
60404	3	15
60544	10	15
<b>TOTAL</b>	<b>22</b>	<b>48</b>

**FRESENIUS MEDICAL CARE LOCKPORT**

60441	13	41
<b>TOTAL</b>	<b>13</b>	<b>41</b>

**POTENTIALLY TO FRESENIUS MEDICAL CARE  
OSWEGO, NAPERVILLE, BOLINGBROOK**

60543	6	12
60585	6	11
60446	5	17
60564	6	12
<b>TOTAL</b>	<b>23</b>	<b>51</b>

**POTENTIALLY TO SILVER CROSS WEST, SUN  
HEALTH OR FRESENIUS JOLIET**

60436	22	13
60421	10	20
60435	10	20
<b>TOTAL</b>	<b>42</b>	<b>53</b>

<b>GRAND TOTAL</b>	<b>172</b>	<b>375</b>
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**ADMISSIONS OF DR. ALAUSA FOR THE PREVIOUS TWELVE MONTHS -**  
**08/01/2009 THROUGH 07/31/2010**

Zip Code	Fairview Nursing Home	Fresenius Plainfield	Silver Cross Hospital	Silver Cross Renal West	Sun Health	Total
60403		4		1		5
60404		3				3
60407		1				1
60421		1				1
60431		3				3
60432		2	5	3	1	11
60433		2		1		3
60435	8	8				16
60436	1	2		3		6
60439		1				1
60440				1		1
60441		4		1		5
60442				1		1
60446		2				2
60447		1			1	2
60448		2				2
60544		4		1		5
60559		1				1
60565		1				1
60586		6		1		7
Total	9	48	5	13	2	77

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Physician Referral Letter  
**APPENDIX - 2**

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**PATIENTS OF DR. ALAUSA FOR 2007**  
**BY FACILITY AND ZIP CODE**

Zip Code	Silver Cross Renal West	Sun Health	Silver Cross Hospital	Total
60432	5	2	2	9
60433	6	1	0	7
60436	5	1	1	7
60451	3	0	1	4
60410	2	0	0	2
60481	3	0	0	3
60441	3	1	1	5
60435	9	2	0	11
60403	2	0	1	3
60518	1	0	1	2
60407	1	0	0	1
60450	3	1	0	4
60431	2	0	1	3
60404	2	0	0	2
60446	3	0	0	3
60544	2	0	0	2
60486	2	1	0	3
60420	1	0	1	2
60477	3	0	0	3
60434	4	1	0	5
60560	1	0	1	2
60538	1	0	0	1
60416	2	0	1	3
60448	1	0	0	1
60491	2	0	0	2
60440	1	0	1	2
<b>Total</b>	<b>70</b>	<b>10</b>	<b>12</b>	<b>92</b>

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Physician Referral Letter  
**APPENDIX - 2**

**PATIENTS OF DR. ALAUSA FOR 2008**  
**BY FACILITY AND ZIP CODE**

Zip Code	Silver Cross Renal West	Sun Health	Silver Cross Hospital	Total
60432	11	1	2	14
60433	7	2	1	10
60436	9	2	1	12
60451	3	1	1	5
60410	2	0	0	2
60481	4	1	0	5
60441	3	1	1	5
60435	14	4	2	20
60403	4	1	1	6
60518	1	0	0	1
60407	1	0	1	2
60450	4	1	1	6
60431	4	2	1	7
60404	4	1	0	5
60446	5	1	1	7
60544	2	0	0	2
60486	1	0	0	1
60420	1	0	0	1
60477	1	0	0	1
60434	5	2	1	8
60560	1	0	1	2
60538	2	0	0	2
60416	1	0	1	2
60448	1	1	0	2
60491	1	0	0	1
60440	1	0	0	1
Total	93	21	16	130

**PATIENTS OF DR. ALAUSA FOR 2009**  
**BY FACILITY AND ZIP CODE**

Zip Code	Silver Cross Renal West	Sun Health	Silver Cross Hospital	Fresenius Plainfield	Total
60432	14	5	8	0	27
60433	12	2	0	0	14
60436	7	1	1	0	9
60451	5	2	4	0	11
60410	2	0	0	0	2
60481	1	0	1	0	2
60441	12	1	1	0	14
60435	19	2	0	1	22
60403	2	0	2	1	5
60518	1	0	0	0	1
60407	4	0	2	1	7
60450	5	2	0	0	7
60431	2	0	1	0	3
60404	2	0	2	0	4
60446	3	0	0	0	3
60544	2	1	0	0	3
60486	3	0	0	0	3
60420	1	0	4	0	5
60477	1	0	1	0	2
60434	12	1	0	0	13
60560	1	0	1	0	2
60538	1	0	0	0	1
60416	3	1	1	0	5
60448	1	1	0	0	2
60491	1	0	2	0	3
60440	2	0	0	0	2
60447	0	0	0	1	1
Total	119	19	31	4	173

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Physician Referral Letter  
**APPENDIX - 2**

**PATIENTS OF DR. ALAUSA FOR 2ND QUARTER 2010**  
**BY FACILITY AND ZIP CODE**

Zip Code	Silver Cross Renal West	Sun Health	Silver Cross Hospital	Fresenius Plainfield	Total
60432	9	3	8	2	22
60433	8	1	0	2	11
60436	7	1	1	2	11
60451	5	2	4	0	11
60410	2	0	0	0	2
60481	1	0	1	0	2
60441	8	1	1	3	13
60435	7	2	0	9	18
60403	2	0	2	4	8
60518	1	0	0	0	1
60407	4	0	2	1	7
60450	5	2	0	0	7
60431	2	0	1	3	6
60404	1	0	2	3	6
60446	1	0	0	2	3
60544	1	1	0	4	6
60486	3	0	0	0	3
60420	1	0	2	0	3
60477	1	0	1	0	2
60434	5	1	0	0	6
60560	1	0	1	0	2
60538	1	0	0	0	1
60416	3	1	1	0	5
60448	1	1	0	2	4
60491	1	0	2	0	3
60440	1	0	0	0	1
60447	0	0	0	1	1
60565	1	1	0	1	3
60559	0	0	0	1	1
60586	1	0	0	6	7
60421	0	0	0	1	1
Total	84	17	29	47	177

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