

11-091 Original

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

**RECEIVED****SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

SEP 23 2011

**This Section must be completed for all projects.**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**Facility/Project Identification**

Facility Name: <i>Bio-Medical Applications of Illinois d/b/a Fresenius Medical Care Du Quoin</i>			
Street Address: <i>600-680 E. Jackson Street</i>			
City and Zip Code: <i>Du Quoin 62832</i>			
County: <i>Perry</i>	Health Service Area	<i>5</i>	Health Planning Area:

**Applicant /Co-Applicant Identification****[Provide for each co-applicant [refer to Part 1130.220].**

Exact Legal Name: <i>Bio-Medical Applications of Illinois, Inc. d/b/a Fresenius Medical Care Du Quoin</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 checked="" type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
	<input type="checkbox"/> Other

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

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

**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>Richard Alderson</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>One Cityplace Drive, Suite 160, St. Louis, MO 63141</i>
Telephone Number: <i>314-872-1714 Ext. 11</i>
E-mail Address: <i>richard.alderson@fmc-na.com</i>
Fax Number: <i>314-872-7012</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@hkllaw.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>MDG Development Group, LLC</i>
Address of Site Owner: <i>3010 LBJ Freeway, Suite 1400, Dallas, Texas 75234</i>
Street Address or Legal Description of Site: <i>600-680 E. Jackson Street, Du Quoin 62832</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>Bio-Medical Applications of Illinois, Inc. d/b/a Fresenius Medical Care Du Quoin</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> <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**

[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.

*Bio-Medical Applications of Illinois, Inc. proposes to discontinue its 10-station ESRD facility located at 4 West Main Street, Du Quoin. In conjunction with this discontinuation we will establish a replacement 11-station ESRD facility at 600-680 E. Jackson, Du Quoin. (The additional station will be an isolation station to be used only by patients who have Hepatitis B). This is essentially a relocation of the existing facility along with one station addition. The new facility will be in leased space with the interior to be built out by the applicant. Both locations are in HSA 5.*

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

### Project Costs and Sources of Funds

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

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		880,484	N/A	880,484
Contingencies		88,048	N/A	88,048
Architectural/Engineering Fees		94,000	N/A	94,000
Consulting and Other Fees		N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)		320,700	N/A	320,700
Bond Issuance Expense (project related)		N/A	N/A	N/A
Net Interest Expense During Construction (project related)		N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	1,280,438 193,950	1,474,388	N/A	1,474,388
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>		2,857,620		2,857,620
SOURCE OF FUNDS		CLINICAL	NONCLINICAL	TOTAL
Cash and Securities		1,383,232	N/A	1,383,232
Pledges		N/A	N/A	N/A
Gifts and Bequests		N/A	N/A	N/A
Bond Issues (project related)		N/A	N/A	N/A
Mortgages		N/A	N/A	N/A
Leases (fair market value)		1,474,388	N/A	1,474,388
Governmental Appropriations		N/A	N/A	N/A
Grants		N/A	N/A	N/A
Other Funds and Sources			N/A	
<b>TOTAL SOURCES OF FUNDS</b>		2,857,620	N/A	2,857,620
<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>82,412</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>12/31/2013</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.	
<b>APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>	

**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>							
Total Clinical							
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>							
<p>APPEND DOCUMENTATION AS <u>ATTACHMENT-9</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>							

**CERTIFICATION**

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

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

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

*[Handwritten Signature]*

SIGNATURE

Mark Fawcett

Vice President & Treasurer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me

this 17<sup>th</sup> day of August 2011

*[Handwritten Signature]*

Signature of Notary

Seal

\*Insert EXACT legal name of the applicant

*[Handwritten Signature]*

SIGNATURE

Robert J. McGorty

Sr. VP

PRINTED TITLE

Notarization:

Subscribed and sworn to before me

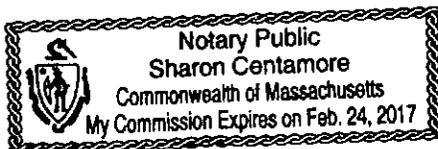
this 17 day of August 2011

*[Handwritten Signature]*

Signature of Notary

COMMISSION EXPIRES: OCT 7, 2016

Seal



**CERTIFICATION**

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

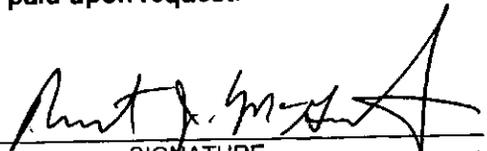
- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of 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.

  
 \_\_\_\_\_  
 SIGNATURE

Mark Fawcett  
 \_\_\_\_\_  
 PRINTED NAME  
 Vice President & Asst. Treasurer

\_\_\_\_\_  
 PRINTED TITLE

  
 \_\_\_\_\_  
 SIGNATURE

Robert J. McGorty  
 \_\_\_\_\_  
 PRINTED NAME  
 Sr. VP

\_\_\_\_\_  
 PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 17<sup>th</sup> day of August 2011

Notarization:  
Subscribed and sworn to before me  
this 17 day of August 2011

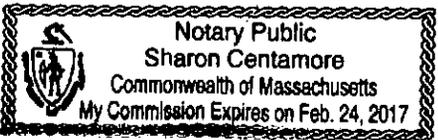
  
 \_\_\_\_\_  
 Signature of Notary

Seal

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

COMMISSION EXPIRES: OCT 7, 2016  
 Seal

\*insert EXACT legal name of the applicant



**SECTION II. DISCONTINUATION**

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

**Criterion 1110.130 - Discontinuation**

READ THE REVIEW CRITERION and provide the following information:

**GENERAL INFORMATION REQUIREMENTS**

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

**REASONS FOR DISCONTINUATION**

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

**IMPACT ON ACCESS**

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

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

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

##### BACKGROUND OF APPLICANT

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

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

##### PURPOSE OF PROJECT

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

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

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

**APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) 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	10	11

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

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

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

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

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

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

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

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

<u>1,383,232</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>1,474,388</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>N/A</u>	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
<u>2,857,620</u>	<b>TOTAL FUNDS AVAILABLE</b>	

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

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

**Financial Viability Waiver**

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

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

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

2. Variance **NOT APPLICABLE**

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

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

**X. 1120.140 - Economic Feasibility**

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

**A. Reasonableness of Financing Arrangements**

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

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

**B. Conditions of Debt Financing**

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

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

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

Read the criterion and provide the following:

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

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

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

**D. Projected Operating Costs**

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

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

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

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

**XI. Safety Net Impact Statement**

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

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

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

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

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

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

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

**XII. Charity Care Information**

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

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

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

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

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

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

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

<b>INDEX OF ATTACHMENTS</b>		
<b>ATTACHMENT NO.</b>		<b>PAGES</b>
1	Applicant/Co-applicant Identification including Certificate of Good Standing	22-23
2	Site Ownership	24-26
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	27a & b
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	28
5	Flood Plain Requirements	29-30
6	Historic Preservation Act Requirements	31
7	Project and Sources of Funds Itemization	32-33
8	Obligation Document if required	34
9	Cost Space Requirements	35
10	Discontinuation	36-39
11	Background of the Applicant	40-73
12	Purpose of the Project	74-75
13	Alternatives to the Project	76-78
14	Size of the Project	79
15	Project Service Utilization	80
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	81-111
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	112-120
40	Financial Waiver	121-123
41	Financial Viability	
42	Economic Feasibility	124-128
43	Safety Net Impact Statement	129
44	Charity Care Information	130-137
Appendix 1	MapQuest Travel Times	138-142
Appendix 2	Physician Referral Letters & Patient Referrals	143-150



To all to whom these Presents Shall Come, Greeting:

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

BIO-MEDICAL APPLICATIONS OF ILLINOIS, INC., INCORPORATED IN DELAWARE AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON JUNE 10, 1975, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 4TH day of AUGUST A.D. 2011 .



Jesse White

Authentication #: 1121601990

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

SECRETARY OF STATE

**Co-Applicant Identification**

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

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

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

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

## Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>MDG Development Group, LLC</i>
Address of Site Owner: <i>3010 LBJ Freeway, Suite 1400, Dallas, Texas 75234</i>
Street Address or Legal Description of Site: <i>600-680 E. Jackson Street, Du Quoin 62832</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 <u>ATTACHMENT-2</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.



September 6, 2011

Charles Newth  
Senior Real Estate Manager  
Fresenius Medical Care North America  
Reservoir Woods  
920 Winter Street  
Waltham, MA 02451-1457  
[charles.newth@fmc-na.com](mailto:charles.newth@fmc-na.com)  
phone: (781) 699-9993  
fax: (781) 699-9776

**Re: Letter of Intent to Lease the Property Located at 640 E Jackson Street, Du Quoin, Illinois.**

Dear Charles,

This letter is intended to outline certain business points of the pending building lease transaction for the Property referenced herein as follows:

- Parties:**
  - Landlord: MGB Development Group, LLC or its assigns
  - Tenant: Bio-Medical Applications of Illinois, Inc., a Delaware corporation, d/b/a Fresenius Medical Care Du Quoin
  - Guarantor: Fresenius Medical Care Holdings, Inc.
  
- Property:** The Property to be constructed consists of +/-6,747 square feet on +/-2 acres located at 640 E Jackson Street, Du Quoin, Illinois; the land site is as shown on **Exhibit "A"** attached hereto.
  
- Primary Lease Term:** 15 years
  
- Options to Renew:** Three (5) five year options
  
- Rental Rate:** The rental rate is estimated at \$17.91/sf for 6,747 sf, to be adjusted based on final project costs. Rental Rate shall increase 1.7% per year.
  
- Lease Commencement:** Ninety (90) days after Shell Building Substantial Completion
  
- Landlord Responsibilities:**
  - (a) Warranty all building defects for one (1) year per contractor warranties.
  - (b) The Landlord, at its cost, will maintain the structure of the building to include foundation, slab, columns, walls and roof throughout the lease term. In addition, be responsible for repairs to or replacement of heating/air conditioning equipment servicing the Premises for any single

repair for the portion of the costs that exceeds Two Thousand Five Hundred Dollars (\$2,500.00) per repair. The Two Thousand Five Hundred Dollar (\$2,500) repair and maintenance allowance shall escalate by two percent (2%) annually.

**Tenant  
Responsibilities:**

(a) Tenant shall at its sole cost and expense keep and maintain the non-structural portions of the interior of the Premises, including all Tenant Improvements and Alterations, in good order and repair and free of refuse and rubbish.

(b) Tenant shall pay all utility service charges directly, and Tenant shall pay directly or reimburse Landlord for all building insurance and tax bills by the required payment date.

**Contingency:**

Lease shall be contingent on Tenant obtaining a Certificate of Need from the Illinois Department of Health in order to relocate the facility and continue operations at the new Property.

This letter is non-binding but is intended to provide an outline for drafting the formal lease agreement between the Parties.

Best Regards,

*Paul Brown*

Paul Brown  
Partner  
MGB Development Group

ACCEPTED, AGREED AND  
APPROVED:

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

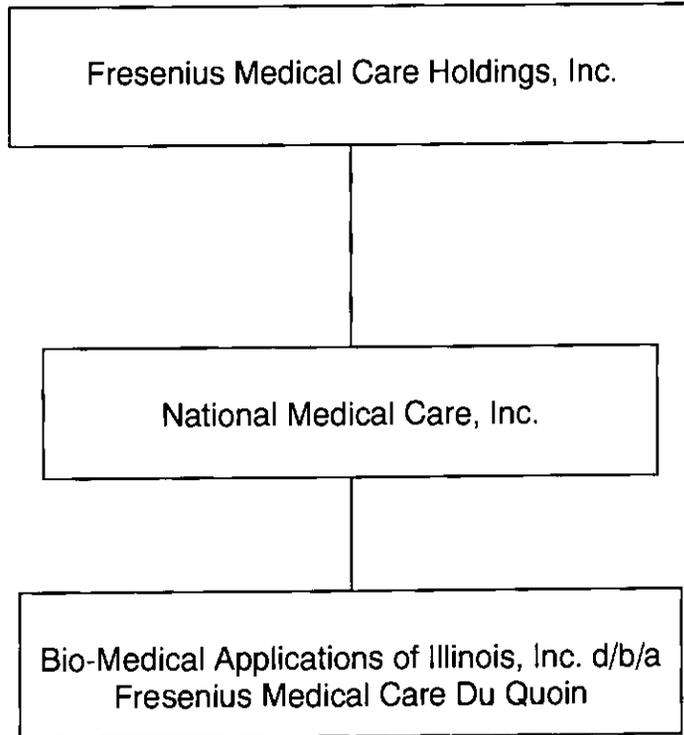
Name: \_\_\_\_\_  
(Please print)

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

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone/Email: \_\_\_\_\_



## Operating Identity/Licensee

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

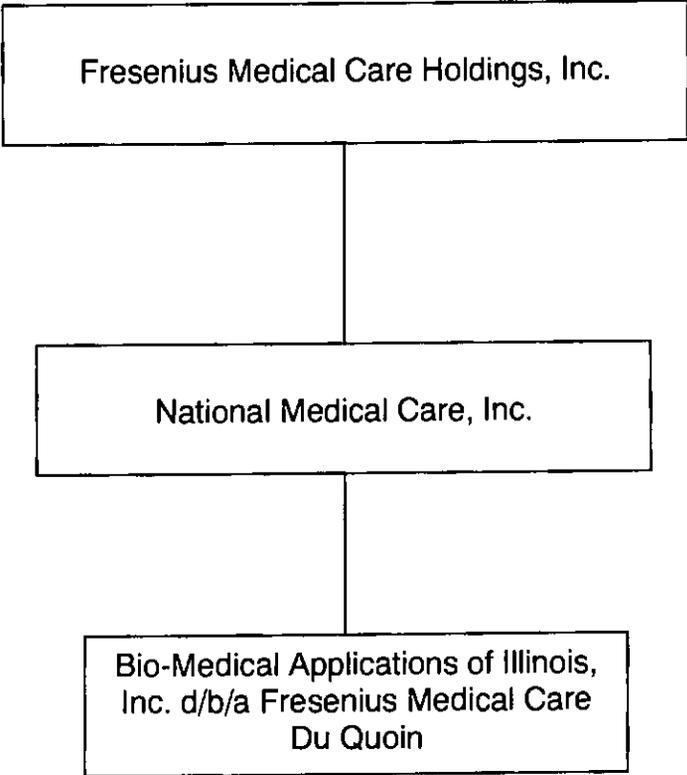
Exact Legal Name: *Bio-Medical Applications of Illinois, Inc. d/b/a Fresenius Medical Care Du Quoin*

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 |

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

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



## **Flood Plain Requirements**

The proposed site for the relocation of Fresenius Medical Care Du Quoin complies with the requirements of Illinois Executive Order #2005-5. The site, 600-680 E. Jackson Street, Du Quoin is not located in a flood plain as can be seen on the FEMA flood plain map on the following page.





**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)

Perry County  
DuQuoin

CON - Relocation of DuQuoin Dialysis Facility  
Existing - 4 W. Main St., Proposed - 640 E. Jackson St.  
IHPA Log #003072811

August 24, 2011

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

General Conditions	43,284
Temp Facilities, Controls, Cleaning, Waste Management	1,700
Concrete	11,200
Masonry	13,300
Metal Fabrications	6,400
Carpentry	77,400
Thermal, Moisture & Fire Protection	15,400
Doors, Frames, Hardware, Glass & Glazing	60,300
Walls, Ceilings, Floors, Painting	142,000
Specialities	10,800
Casework, FI Mats & Window Treatments	5,200
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	281,100
Wiring, Fire Alarm System, Lighting	169,400
Miscellaneous Construction Costs	43,000
<b>Total</b>	<b>880,484</b>

### Contingencies

Contingencies **\$88,048**

### Architectural/Engineering

Architecture/Engineering Fees **\$94,000**

**Movable or Other Equipment**

Dialysis Chairs	\$17,000
Misc. Clinical Equipment	18,000
Clinical Furniture & Equipment	27,000
Office Equipment & Other Furniture	35,000
Water Treatment	100,000
TVs & Accessories	50,000
Telephones	13,000
Generator	35,000
Facility Automation	20,000
Other miscellaneous	5,000
<b>Total</b>	<b>\$296,000</b>

**Fair Market Value Leased Space & Equipment**

FMV Leased Space (8,000 GSF)	\$1,280,438
FMV Leased Dialysis Machines	187,950
FMV Leased Computers	6,000
<b>Total</b>	<b>\$1,474,388</b>

Project obligation will occur after permit issuance.

**Cost Space Requirements**

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

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
<b>REVIEWABLE</b>							
In-Center Hemodialysis	2,857,620		6,747		6,747		
Total Clinical	2,857,620		6,747		6,747		
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>	<b>2,857,620</b>		<b>6,747</b>		<b>6,747</b>		
APPEND DOCUMENTATION AS <u>ATTACHMENT-9</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

## **1110.130 – DISCONTINUATION**

### **General Information Requirements**

Bio-Medical Applications of Illinois, Inc. proposes to discontinue its 10-station ESRD facility located at 4 West Main Street, Du Quoin, currently operating at 57% utilization according to the 2nd Quarter Renal Network data. In conjunction with this discontinuation we will establish an 11-station replacement ESRD facility at 600-680 E. Jackson, Du Quoin. This is essentially a relocation of the existing facility along with the addition of 1 station. Both facilities are in HSA 5. All patients are expected to transfer to the new facility and therefore all medical records will be transferred to the new site as well.

The discontinuation is expected to occur simultaneously with the opening of the new facility. This is expected to occur approximately December 31, 2013. There will be no break in service to the patients involved. The evacuated building at 4 West Main Street, Du Quoin is leased space so will be released back to the landlord.

### **Reasons for Discontinuation**

The current leased space for the Fresenius Du Quoin facility is in need of extensive structural repair and the lease will expire in March 2013. The building has moisture issues with water leaking in basement walls, concrete floors, under doors and the ceiling causing moisture to collect even in interior walls. The temperature in the facility is difficult to control with storefront windows along one side creating an uncomfortable environment for the patients. The concrete floor is deteriorating creating an uneven walking surface for patients. Parking and drop-off of patients is difficult. The facility shares a parking lot with other businesses and patients have to walk a significant distance to reach the clinic. There is no handicap access on the parking lot side of the building for patients to be dropped off. Many of the existing conditions are not in compliance with Life Safety Code regulations. The Landlord has been notified of the building conditions and has attempted to address some of them but not enough to meet State or Fresenius standards. While the State rules consider this project a discontinuation/establishment of an ESRD facility, it is essentially a relocation of the Du Quoin facility with the addition of one station. The relocated facility will be in a new more modern building which will offer patients a more comfortable and safe environment to dialyze in and will also allow for easier patient access to the building.

### **Impact On Access**

It is determined that the "relocation" of the Du Quoin facility to a site one mile away will not have any impact on any area ESRD providers. There are only two other dialysis clinics within 45 minutes travel time of which one is not a Fresenius clinic. This provider was sent a written request for an impact statement. No impact letter was received back. The other clinic Fresenius Medical Care Carbondale will experience no adverse effects due to this discontinuation/establishment.

**IMPACT ON ACCESS STATEMENT PER PART 1110.130**

The proposed discontinuation of the Fresenius Medical Care Du Quoin 10-station end stage renal disease (ESRD) facility will not have an adverse effect upon access to care for the residents of the healthcare market area in which it is situated. Along with this discontinuation, a replacement 11-station ESRD facility will be established at 600-680 E. Jackson Street, Du Quoin. The Du Quoin facility is essentially being relocated approximately 1 mile away. All patients are expected to transfer to the replacement facility. There will be no break in service to patients.

There will be no adverse impact to the one Fresenius facility in Carbondale that is within 45 minute travel time. A written request for an impact statement was sent to the one non-Fresenius facility (DaVita Benton) within 45 minutes travel time according to MapQuest. No response was received. Attached is a copy of the letter sent to them and the returned certified mail card.

Richard Alderson

Date: August 31, 2011

SUBSCRIBED AND SWORN TO  
BEFORE ME THIS 31<sup>st</sup> DAY  
OF August, 2011.

State of Missouri  
County of St. Louis

Jonathan E. Stogsdill  
NOTARY PUBLIC

**JONATHAN E. STOGSDILL**  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for St. Louis County  
My Commission Expires: Feb. 18, 2014  
10937184



## Fresenius Medical Care

July 5, 2011

Facility Manager  
DaVita Benton Dialysis  
1151 Route 14 West  
Benton, IL 62812

Dear Facility Manager:

The purpose of this letter is to inform you that Fresenius Medical Care – North America is in the process of compiling a Certificate of Need application to be submitted to the Illinois Health Facilities & Services Review Board to discontinue our 10-station Du Quoin Dialysis Center located at 4 West Main Street. In conjunction with this discontinuation we will be establishing a replacement 12-station dialysis facility at approximately 650 E. Jackson Street in Du Quoin.

The estimated date that this discontinuation/establishment will occur is May 2014. Over the past two years the Fresenius Du Quoin dialysis facility has provided 10,148 dialysis treatments to 124 end stage renal disease (ESRD) patients. We do not foresee any break in service to the ESRD patients in this market area during the closure of the current Du Quoin facility and subsequent opening of the new Du Quoin. All current patients are expected to transfer to the new location. We do not expect that there will be any adverse impact to care for patients in this market area, nor do we expect there to be any burden of care placed on other area dialysis providers.

In keeping with the rules of the Illinois Health Facilities & Services Review Board, I am asking for a response from your facility in the form of an impact statement in regards to our proposed project within 15 days of receipt of this letter. Per the rules you are not required to respond, however note that no response will constitute a non-rebuttable assumption that the discontinuation will not have an adverse impact for your facility.

Thank you for your time and attention to this matter. If you have any questions or concerns, please feel free to contact me at 708-498-9121.

Sincerely,

Lori Wright  
Senior CON Specialist

Verification of Impact Letter Request Sent to Facility Within 45 Minutes.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature <i>Kerry Henderson</i> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:  Facility Manager DaVita Benton 1151 Route 14 West Benton, IL 62812	B. Received by (Printed Name) Kerry Henderson	C. Date of Delivery 2-9-11
2. Article Number (Transfer from service label)	D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:	
PS Form 3811, February 2004	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
	7007 3020 0001 8698 5969 Domestic Return Receipt <i>Benton Impact Letter</i> 102595-02-M-1540	

Fresenius Medical Care Holdings, Inc. In-center 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		333 W. 87th Street	Chicago	60620
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
Des Plaines		1625 Oakton Place	Des Plaines	60018
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185
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 Biesterfield 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
Joliet		721 E. Jackson Street	Joliet	60432
Kewanee	14-2578	230 W. South Street	Kewanee	61443
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044
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	14-2713	6201 W. 63rd Street	Chicago	60638
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448
Morris	14-2596	1401 Lakewood Dr., Ste. B	Morris	60450
Mundelein		1400 Townline Road	Mundelein	60060
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

Facility List

Oswego	14-2677	1051 Station Drive	Oswego	60543
Ottawa	14-2576	1601 Mercury Court	Ottawa	61350
Palatine		Dundee Road	Palatine	60074
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 Wolfer 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
Waukegan Harbor		101 North West Street	Waukegan	60085
West Batavia		Branson Drive	Batavia	60510
West Belmont	14-2523	4848 W. Belmont	Chicago	60641
West Chicago	14-2702	1855-1863 N. Neltor	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		14404 W. Willow	Chicago	60620
Westchester	14-2520	2400 Wolf Road, STE 101A	Westchester	60154
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959
Willowbrook	14-2632	6300 S. Kingery Hwy, STE 408	Willowbrook	60527

Certification & Authorization

Bio-Medical Applications of Illinois, Inc.

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

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

By: [Signature]  
Mark Fawcett  
ITS: Vice President & Treasurer

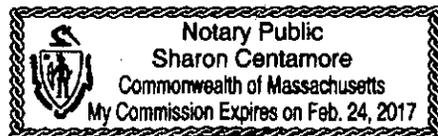
By: [Signature]  
ITS: Sr. VP

Notarization:  
Subscribed and sworn to before me  
this 17<sup>th</sup> day of August, 2011  
[Signature]  
Signature of Notary

Seal

Notarization:  
Subscribed and sworn to before me  
this 17 day of August, 2011  
[Signature]  
Signature of Notary  
COMMISSION EXPIRES: OCT 7, 2016

Seal



Certification & Authorization

Fresenius Medical Care Holdings, Inc.

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

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

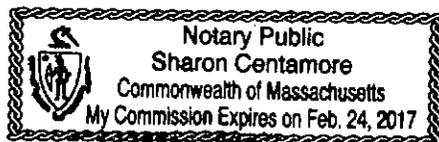
By: [Signature]  
Mark Fawcett  
Vice President & Asst. Treasurer  
ITS: \_\_\_\_\_

By: [Signature]  
S. VP  
ITS: \_\_\_\_\_

Notarization:  
Subscribed and sworn to before me  
this 17<sup>th</sup> day of August, 2011  
[Signature]  
Signature of Notary

Notarization:  
Subscribed and sworn to before me  
this 17 day of August, 2011  
[Signature]  
Signature of Notary  
COMMISSION EXPIRES: DOT 7, 2016  
Seal

Seal





Forbes 2011  
THE WORLD'S  
**MOST**  
INNOVATIVE  
COMPANIES

# CORPORATE Responsibility & COMMUNITY Commitment



Fresenius Medical Care

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# CREATING A FUTURE WORTH LIVING

*For people. Worldwide. Every day. More than three decades of experience in dialysis, innovative research, the global leader in dialysis services and products—that is Fresenius Medical Care.*

*Patients with kidney disease can now look ahead with much more confidence thanks to our innovative technologies and treatment concepts. We give them a future, one that offers them the best-possible quality of life.*

*As a vertically integrated company, we cover the entire dialysis value chain. We use the increasing demand for modern dialysis methods to our advantage and work consistently to enhance the Company's growth. Our focus is on consistently implementing strategies that enable us to uphold and expand our technological leadership.*

*We take the highest medical standards as our benchmark. This is our commitment to our patients, our partners in the healthcare system and our investors, who trust in the reliable performance and the future of Fresenius Medical Care.*



# A PRIMER FOR YOUR KIDNEYS

## **KIDNEY DISEASE & DIALYSIS**

*Kidneys play an important role in your body. They rid the body of wastes and fluid by filtering them out of your blood. They make hormones that help produce red blood cells, control blood pressure and activate Vitamin D to keep our bones healthy.*



## WHAT HAPPENS WHEN KIDNEYS FAIL?

When kidneys stop working, fluid and wastes build up in the body and make you feel sick. It also becomes harder for your body to make red blood cells, control your blood pressure, and keep your bones healthy.

There are two kinds of kidney failure, acute and chronic. Acute kidney failure may be reversed when the source of the problem is found and treated. People with acute kidney failure may go on dialysis for a short time until their kidneys heal. Chronic Kidney Disease (CKD; also called Chronic Kidney Failure) is a progressive disease. There are five stages of CKD. Some patients with CKD may be watched by their doctors for years before they reach End Stage Renal Disease (ESRD), when dialysis or a transplant is needed to help replace lost kidney function. Other patients will get to this stage in just months or weeks.

## WHAT ARE THE SIGNS OF KIDNEY DISEASE?

Knowing what to look for may help you and your doctor find out if you have kidney disease early. Finding out early is important because often, with lifestyle changes and medications you may be able to slow down the disease and stay healthy longer.

Some signs of kidney disease are:

- Changes in urination—Urine that is foamy or bubbly, red or pink (contains blood), more or less than your usual amount, or getting up at night to urinate
- Swelling of face and/or feet
- Feeling more tired than usual
- Nausea/vomiting
- Headache, feeling dizzy, having trouble thinking clearly
- Severe itching
- Shortness of breath
- Loss of appetite
- High blood pressure

If you think you have any of these symptoms, talk to your doctor.

## HOW IS KIDNEY DISEASE DIAGNOSED?

If your doctor thinks that you may have CKD, he or she might do some or all of these tests to measure how well your kidneys work:

- Test for protein in your urine
- Blood pressure, to see if it's high
- Blood test to measure your creatinine

The doctor will use your creatinine level along with other information to calculate your GFR (glomerular filtration rate). The GFR helps your doctor determine how well your kidneys are cleaning your blood and diagnose CKD.

## WHAT CAUSES KIDNEY DISEASE?

The two most common causes of kidney disease are diabetes and high blood pressure. Other causes include:

- Glomerulonephritis (kidney inflammation)
- Arteriosclerosis (hardening of the arteries)
- Blockage of the urinary system; kidney stones or malformation at birth
- Toxins
- Polycystic kidney disease
- Infection
- Trauma (injury)

## HOW CAN KIDNEY DISEASE BE PREVENTED?

If you have diabetes or high blood pressure, be sure to see your doctor regularly. Keeping your blood sugar and blood pressure under control may help to prevent kidney disease. Also, keep your doctor and healthcare team informed of any changes in your health and follow all medication and diet changes given to you by your doctor. Diagnosing and treating kidney disease early is important to slowing down the disease progression. Finally, take an active role in your healthcare. Educate yourself about kidney disease and its treatments so you know what to look for.

## WHAT IS DIALYSIS?

Dialysis is a mechanical filtering process that cleans waste products out of your blood, removes extra fluid and controls your body chemistry if your kidneys fail. There are two main kinds of dialysis: hemodialysis and peritoneal dialysis.

## HEMODIALYSIS

Hemodialysis removes extra fluid and wastes from your body by constantly moving your blood through a filter. The filter, known as a dialyzer or artificial kidney, is used with a dialysis machine. Your blood is removed from your body in small amounts, run through the filter, and then returned. Hemodialysis can be done at home or in a dialysis treatment center. It can be done during the day, or at night while you are sleeping, leaving your days free for other activities. As with any treatment, there are pros and cons to hemodialysis of any type. Thinking about these can help you decide if some type of hemodialysis is right for you.



*Hemodialysis can be done during the day, or at night while you are sleeping, leaving your days free for other activities.*

## PERITONEAL DIALYSIS

Peritoneal dialysis (PD) also filters the blood. But, instead of using an artificial kidney, the thin membrane that lines your abdominal cavity, also known as the peritoneum, is used.

During peritoneal dialysis, you fill your abdomen with dialysate. Because the peritoneum is rich in tiny blood vessels, it continually provides a supply of blood to be cleaned. The extra fluid and wastes in the blood move into the dialysate, which you drain and replace.

There are two main types of peritoneal dialysis: Continuous Ambulatory Peritoneal Dialysis (CAPD) and Continuous Cycling Peritoneal Dialysis (CCDP). Both are done at home and both have pros and cons.





# FRESENIUS MEDICAL CARE: **A CORPORATE SNAPSHOT**

*Fresenius Medical Care is the world's largest integrated provider of products and services for individuals undergoing dialysis because of chronic kidney failure, a condition that affects more than two million individuals worldwide.*

*Fresenius Medical Care is also the world's leading provider of dialysis products such as hemodialysis machines, dialyzers and related disposable products. Fresenius Medical Care is listed on the Frankfurt Stock Exchange (FME, FME3) and the New York Stock Exchange (FMS, FMS/P).*

214,648  
**PATIENTS WORLDWIDE**

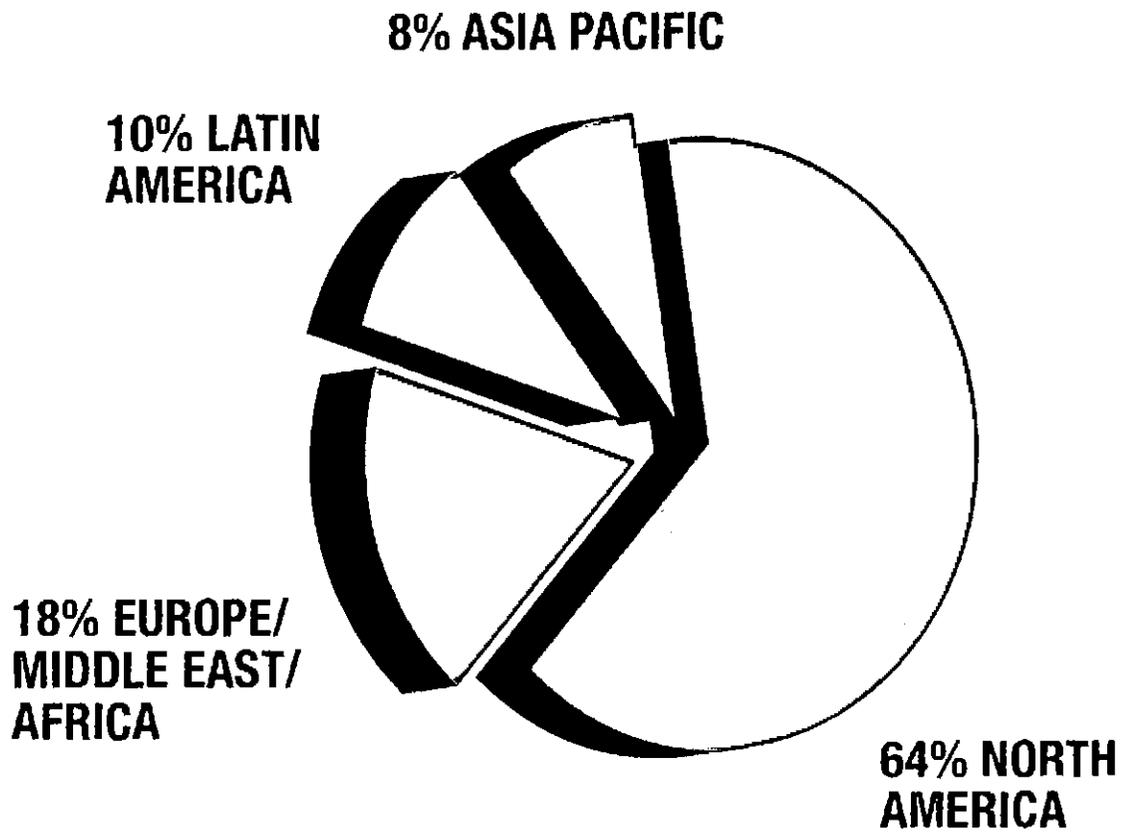
2,757  
**CLINICS WORLDWIDE**

73,452  
EMPLOYEES WORLDWIDE

over 40  
PRODUCTION SITES WORLDWIDE

about 31.7 million  
DIALYSIS TREATMENTS WORLDWIDE

# 214,648 PATIENTS WORLDWIDE:



2,757

## CLINICS WORLDWIDE:

	2010	2009	Change
North America	1,823	1,784	2%
Europe/Middle East/Africa	499	435	15%
Latin America	193	191	1%
Asia-Pacific	242	143	69%
Total	2,757	2,553	8%

2,029 M

## DIALYSIS SERVICES WORLDWIDE (2010)

Fresenius Medical Care North America

137,689

Fresenius Medical Care Europe

38,061

Fresenius Medical Care Asia-Pacific

16,427

Fresenius Medical Care Latin America

22,471

# ADVANCING RENAL THERAPY:

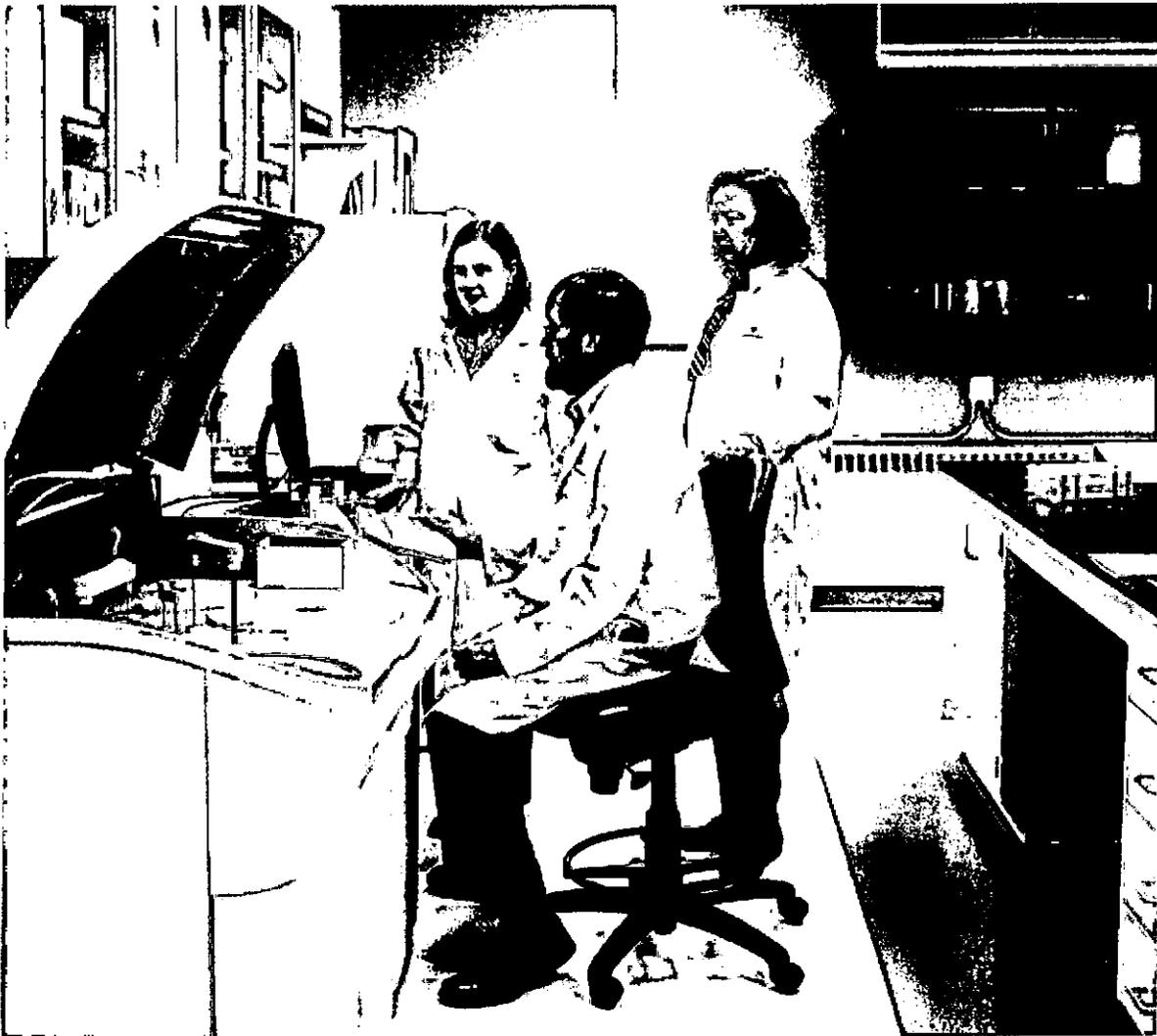
## DIALYSIS SERVICES & PRODUCTS SINCE 1968

Fresenius Medical Care is the global leader in renal health care, but we don't rest on our laurels. Our mission is to create innovative products and deliver optimal services and care that set the standard in kidney dialysis. Ours is the largest network of dialysis clinics across the United States and worldwide. We're committed to providing patients and their

families with the highest quality of care and the best support services.

As the leading manufacturing of dialysis products for use in hemodialysis and peritoneal dialysis, such as machines, cyclers, dialyzers, solutions and related products, including pharmaceuticals... we drive advancements and more options in patient care for medical profes-

sionals. We maintain one of America's largest troves of data and research related to renal care; and our vast clinical responsibility demands that we stay the forefront of emerging treatments and services.



## QUALITY OF CARE & PATIENT SAFETY

### 1968:

National Medical Care opens first out-of-hospital dialysis facility in Melrose House, Melrose, Massachusetts.

### 1970:

National Medical Care operates first out-of-hospital dialysis facility central delivery system at The Kidney Center in Brookline, Massachusetts.

### 1996:

Fresenius Medical Care AG of Germany acquires National Medical Care, creating Fresenius Medical Care North America (FMCNA). The vertically integrated company becomes the nation's largest network of dialysis centers and the leading manufacturer of dialysis products. Ben Lipps is named chief executive officer and president.

### 1996:

In partnership with leading nephrologists, FMCNA establishes Renaissance Health Care Inc., a specialty managed care company. Unique knowledge of end stage renal disease clinical practice and medical management allows for cost containment while improving the quality of care for patients.

### 1997:

FMCNA introduces the Code of Ethics and Business Conduct, and initiates mandatory business practices and compliance training company-wide. The training focuses on company values, commitment to compliance, and the Employee Action Line, patient privacy and security.

### 1997:

FMCNA is the first large dialysis provider to develop and formally employ Continuous Quality Improvement in its care of patients.

### 1998:

FMCNA establishes a new peritoneal dialysis (PD) services initiative, focusing on widening the use and availability of this treatment under Dr. Jose Diaz-Buxo, M.D., a nationally recognized leader in PD.

### 1999:

FMCNA is the first provider to use information from its clinical database to identify and resolve a critical patient care safety issue—detecting frequent disconnects of Central Venous Catheters to blood lines.

### 2003:

FMCNA launched its Advanced Renal Education Program, developed to assist nephrologists and professional dialysis staff in improving clinical outcomes and standards of practice.

### 2003:

Fresenius Medical Services announces the successful implementation of UltraCare®, its unique program that combines tools, policies and resources to provide

## UltraCare®

differentiated care to all FMCNA patients. UltraCare represents an organizational culture committed to delivering excellent care to patients through innovative methods, the latest technology and a focus on customer service.

### 2004:

No reuse of dialyzers is fully implemented at all FMCNA clinics, avoiding formaldehyde exposure to patients and the possibility of using an incorrect dialyzer.

### 2004:

Fresenius Medical Care introduces success@home®, a comprehensive peritoneal dialysis educational support program for clinicians and patients.



## 2010:

Fresenius Medical Care Renal Pharmaceuticals is established to provide a range of drugs for treating patients with chronic and acute renal failure. Venofer<sup>®</sup> is used to treat 'iron-poor' blood in kidney disease patients. PhosLo<sup>®</sup> is a phosphate binder that helps prevent phosphate in the stomach and intestines from being absorbed into the body.

## 2011:

FMCNA's Patient Safety Organization gains official certification by the secretary of the U.S. Department of Health and Human Services for collecting, analyzing and preventing patient safety problems. The recognition is a first in the dialysis industry.

## RESEARCH & INNOVATION

### 1966:

The first hollow-fiber dialyzers create decisive advances in the quality of treatment. The present chairman of the Management Board of Fresenius Medical Care, Dr. Ben Lipps, was an active contributor to these advances.

### 1984:

National Medical Care establishes the first dialysis patient database for collection, study, and analysis of patient data.

### 1999:

FMCNA introduces the On-Line Clearance Monitor, a device that allows staff to more closely monitor adequacy of therapy and immediately make adjustments.

### 1997:

In a joint venture with Beth Israel Medical Center in New York, FMCNA establishes the Renal Research Institute, formed to combine the latest dialysis technology and research to advance end stage renal disease medical care, making it the first collaboration among a group of dialysis centers providing large scale patient samples. The partnership combines optimal treatment for patients with outcome and technology research.

## 2000:

The Laboratory Services Division introduces automation of laboratory systems at the clinic level with Visual LabWorks, a remote order entry system for laboratory test ordering.

## 2000:

FMCNA introduces the 2008K hemodialysis machine. The overwhelming market acceptance resulted in all machines manufactured being sold before year-end.



The 2008K

## 2000:

FMCNA establishes Spectra Renal Research, providing clinical trial services for pharmaceutical, CRO, medical device and biotechnology industries.

Spectra Renal Research is the world's largest clinical research site management organization, with a focus on patients with end stage renal disease.

## 2000:

FMCNA introduces Premier Plus<sup>™</sup> Double Bag for CAPD patients. The incorporated Safe-Lock Connectology and Snap disconnect features result in fewer connections for the patient and a commensurate lower risk of infection.

## 2000:

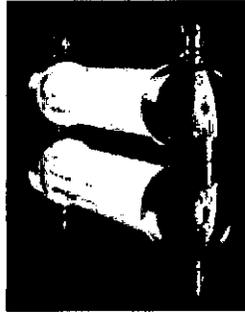
FMCNA introduces a compliance tracking system to its automated peritoneal dialysis (APD) system, the Freedom<sup>™</sup> Cyclor PD+. The IQcard<sup>™</sup> system allows the cyclor to record patient treatment information on a small credit-card sized card.

## 2001:

FMCNA introduces the Optiflux<sup>®</sup> dialyzer family with superior small and large molecular weight solute clearances for improved clearance rates and outstanding biocompatibility.

## 2001:

Fresenius Medical Care and Xitron Technologies Inc., develop a non-invasive process to reliably determine the dry weight of dialysis patients, helping to considerably improve the quality and expectation of life for people with end stage renal disease.



Optiflux Dialyzers

## 2004:

Fresenius Medical Care introduces stay•safe®, a new generation in peritoneal dialysis (PD) connectology that helps ensure patient safety by automatically closing the PD system.

## 2004:

Fresenius Medical Care North America announces the completion of a comprehensive, multi-year dialysis products agreement with Dialysis Clinics, Inc. (DCI).

## 2005:

Fresenius Medical Care acquires Renal Care Group, Inc., further solidifying the company's position as the world's leader in dialysis services and products.

## 2008:

Fresenius Medical Care launches its Liberty Cyclor home dialysis technology for automated peritoneal dialysis combining advanced pumping technology with ease of use for patients.

## 2010:

Fresenius Medical Care introduces the 2008T dialysis machine. It combines the company's most advanced hemodialysis delivery system with Clinical Data Exchange (CDX) to provide caregivers, for the first time, chairside access to both dialysis treatment and medical information system data. This improves the treatment session by giving caregivers the ability to facilitate real-time adjustments to therapy and care plans.

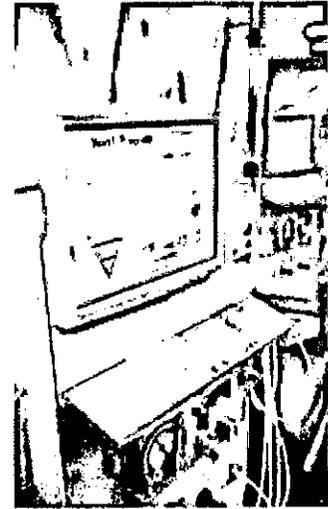
## 2011:

The company's first New Drug Application is approved by the FDA, Phoslyra, an orally available formulation of

Phoslo. It broadens options for physicians and dialysis patients to reduce phosphate levels in late stage kidney disease.

## 2011:

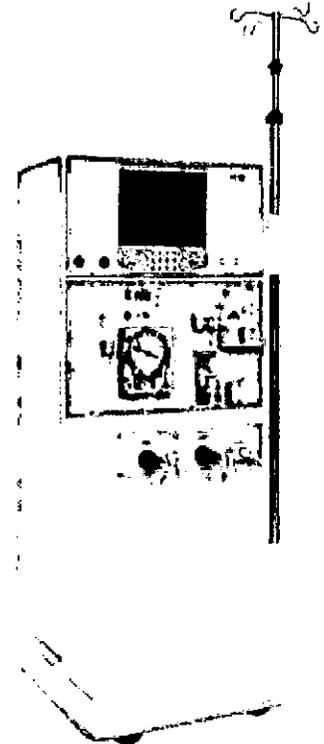
Fresenius Medical Care is certified as the first Patient Safety Organization (PSO) in the dialysis industry by the Secretary U.S. Department of Health and Human Services with the objective of furthering the mission of continuously improving patient safety and health care quality. The purpose of a PSO is to establish a framework by which doctors and other health care providers may voluntarily report information to PSOs, on a privileged and confidential basis, to collect and analyze patient safety events.



The 2008T

## 2011:

The U.S. Food and Drug Administration clears the 2008K@Home dialysis for marketing to home dialysis patients.



The 2008K@home

# ADVANCING RENAL THERAPY: INTEGRATED CARE

Results from a project Fresenius Medical Care undertook with the Centers for Medicaid and Medicare Services (CMS) called the End Stage Renal Disease (ESRD) Disease Management Demonstration Project were presented by the independent evaluation contractor, Arbor Research Collaborative for Health, in a series of scientific abstracts and a comprehensive evaluation report. The ESRD DM Demonstration Project is a five-year demonstration project (2006 to 2010) conducted by CMS which the impact of expanded integrated care approaches applied to the Medicare ESRD patient population.

Our main objective in the ESRD DM Demonstration Project was to create a model of care that was patient-centered, one that could improve comprehensive patient quality outcomes of improved survival and reduced hospitalization. Fresenius Medical Care's focus in the ESRD DM Demonstration Project was much broader than improvement of dialysis outcomes, although that result was accomplished in this project as well.



The Fresenius Health Partners program provided a whole-person care approach utilizing an integrated care "health home" concept that actively expanded the management of the various co-morbidities such as congestive heart failure, cardiac disease, nutritional status, infection risks, vascular access and psychosocial needs that impact kidney patients. The program achieved this expanded patient care by adding personal nurse care managers to work with patients and their providers on these non-dialysis focus areas and by deploying a unique home telehealth monitoring device technology (KidneyTel®) and care plan pathways platform, which provided interactive daily contact with patients to collect symptomatic and biometric data, and provide support, education and coordination to patients and their providers. A sample of the results obtained:

- A significantly lower percentage of patients in the FMC program were hospitalized for the first time by one year and two years.
- A significantly lower percentage of patients in the FMC program were hospitalized for cardiovascular disease for the first time by one year and two years.
- A significantly larger percentage of patients in the FMC program survived to the one year and two year time points.
- FMC program experienced estimated savings relative to FFS Medicare based on differences in service utilization throughout all three years of the Demonstration evaluation, with the magnitude of the savings appearing to increase over time.
- FMC Oral Nutritional Supplement program was associated with significantly reduced mortality at one year.
- Significantly higher percentage of patients in the FMC program were wait-listed for transplant.
- FMC achieved greater than 95% of the targeted dialysis Clinical Practice Measures for the Demonstration Project.
- High satisfaction was observed among patients who remained in the FMC program.

## PATIENT SURVIVAL & HOSPITALIZATION

The Fresenius Health Partners Program Achieved Improvement in Patient Mortality and Hospitalization Outcomes for the 2006 to 2008 Evaluation Period:

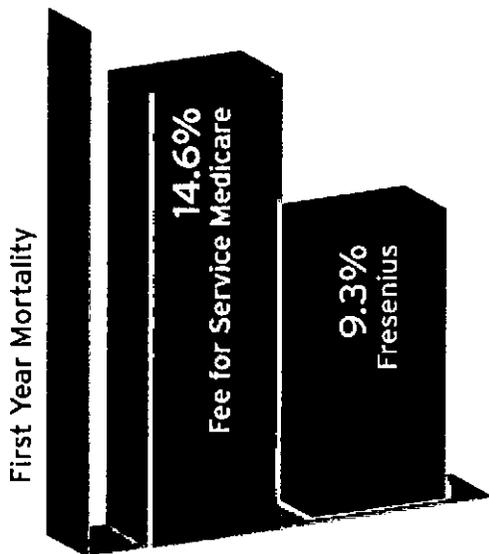
- One Year Mortality (36% reduction)
- Two Year Mortality (24% reduction)
- "All Cause" First Hospitalizations (reduced by 13% for One Year) and (reduced by 20% for Two Year)
- Cardiovascular Disease" First Hospitalizations (reduced by 14% for One Year) and (reduced by 21% for Two Year)

## REDUCING COSTS

The Fresenius Health Partners Program Achieved Improvement (reductions) in Costs and Utilization of Services in the Third year of the Demonstration Project (2008) in the

Following Measures (range of improvement varied by analysis method):

- Hospital Admissions (8% to 12%)
- Hospital Readmissions (11% to 19%)
- Physician Visits (19% to 27%)
- SNF Stays (43% to 49%)
- ER Visits (3% to 4%)
- Cost of Care (5% to 6%)



Source: "Hospitalization, Survival and Transplant-Related Outcomes in CMS ESRD Disease Management Demonstration." Jeffrey Pearson, et al, Arbor Research Collaborative for Health, 2010. Full independent report at [www.kidneytel.com](http://www.kidneytel.com).

# ADVANCING RENAL THERAPY: TREATMENT OPTIONS PROGRAM (TOPS)

Renal care at Fresenius Medical Care starts well before dialysis with our pre-dialysis educational classes Treatment Options Program—TOPs.

Options include in-center dialysis, transplant, home dialysis, patient travel services and non-treatment

TOPs, in its five years since launch...

- Offered nationwide in a variety of settings including dialysis facilities, libraries, hospitals, community centers
  - Peer-reviewed paper published on TOPs participants in June 2011
  - Showed a 40-50% lower risk of death during first 90 days of dialysis
  - TOPs associated with more home dialysis choices
  - TOPs associated with more fistula/graft choices
- Educated 57,000 chronic kidney patients at no charge to them. Family members welcome to participate



# ADVANCING RENAL THERAPY: **CLINICAL STUDIES**

The Clinical Studies Dept. at Fresenius Medical Care facilitates and monitors clinical research in our dialysis facilities.

- Completed more than 50 Phase 3 multi-site sponsored trials
- Completed more than 11 Phase 2 multi-site trials
- In its 11-years of operation, the group now includes 18 clinical research coordinators working with physicians across the U.S.
- Categories of clinical data available for study include general demographics and renal demographics, dialysis prescriptions, dialysis parameters, lab and medication prescriptions and results

■ Database of 600,000 renal patients available for study including:

- 116,000+ active patients
- 500 million lab results
- 130+ million hemodialysis treatments
- 450+ million medication administrations



# ADVANCING RENAL THERAPY: **RENAL RESEARCH INSTITUTE**

Formed in early 1997 as a joint venture between Fresenius Medical Care and Beth Israel Medical Center, Renal Research Institute is a financial and scientific commitment to better kidney care. It is a collaboration with Beth Israel Medical Center and Fresenius Medical Care to produce measurable results in patient outcomes, building on clinical nephrology and evaluating and applying new technology to enhance the quality of patient care. The institute collaborates among a select group of dialysis facilities with strong ties to academic research institutions. This synergy among designated academic research universities, industry, and dialysis clinics is the first of its kind in the field of kidney disease.

*Key contributions to the body of renal care literature by RRI*

## **The Frequent Hemodialysis Network Trials (2010-2011)**

These are landmark studies—1 published in *NEJM*—on the effects of increasing dialysis frequency from conventional thrice weekly to either 6-times, weekly short in-center dialysis or nocturnal dialysis. RRI played a pivotal role in the design and execution of these trials and is actively involved in the analysis and interpretation of the study results.

## **Calcium kinetic studies; contribution to the dialysate calcium debate (2006-2010)**

RRI has conducted seminal calcium kinetic studies which significantly shaped the discussion about calcium balance and dialysate calcium concentration. RRI has further critically commented on recent guidelines to raise awareness in the nephrology community of the importance of calcium mass balance quantification. Additional publications with pivotal calcium kinetic data are underway.

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## **Events before death (2009-ongoing)**

RRI is pioneering a novel methodological approach to look at risk predictors of death in dialysis patients: a look backwards in time, starting from the date of death to provide a powerful way of characterizing common patterns in the evolution of key clinical and laboratory parameters prior to death. The ultimate goal of this project is to develop an alarm system to draw clinicians' attention to high-risk patients that deserve special attention. RRI is leading an unprecedented worldwide collaboration to this end, spanning six continents and more than 30 countries. The results of this ongoing project will to have a major impact on the field of dialysis.

# OUR COMMUNITY COMMITMENT: **A STEWARD OF THE ENVIRONMENT AND A SAFE WORKPLACE**

- We recently revised a carbon tank backwashing system allowing us to sterilize water in dialysis clinics but save 300 million gallons of water,
- To reduce electrical consumption, heat exchangers are now used to transfer reverse osmosis-concentrate heat into the hot-water heaters allowing a typical 16-patient-station dialysis clinic to recover about 75% of wasted heat across our 1,850 U.S. clinics
- Since 1999, the company's been recognized by CNA for its national leadership and outstanding employee safety, health and risk management track record in earning its National Safety Award



# OUR COMMUNITY COMMITMENT: **VOLUNTEERISM**

*We volunteer because that is who we are; we are the fabric of our communities.*

The South Greensboro, North Carolina Fresenius Medical Care Education Department provided area secondary institutions Page High School and Weaver Academy Allied Health Students with the opportunity to participate in a hemodialysis clinical experience. The students were shown an overview of hemodialysis, an opportunity to participate in an observation on a treatment floor of the dialysis process, interactions with health care professionals and an opportunity to view our Fresenius Treatment Options DVD. The students and instructors

voiced positive feedback in learning about patient care and medicine as a career choice, renal dialysis as a treatment modality and as an important medical option for patients with kidney failure.

Amy French, BSN, CNN presented a talk entitled "The Career Path of a Nephrology Nurse" to a group of high school students at the Prosser School of Technology in New Albany, INDIANA. Part of a career decision class which was made up of students wishing to pursue a career in the medical field, it was opportunity to introduce students, just beginning their career paths, to the exciting and rewarding world of nephrology nursing.



Fresenius Medical Care employees from the Greater Anderson, South Carolina area participated in the Habitat for Humanity. Pictured from left are Estella Hill, Home Therapy Nurse; Molly Costa, Home Therapy Program Manager; Cassandra Pinkston, Home Therapy Nurse; Maggie Frazier, Home Therapy Nurse and Pam Pyeatt, Home Therapy Nurse. Not pictured are Patsy Gaston and Elaine Fields.



Fresenius Medical Care facilities in the Houston area rallied staff members together to collect more than 1,000 cans of food for the Houston Food Bank. From left are Faith McBride, Assistant to Regional Vice President Mark Delahunty; Jesse Moya, Technical Supervisor, Houston Acute Program, and Anne Blue, Patient Services Specialist, Houston Region.



Staff from two clinics in the Vancouver, WA area participated in an NKF Kidney Walk in Portland, OR. The "Fort Vancouver Kidney Crusaders" created tee-shirts and spent a very enjoyable day walking for a good cause. From left, (front row) employee family member Charles Frayer, PCT Melissa Vega, employee family members Ayden Vega and Dakota Roller, patient Suzanne Lam, Lisa Schaefer R.N., Jeannie Roberts R.N. and Lewis the dog; (back row) PCT Scott Ryan, employee family members Kiana, Kole, and Lori Ryan, RCIT/PCT Darci Roller, employee family member Anna Roller, PCT Sherrie Neff, Erica Wheatley R.N., Joan Blatt R.N., employee family member Dave Leon, patient family member Joe Bertrand, Jill Walker R.N., PCT Michelle Boston and PCT Jenni Frayer.

During a medical mission to earthquake ravaged Haiti, North Alabama Region's Ann Pridgen RN CDN volunteered among a team of medical professionals seeing hundreds of desperate people. Among the many things she participated in: The team set-up a medical mobile clinic on a Saturday that was advertised by loud-speaker in the streets, and saw 138 patients in just 4 hours. We assisted with English lessons in the church one evening, and over 200 attended. Haitians are very anxious to learn English, as they are required to speak English to get a job. One young boy asked me to sit with him and write every word that I had said. Ann drew pictures and repeated the English words, since she could not translate the English into Creole.

Ana Perryman, BSN, an Educational Coordinator for Fresenius Medical Care North Florida organized a community educational program in recognition of World Kidney Day. The location was her local farmer's market where individuals older than 45 years old participated in glucose and blood pressure screenings, as well as, a short health questionnaire identifying possible risks for kidney failure. She presented findings to the local chapter of the American Nephrology Nurses Association chapter members and new hires Fresenius Medical Care orientation.

- Our 400 nurse educators are certified to train professional clinical staff across Fresenius Medical Care to meet quality goals, ensure compliance with regulatory standards and the latest advances in patient care.
- Nurse educator personnel are volunteers and national leaders in kidney care and education benefitting the entire renal community.



**Ann Pridgen RN CDN volunteering in Haiti**



**Shad Ireland (middle), Fresenius Medical Care spokesperson, patient and Ironman triathlete, joined fellow Fresenius Medical Care staff members Joan MacWilliam and Heather Curry at the Alabama Kidney Foundation Walk.**

# OUR COMMUNITY COMMITMENT: **GLOBAL OUTREACH**

Renal Research Institute, and the Sustainable Kidney Care Foundation with Fresenius Medical Care, Germany were among the co-sponsors of a 2011 conference in Moshi, Tanzania where medical professionals examined the burden of kidney disease with particular focus on treating children and women of childbearing age in developing countries of sub-Saharan Africa, goals consistent with the United Nations Millennium Development Goals 2015 project. Participants included medical professionals from Tanzania, Malawi, Uganda, Kenya, Democratic Republic of Congo with global nephrology opinion leaders. They covered acute kidney injury, peritoneal dialysis, renal

replacement therapy, chronic kidney disease management, and managing specific kidney diseases.

Formed in early 1997 as a joint venture between Fresenius Medical Care and Beth Israel Medical Center, Renal Research Institute is an administratively distinct institution. The institute is a collaborative effort among a selected group of dialysis facilities with strong ties to academic research institutions. This synergy among designated academic research universities, industry, and dialysis clinics is the first of its kind in the field of kidney disease.





# OUR COMMUNITY COMMITMENT: **EMERGENCY & DISASTER PREPAREDNESS**

Our award-winning disaster/emergency preparedness teams ensure the continuity of our life-saving dialysis operations during major disaster/emergencies

- Winner International Association of Emergency Managers Business Preparedness Award in 2010
- Kidney Community Emergency Response Coalition leader
- Boosting disaster/emergency preparedness awareness and training for all our patients
- Disaster preparedness training for all employees
- Availability of a dedicated fully staffed 24-hr disaster hot-line that will locate the nearest open facility for any dialysis patient nationwide impacted during a disaster



## **HOW PREPARED ARE WE?**

- Performed more than 1,000 treatments on non-FMCNA pts. following Hurricane Katrina
- Airlifted 50,000 lbs of urgently needed dialysis supplies to support disaster relief in the immediate aftermath of the Haiti earthquake
- Own and operate 4 large mobile generator trucks to respond to power disruptions during emergencies
- Distributed over 600 personal generators to staff across the country during various storms and emergencies
- By bringing our clinics on-line immediately after a disaster we reduce surge of dialysis patients to nearby hospitals, reducing the strain on the healthcare system



# OUR COMMUNITY COMMITMENT: **CONTRIBUTIONS**

## **NATIONAL KIDNEY FOUNDATION**

- Support at over \$250,000 in ongoing partnerships across the U.S. for public health education and research
- Recently co-produced a 6-minute film "*Dialysis Saves Lives*"—a social network viral sensation in the renal community. The aim was to help patients understand what's involved and demonstrate that dialysis can be both life-saving and life-enhancing. "*Dialysis Saves Lives*," focuses on four patients, ages 9-70, who share their experiences on camera. Viewers can follow the patients' initial fear at being diagnosed, treatment routines and ultimate realization that they can still lead normal, productive lives.  
<http://youtu.be/NHS0oyHR4vI>

## **RENAL SUPPORT NETWORK**

- Support at \$150,000 to advance their missions help patients develop their personal coping skills, special talents, and employability by educating and empowering them (and their family members) to take control of the course and management of the disease—to live a joyful life in spite of disease employees and patients who need immediate accommodation following major disasters

# FMCNA NAMED AMONG THE WORLD'S **MOST INNOVATIVE COMPANIES**

Fresenius Medical Care is proud to have been named among the World's Most Innovative Companies in the August 8, 2011 cover story edition of Forbes. Of 100 companies, Fresenius Medical Care ranked 51. The list is based on an 8-year study by Harvard Business School Professor Clayton M. Christensen, along with colleagues Professors Jeff Dyer of Brigham Young University and Hal B. Gegeresen of INSEAD. They identified company cultures of the most innovative companies in the world where there was constant:

- Questioning, allowing innovators to challenge the status quo and consider new possibilities;
- Observing helping innovators detect small details—in the activities of customers, suppliers and other companies—that suggest new ways of doing things;

- Networking permitting innovators to gain radically different perspectives from individuals with diverse backgrounds;

- Experimenting prompting innovators to relentlessly try out new experiences, take things apart and test new ideas;

- Associational thinking—drawing connections among questions, problems or ideas from unrelated fields—triggered by questioning, observing, networking and experimenting and is the catalyst for creative ideas.



CORPORATE  
Responsibility  
&  
COMMUNITY  
Commitment



Fresenius Medical Care

*The World Leader in Renal Therapy*

Fresenius Medical Care North America  
920 Winter Street  
Waltham, MA 02451  
781-699-9000  
[www.fmcna.com](http://www.fmcna.com)

### **Criterion 1110.230 – Purpose of Project**

1. The purpose of this project is to keep access available to life-sustaining dialysis services in the Du Quoin market area of Perry County in rural southern Illinois by relocating the current Fresenius Du Quoin dialysis facility a mile away in a new more modern building, thereby meeting State life safety code regulations.
2. The current Du Quoin facility and the proposed relocation site are both located in Du Quoin in HSA 5, which is made up of Alexander, Bond, Clay, Crawford, Edwards, Effingham, Fayette, Franklin, Gallatin, Hamilton, Hardin, Jackson, Jasper, Jefferson, Johnson, Lawrence, Marion, Massac, Perry, Pope, Pulaski, Randolph, Richland, Saline, Union, Wabash, Washington, Wayne, White and Williamson counties. The facility serves southeast Perry county.
3. The current Du Quoin facility lease will expire in March 2013 and there are some extensive physical plant problems. The building has moisture issues with water leaking in basement walls, concrete floors, under doors and the ceiling causing moisture to collect even in interior walls. The concrete floor is deteriorating creating an uneven walking surface for patients. The temperature in the facility is difficult to control with storefront windows along one side creating an uncomfortable environment for the patients (too warm in the summer and too cold in the winter). Parking and drop-off of patients is difficult. The facility shares a parking lot with other businesses and patients have to walk a significant distance to reach the clinic. There is no handicap access on the parking lot side of the building for patients to be dropped off. Many of the existing conditions are not in compliance with Life Safety Code regulations. The Landlord has been notified of the building conditions and has attempted to address some of them but not enough to meet State or Fresenius standards. While the State Board rules consider this project a discontinuation/establishment of an ESRD facility, it is essentially a relocation of the Du Quoin facility with the addition of one station. The relocated facility will be in a new more modern building which will offer patients a more comfortable and safe environment to dialyze in and will also allow for easier patient access to the building.
4. Not Applicable

5. Relocating the 10-station Du Quoin facility will offer patients a new, more modern facility that meets CMS guidelines along with easier access. The additional one station will be an isolation station for patients with Hepatitis B. Currently these patients have to travel to Carbondale for treatment, which can be a drive in excess of an hour depending on where the patient lives. There will be no interruption in service to the current patients of Du Quoin since the "relocation" of the facility will occur on a Sunday when there are no patient treatments scheduled.
  
6. The goal of Fresenius Medical Care is to keep dialysis access available to this patient population. There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. It is expected that this facility would continue to have similar quality outcomes after the relocation. Currently the Du Quoin patients have the quality values below:
  - o 90% of patients had a URR  $\geq$  65%
  - o 92% of patients had a Kt/V  $\geq$  1.2

## Alternatives

### 1) All Alternatives

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

The only alternative that would entail a lesser scope and cost than the project proposed in this application would be to simply relocate and not add the additional station, which will be an isolation station. This alternative was rejected for several reasons. The nearest isolation station is in Carbondale. Currently patients with Hepatitis B from the Du Quoin market area have to drive long distances for treatment. New CMS guidelines would require the approval of a waiver if isolation was not included in the establishment of the Du Quoin relocation site. The applicant feels it is more prudent, more cost effective and in the patients best interest to create the isolation station now along with the move rather than to have to construct it at a later date especially if a waiver by CMS is not granted.

#### 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. Fresenius Medical Care always maintains control of the governance, assets and operations of a facility it enters into a joint venture agreement with. Our healthy financial position and abundant liquidity indicate that that we have the ability to support the development of additional dialysis centers. Fresenius Medical Care has more than adequate capability to meet all of its expected financial obligations and does not require any additional funds to meet expected project costs. This facility is currently not a joint venture and we see no need to turn it into one for relocation 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

Discontinuing the Du Quoin facility and sending all 34 patients to other area providers is not an option. There is only one other facility within 30 minutes (DaVita Benton) and it is 17 miles away. Drs. Cowart and Kamran currently admit patients here. This is a 13-station facility operating at 62% utilization as of June 30, 2011. This facility could not accommodate all of the Du Quoin patients without going over 100% utilization and this does not include the 69 pre-ESRD patients the physicians have that they will refer to Du Quoin. This would result in there being no access to dialysis left in this market area for any newly diagnosed dialysis patients. There is no monetary cost to this alternative.

- As discussed further in this application, the most desirable alternative to keep access to dialysis services available in the Du Quoin area and meet CMS guidelines is to relocate the facility to a more modern building in the same community and add the isolation station. This alternative will address the problems of the current poor physical plant conditions and parking conditions. The cost of this project is \$2,857,620. While this is the most costly alternative, the expense is to Fresenius Medical Care only, while the patients will benefit from improved access and a more modern facility to dialyze in.

## 2) Comparison of Alternatives

	<b>Total Cost</b>	<b>Patient Access</b>	<b>Quality</b>	<b>Financial</b>
Relocate the Facility without adding one isolation station	Approximately \$2,841,995	No access for Hepatitis B patients	Patient clinical quality would remain above standards  May not meet CMS guidelines without Isolation	Increased construction costs to applicant if isolation station is to be added later on.  Transportation costs to Hepatitis B patients.
Utilize Area Providers	\$0	Would create transportation problems  Complete loss of access for dialysis treatment for newly diagnosed patients.  Would create ripple effect of raising utilization of area providers to or above capacity	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
Relocate Fresenius Medical Care Du Quoin and add one isolation station.	\$2,857,260	Improved access with safe and ample parking and handicap patient drop off area.  Shorter travel times for patients with Hepatitis B.	Patient clinical quality would remain above standards  Patient satisfaction would improve with easier access and more modern facilities	The new site will not require ongoing structural maintenance.  While the leased space is more costly, it is a cost to Fresenius Medical Care only and is spread over 10 years.

**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. Fresenius Du Quoin has had above standard quality outcomes as listed below.

- 90% of patients had a URR  $\geq$  65%
- 92% 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	6,747 (11 Stations)	360-520 DGSF	NONE	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 6,747 DGSF amounts to 613 DGSF per station and does not fall within the State Standard.

The additional space will be used for administrative offices and home dialysis training rooms. The facility may also at a later date offer nocturnal dialysis which requires more square feet per station to accommodate a bed vs. a dialysis chair. It is more cost effective to have readily available room for future expansion rather than to have to build a new facility or relocate one due to space constraints.

**Criterion 1110.234, Project Services Utilization**

UTILIZATION							
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION		STATE STANDARD	MET STANDARD?	
			4 shifts	6 shifts		4 shifts	6 shifts
	IN-CENTER HEMODIALYSIS	57% - 34 pts 2nd Qtr, 2011*			80%	Yes	No
<b>YEAR 1</b>	IN-CENTER HEMODIALYSIS		42 patients 95%	42 pts 64%	80%	Yes	No
<b>YEAR 2</b>	IN-CENTER HEMODIALYSIS		45 patients 102%	45 patients 68%	80%	Yes	No

\*Facility does not operate 6 shifts, just as most rural dialysis facilities do not. Based on 4 shifts the facility is at 85% utilization.

Town	Zip Code	Year One	Year Two
Pickneyville	62274	4	3
Du Quoin	62832	16	12
Sesser	62884	4	2
Tamara	62888	3	2
Vergennes	62994	4	1
Christopher	62822	2	1
Oakdale	62268	0	1
<b>Total</b>		<b>34</b>	<b>22</b>

As seen in the chart above, the facility is expected to stay above 80% utilization through the operation of 4 shifts. The facility does not plan on operating 6 shifts and would only do so if absolutely necessary. Rural facilities often only operate a last shift of the day to accommodate a patient that works. The Du Quoin patient population is elderly and do not fall into this category. (See following pages for further explanation.)

30% patient attrition was applied to the above figures to account for deaths, transplants, patients transferring to home dialysis and moving out of area.

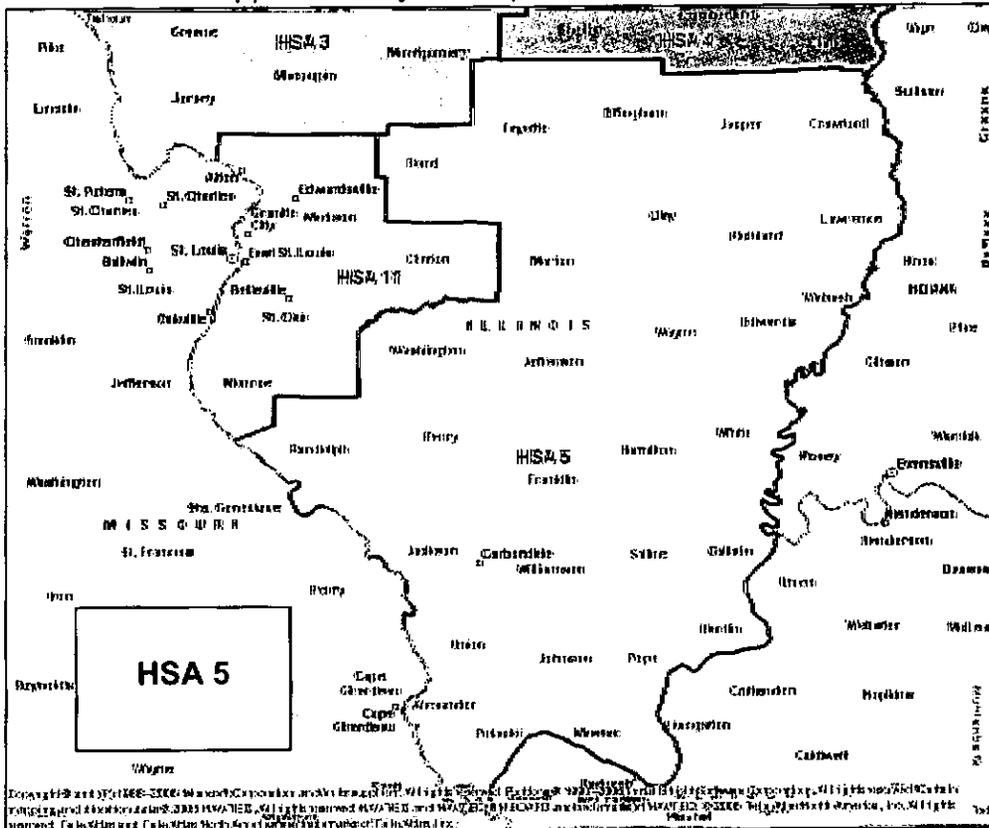
**A. Planning Area Need - Formula Need Calculation:**

The current Fresenius Du Quoin 10-station in-center hemodialysis facility is located in HSA 5. The chosen relocation site, a mile away at 600-680 E. Jackson Street, Du Quoin is also in HSA 5. There are 33 excess stations in this HSA. This is essentially a relocation of the 10 stations, and request for an additional one station.

While the station inventory shows excess stations for this HSA, it needs to be taken into account that Du Quoin is in a rural area and in fact the entire HSA is rural southern Illinois. The methodology used for determining station need does not correlate to how the majority of rural clinics are operated. The need methodology is determined using a model that shows clinics operating all 6 shifts. (3 each day either M-W-F or T-Th-S). While this is appropriate for most of the metropolitan statistical areas that are more heavily populated, it is not for rural, sparsely populated areas of the State.

In rural areas the population by geography simply does not, in most circumstances, support a facility operating at 3 shifts a day, six days a week, as the Board anticipates in its formula for target utilization. However, this certainly should not result in rural area residents not having access to dialysis facilities within a reasonable travel time to meet their needs (which this Board has determined to be 30 minutes). Rural area residents should have the same access to dialysis as metropolitan residents, even if the population does not support the required shifts and days of operation that is better suited to metropolitan areas (although some do as necessary). The third shift begins at approximately 3:30 p.m. and lasts until approximately 7:30 p.m. This causes

patients to have travel issues in the Fall and Winter months particularly traveling home at the latter time on frequently unlit and unplowed roads. Further if a patient relies on public (typically County) transportation, it is unavailable after 4:00 p.m. causing further issues for patient accessing this shift.



To further support this fact, the rural Fresenius facilities were polled to see how many shifts they operate. The chart below reflects this along with current utilization rates.

**Operating Shifts For Fresenius Clinics in Rural Illinois**

Facility	Shifts in Operation			Utilization Jul-11
	M-W-F	T-TH-S	Total Shifts	
Antioch	3	2	5	67%
Carbondale	3	2	5	71%
Du Quoin	2	2	4	57%
East Decatur	2	2	4	63%
Kewanee	2	2	4	64%
Macomb	2	2	4	53%
McHenry	2	2	4	60%
Metropolis	2	2	4	50%
Morris	3	2	5	78%
Ottawa	2	1	3	46%
Pekin	3	3	6	67%
Pontiac	3	1	4	56%
Randolph County	2	2	4	62%
Saline County	2	2	4	44%
Sandwich	3	0	3	40%
Spoon River	3	2	5	71%
Spring Valley	3	2	5	73%
Streator	2	1	3	40%
Williamson County	2	2	4	64%
<b>Totals</b>	<b>46</b>	<b>34</b>	<b>80</b>	
<b>Avg # shifts/utilization</b>	<b>2.4</b>	<b>1.8</b>	<b>4.2</b>	<b>60%</b>

Of the 19 Fresenius facilities in Illinois that would be considered rural only one operates a 6 shift schedule. On average the clinics operate 4 shifts of patients vs. the 6 shifts that the need determination relies on. Of these rural facilities not a single one operates at or above the 80% State utilization target. Some of these clinics will run one third shift in order to accommodate patients who work in the day. For a rural area, low utilization rates do not reflect available capacity, but a different clinic operations.

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

Dear Ms. Avery:

September 12, 2011

This letter is in regard to the relocation of Fresenius' DuQuoin clinic and the lack of need for a third shift. We would like to be available at all times for our patients and be able to say yes to everything that larger cities are able to comply with but, it is not always conducive to do so.

We pride ourselves first in our commitment to our patients care and health. Secondly, we pride ourselves in staying solvent and making sound decisions to take care of our staff in wages, benefits and safety. Not having a third shift meets the needs of our first commitment and still we are able to have a vested interest in our second commitment.

Perry County, as a rule, has a very small, aged, unemployed populace. The population of this county is 22350 with 15.5% over age 65 and our unemployment rate is over 17 percent. There are 51 persons per square mile and transportation becomes an issue. (census.gov).

The unemployment rate combined with the rural area becomes problematic because patients have to drive long distances and do not have adequate income to pay for those expenses. So therefore, Medicaid pays for the largest amount of our patient's transportation. There is no public transportation in Du Quoin. Available transportation companies have a deliberate task to get patients to dialysis and return them home. These companies usually close at four or at the latest five. The transportation company is able to get a third shift (which runs from approximately 3-4 p.m. to 7-8 p.m.) patient to treatment, but is unable to bring them back home. This creates an extreme hardship on these generally elderly patients who do not drive and have no one else to provide transportation for them. Many will discontinue treatment rather than deal with these overwhelming issues.

With that being said, at this time, we are meeting the needs of our patients with two shifts. In the future, if our population changes and there is a need to have a third shift we will work to accommodate that dialysis population. We who are here and live with the needs of the patients and understand the culture of the area are asking you to understand that you are helping us do a better job by approving the relocation of the Du Quoin facility.

Sincerely,

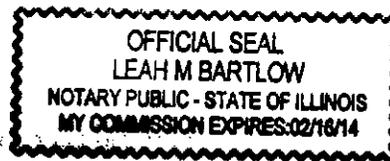
*Angela D. Olson MSW, LSW*  
Angela D. Olson, MSW, LSW

State of Illinois

County of Jackson.

This instrument was acknowledged before me on September 13, 2011 by  
Angela D. Olson MSW, LSW

Leah M. Bartlow  
Leah Bartlow



**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 Perry County in HSA 5, more specifically the Du Quoin market area. 100% of the current ESRD patients and 100% of the pre-ESRD patients identified for this project reside in HSA 5.

<b>Pre-ESRD Patients Who Will Be Referred To Fresenius Du Quoin</b>			
<b>County</b>	<b>HSA</b>	<b>#Patients</b>	<b>% of Patients</b>
Perry	5	61	100%

<b>Current Du Quoin Patients Who Will Transfer to the Relocated Fresenius Du Quoin</b>			
<b>County</b>	<b>HSA</b>	<b>#Patients</b>	<b>% of Patients</b>
Perry	5	28	82 %
Jackson	5	2	6%
Kane Co	5	4	12%
<b>Total</b>		<b>34</b>	<b>100%</b>



1350 Cedar Court  
Carbondale, IL 62901

Board Certified Specialists  
In Nephrology

Randy G. Cowart M.D.

Muhammad Kamran M.D., F.A.C.P.

Board Certified Specialists  
Assistants

Mary Rosenbauer PA-C

Diana Moreland PA-C

Laura Kidd PA-C

Acute Kidney Failure

Chronic Kidney Diseases

Hypertension

Diabetic Kidney Disease

Kidney Stone Prevention

Proteinuria

Hematuria

Hemodialysis

Peritoneal Dialysis

Kidney Transplant

Acid Base Disturbances

Electrolyte Disturbances

September 14, 2011

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

Dear Ms. Avery,

I am a nephrologist in with KDMS Consultants based in Carbondale Illinois and am the Medical Director of the Fresenius Du Quoin dialysis clinic. I also refer patients to Fresenius Medical Care Saline County, Randolph County, Williamson County and Carbondale and to DaVita Benton and Marion. I am writing, along with my partner Dr. Kamran, in support of the relocation of the Du Quoin dialysis clinic and the addition of one station to be designated as an isolation station. Currently our patients who are Hepatitis B positive have to drive a long distance to Carbondale for treatment. This trip can be in excess of an hour depending on where the patient lives.

Our practice was treating 286 hemodialysis patients at the end of 2008, 301 patients at the end of 2009 and 260 patients at the end of 2010, as reported to The Renal Network. As of the most recent quarter, we were treating 255 hemodialysis patients. Over the past twelve months we have referred 115 patients for dialysis services to the above mentioned facilities. I expect that all 34 current patients of Fresenius Medical Care Du Quoin will relocate to the new site upon its opening. We currently have 168 patients in different stages of chronic kidney disease in the Du Quoin area that will eventually require dialysis. Of these there are 61 that we expect to begin dialysis at Du Quoin in the first two years of operation after the relocation.

-1-

We have seen a decline in hemodialysis patient numbers over the past year and a half due to a high mortality rate (the Du Quoin patients are an aged population) and also a high rate of patients being referred to home dialysis. We have also seen a slowdown in hemodialysis admissions due to chronic kidney disease patients being referred to us from their primary care physician earlier in the disease progression. Earlier treatment often times will delay the onset of the need for dialysis.

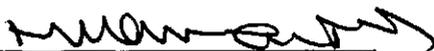
Given the poor physical condition of our current site and the need to keep access available to the daily first and second shift for the rural patient population, we urge the Board to approve the relocation and addition of one station for Fresenius Medical Care Du Quoin. Thank you for the consideration.

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

Sincerely,



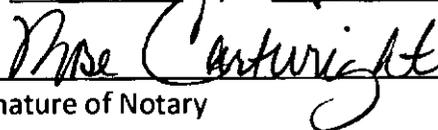
Randy G. Cowart, M. D.



Muhammad Kamran, M. D.

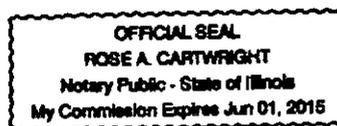
Notarization:

Subscribed and sworn to before me  
this 14<sup>th</sup> day of September, 2011



Signature of Notary

Seal



**CURRENT DU QUOIN PATIENTS THAT WILL TRANSFER TO THE NEW  
DU QUOIN LOCATION AT 600-680 E. JACKSON STREET, DU QUOIN  
UPON OPENING**

Zip code	Patients
62238	1
62274	6
62822	3
62832	19
62865	1
62888	2
62966	2
Total	34

**PRE-ESRD PATIENTS THAT WILL BEGIN DIALYSIS AT  
DU QUOIN BY THE FIRST TWO YEARS OF OPERATION**

Town	Zip Code	Year One	Year Two
Pickneyville	62274	4	3
Du Quoin	62832	21	12
Sesser	62884	4	2
Tamaroa	62888	3	2
Vergennes	62994	4	1
Christopher	62822	2	2
Oakdale	62268	0	1
Total		38	23

**NEW REFERRALS FOR THE PAST TWELVE MONTHS**  
**September 1, 2010 through August 31, 2011**

Zip Code	Fresenius Carbondale		Fresenius Du Quoin		Fresenius Randolph County		Fresenius Saline County		Fresenius Williamson County		DaVita Benton		DaVita Marion		Total
	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62233	1				1										2
62237				1	1										2
62238				1	1										2
62241							2								2
62268						1									1
62272				1	2										3
62274			1	3											4
62286					1	1									2
62812									1			2			3
62821								1							1
62831				1											1
62832			9	6				1							16
62835								1							1
62865				1											1
62869								1							1
62884												1			1
62888			2												2
62896										1		2			3
62901	8	3													11
62903	1														1
62906		2													2
62907	1														1
62912	1														1
62915		1													1
62917								2							2
62918	1												1		2
62921	1														1
62924		1													1
62926	1	1													2
62930							4	1							5
62931														1	1
62932	1														1
62935								1							1
62940	1														1
62946							1	3							4
62948	1								1	1					3
62949										1					1
62950					1										1
62951										1					1
62952													1		1
62959									6	2			1	1	10
62966	1	3								1					5
62967								1							1
62970										1					1
62979								1							1
62984								1							1
62992	1														1
62999	1										1				2
Total	21	11	12	14	7	4	14	5	8	8	1	5	3	2	115

## Hemodialysis Patient on December 31, 2008

Zip Code	Fresenius Carbondale			Fresenius Quoin			Fresenius Randolph Co			Fresenius Saline Co			Fresenius Williamson Co			DaVita Benton		DaVita Marion		Total
	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62221		1																		1
62233								3	2											5
62237								1												1
62238		1																		1
62241								2												2
62242									2											2
62268									1											1
62272								2												2
62274					2	3														5
62286								2	2											4
62288								1	1											2
62292								1												1
62298							1													1
62812			1													3	1		1	6
62817											1									1
62821											3	2								5
62822		1		1	4	1								2	1	1				11
62832					11	5														16
62834			1													1				1
62836																				1
62859											1									1
62865					3															3
62869											2									2
62871											2									2
62883																1				1
62884						1									1					2
62887											1									1
62890															2					2
62891															1	1	1	1		4
62896													1	2	4	1	1	1		10
62901		20	18																	38
62902		3	1																	4
62905		1																		1
62906		5																		5
62907	1	3	1																	5
62914		1																		1
62916		1																		1
62917										1	1	4			1					7
62918		1												1	1					3
62920		5	3																	8
62922														1						1
62923															1					1
62924		1																	1	1
62926		1	1												1					3
62927					1															1
62930										3	4	1								8
62931										1										1
62932		1				2														3
62933															1					1
62934										1	1									2
62938										1										1
62942			1																	1
62946										7	6	5								18
62947											1	2								3
62948													1	3	8			1		13
62951															1					1
62952		1																		1
62958		1																		1
62959													6	4	8			1	1	20
62966		10	5			1														16
62967											1	1								2
62976		2	1																	3
62979												1	1							2
62982											2									2
62983															1				1	2
62984											1									1
62985																			1	1
62988		1																		1
62992		1	1											1						3
63966			1																	1
Unknown																2				2
Total	1	62	35	1	21	13	1	12	8	18	22	18	9	14	30	10	3	3	5	286

## Hemodialysis Patients on December 31, 2009

Zip Code	Fresenius Carbondale			Fresenius Du Quoin			Fresenius Randolph Co			Fresenius Saline Co			Fresenius Williamson Co			Da Vita Benton		Da Vita Marion		Total
	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62221		1																		1
62233							1	1	3											5
62237								1												1
62238		1																		1
62241									1											1
62242										1										1
62263						1														1
62272									2											2
62274					5	3														8
62278							1													1
62286									3	5										8
62288									3	1										4
62292									1											1
62666		1																		1
62812			1													4	2			7
62817										1										1
62821										2	3									5
62822					3	1								1	1		3			9
62832					12	4														16
62836																2				2
62859										1	1									2
62871										2										2
62884						1									1					2
62887											1									1
62888				1		1														2
62890									1							1	1			3
62891															1					1
62896					1									5	3	1	2		2	14
62901	1	17	16																	34
62902		1	1																	2
62903			1																	1
62905		1																		1
62906		6																		6
62907		4	1																	5
62914		3	1																	4
62916		1																		1
62917										2		2								4
62918		2												1				2		5
62919											1									1
62920			4																	4
62922														1	1					2
62923															1					1
62924			1																	1
62926		1	1																	3
62930										2	4	4								10
62931										2										2
62932		1				1														2
62933														1	1					2
62934										1	1									2
62935											1									1
62938										1										1
62942			1																	1
62946										8	6	6								20
62947											1	1								2
62948														3	6					9
62951															1					1
62952			1																	1
62959													5	3	9			2		19
62960										1										1
62961															1					1
62966		14	6			1												1		22
62967													1							1
62976		1	1																	2
62979										1		1								2
62982										1	2	1								4
62983															1		1			2
62984										2	2	1								5
62985																			1	1
62988		1																		1
62992		1	2																	3
62997									2											2
62999														1						1
Unknown																2				2
Total	1	57	38	1	21	13	2	15	10	20	24	23	6	17	26	10	9	5	3	301

## Hemodialysis Patients on December 31, 2010

Zip Code	Fresenius Carbondale			Fresenius Du Quoin			Fresenius Randolph Co			Fresenius Saine Co				Fresenius Williamson Co			DaVita Benton		DaVita Marion		Total
	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Chong	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62201								1													1
62233							1	4	3												8
62237								1													1
62238		1				1															2
62241									1												1
62242									2												2
62268									1												1
62272								1	1												2
62274		1			6	3															10
62286								5	3												8
62288								2													2
62292								1													1
62812			1														2	2			5
62817												1									1
62821												1									1
62822		1			2	1									1			4			9
62832					11	6															17
62856																	1				1
62869												1									1
62871												1									1
62887													1								1
62888					1																1
62890															1	3		2	1	1	8
62896																					29
62901	1	14	14																		2
62902			2																		1
62903		1																			2
62905		2																			6
62906		5	1																		4
62907		4																			2
62914		2																			1
62915			1																		1
62916		1																			4
62917									2			2									7
62918		2										1		1	1				3		1
62919																					4
62920			4																		1
62922														1							3
62924		1	2																		3
62926		1	1												1						10
62930									1		6	3								1	2
62931									1												3
62932		2				1															2
62933															1	1					1
62935												1									1
62938												1									1
62942			1																		12
62946									5	1	3	3									9
62948														3	6						1
62949															1						1
62950								1													4
62951														2	2						2
62952			1																	1	1
62958	1													3	4	7		1	1		16
62959															1						1
62961																					19
62966		10	5		1	1									1				1		1
62976			1																		1
62979									1												3
62982									1		2										1
62983																1					1
62984												1									1
62985																				1	1
62988		1																			1
62992		1																			3
62997					1				2												2
62999															2						1
Unknown																1					280
Total	2	50	34	1	21	13	1	18	11	11	1	16	12	3	15	26	5	10	6	4	280

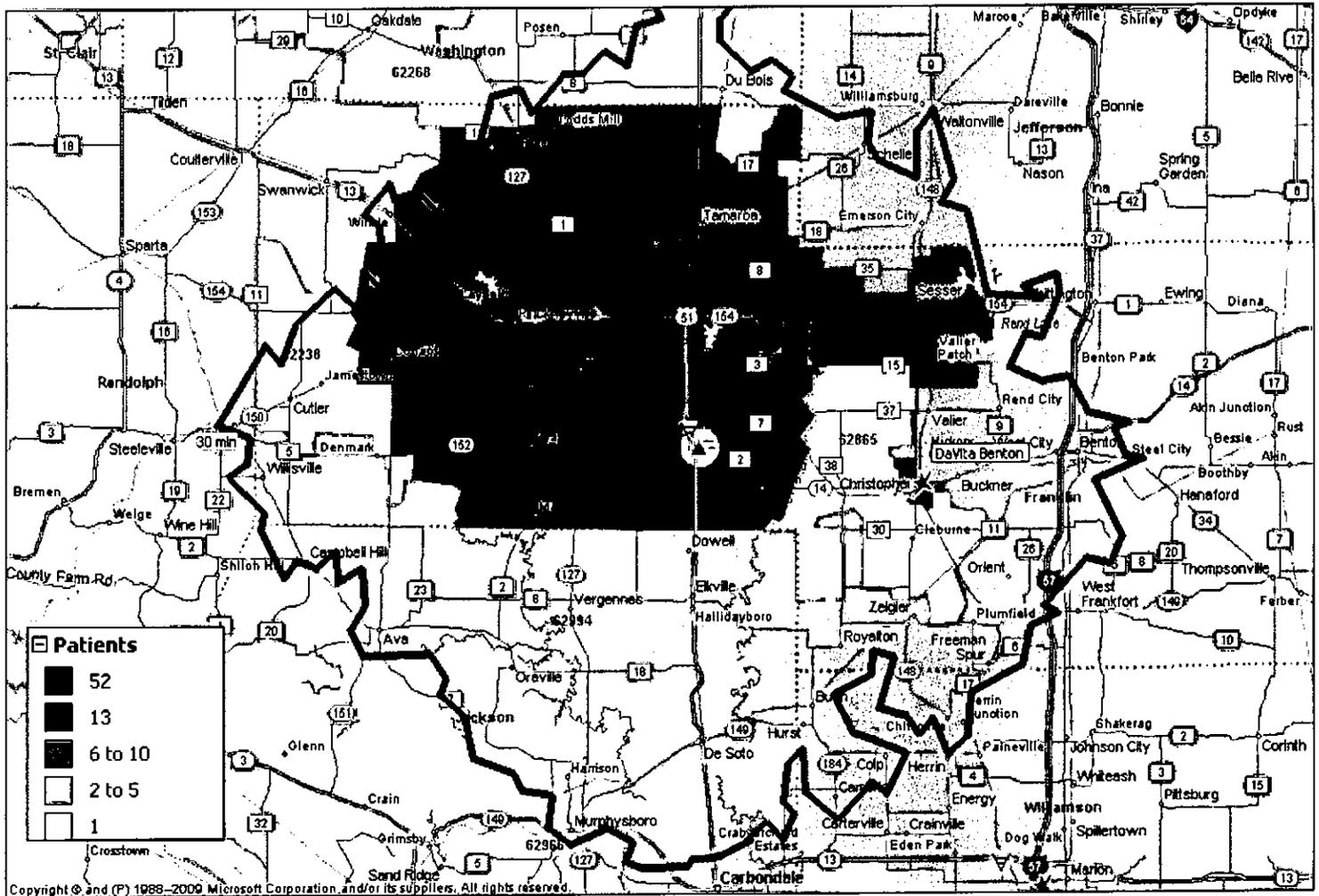
## Hemodialysis Patients on June 30, 2011

Zip Code	Fresenius Carbondale			Fresenius Du Quoin		Fresenius Randolph Co				Fresenius Saline Co			Fresenius Williamson Co			DaVita Benton		DaVita Marion		Total
	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Hu, Ruo Qi	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62232																				1
62233						1	2	1												4
62238		1			1		1													3
62241								1												1
62242								1												1
62272							1	1												2
62274			1	4	3		1													9
62286							6	2	1											9
62288							2													2
62292							1													1
62812			1											1		1	2			5
62817													1							1
62821												1								1
62822		1		2	1										1		2			7
62832				11	6															17
62835												1								1
62856																1				1
62859		1																		1
62865					1															1
62869											1									1
62871											1									1
62887												1								1
62888				2										1						2
62890																1	1			2
62896														3		4	1	1		9
62901		16	13								1									30
62902		1	1																	2
62903		1																		1
62905		1	1																	2
62906		5	2																	7
62907		4																		4
62912		1																		1
62914		2																		2
62915			1																	1
62916		1																		1
62917										1		2								3
62918		3											1	1				2		7
62919												1								1
62920	1		1																	2
62921		1																		1
62922														1						1
62924		1	2																	3
62926		1	1																	2
62930										2	5	1								8
62931										1										1
62932	1	2																		3
62933														1	1					2
62935											1									1
62938												1								1
62942			1																	1
62946										4	2	5		1						12
62948				1										3	5					9
62949															1					1
62950							1													1
62951														2	1					3
62952			1												1					2
62958	1																			1
62959													3	6	6		1	1	2	19
62961															1					1
62966		9	7	1	1													1		19
62967												1								1
62970															1					1
62976			1																	1
62979										1										1
62982											2									2
62983															1					1
62984												1								1
62985																			1	1
62988		1																		1
62992		2																		2
62997							2													2
62999																	1			1
Total	3	55	34	21	13	1	18	6	1	9	16	13	4	16	22	3	11	5	4	255

## Service Accessibility – Service Restrictions

- The establishment of the 11-station Fresenius Medical Care Du Quoin facility, along with the discontinuation of the 10-station current Du Quoin facility, is only going to add 1 station to the inventory. As stated in Attachment 26b-1, the determined need does not necessarily correlate to the way rural dialysis clinics are operated. The only facility within 30 minutes of Du Quoin, DaVita Benton, is not operating at the 80% target utilization. As seen in the chart at 26b-1 not one of the Fresenius rural facilities has hit the 80% target. This is due to operational choice rather than underutilization. These facilities would be at target utilization if that utilization was determined by the number of shifts they actually operate.
- Problems that exist for Fresenius Du Quoin patients pertain to the physical condition of the current site, physical access to the building, preferred shift availability and access to isolation services for Hepatitis B patients. The current site requires extensive repair and maintenance to the building and the parking lot to improve physical access and safety. There has been little response from the current landlord to resolve these issues. As mentioned above and elsewhere in this application, this rural, elderly population does not wish to travel long distances on country roads at night for treatment, therefore the 2 daytime shifts are preferred. These shifts are operating at 85% utilization. In order to keep access to these shifts additional stations are needed. The nearest isolation station for Hepatitis B patients is in Carbondale. Currently, depending on where the patient lives, this could be over an hour drive away. Access to isolation is needed closer to home for these rural patients.
- The proposed site at 600-680 E. Jackson Street, Du Quoin, will improve the patient's physical access to the facility with improved parking and patient drop off areas and will allow a more modern facility to receive treatment in as well as keeping access to daytime treatment shifts available.

**Demographics of the 95 Pre ESRD & Current ESRD Patients Identified Who Will Be Referred to Fresenius Medical Care Du Quoin**



Town	Zip code	Patients
Jamestown	62238	1
Oakdale	62268	1
Pickneyville	62274	13
Christopher	62822	7
Du Quoin	62832	52
Mulkeytown	62865	1
Sesser	62884	6
Tamaroa	62888	7
Murphysboro	62966	2
Vergennes	62994	5
<b>Total</b>		<b>95</b>

95

## Unnecessary Duplication/Maldistribution

1(A-B-C) The ratio of ESRD stations to population in the zip codes within a 30 minute

ZIP Code	Population	Stations	Facility
62238	830		
62274	8,532		
62812	11,349	13	DaVita Benton
62819	470		
62822	2,972		
62831	695		
62832	9,677	10	Fresenius Du Quoin
62865	1,879		
62886	437		
62883	607		
62884	3,083		
62888	2,163		
62896	12,949		
62901	30,069		
62907	2,122		
62916	759		
62918	8,632		
62924	2,721		
62932	1,715		
62948	11,834		
62966	20,166		
62983	1,453		
62994	872		
62997	663		
62999	1,709		
	<b>138,358</b>	<b>23</b>	<b>1/6,015</b>

radius of Fresenius Du Quoin is 1 station per 6,015 residents according to the 2000 census (based on 138,358 residents and 23 stations. The State ratio is 1 station per 3,502 residents (based on US Census 2010 of 12,830,632 Illinois residents and August 2011 Board station inventory of 3,663).

(Population by zip code for 2010 is not yet available.)

Fresenius Medical Care is only requesting one additional station for the 30 minute travel area. The ratio after the addition of the one station will still show a need at 1 station per 5,765 residents.

2. Fresenius Medical Care Du Quoin is operating at 57% utilization and the only other facility within 30 minutes, DaVita Benton is also operating below 80% at 62%. However, the relocation of the Du Quoin facility and addition of one station will not create a maldistribution of services in regard to there being excess availability. The ratio of stations to population reflects a station need in the area even though the facilities are not at target utilization. Rural facilities do not generally operate 6 shifts per day as more urban facilities do. The reason is because of the distance patients and physicians in these areas have to travel. Travel is more difficult in the evening when it is dark, especially in inclement weather. Patients who rely on township or county transportation services are left without rides home from treatment because these services do not operate after 4 p.m. Rural population does not generally support operating 3 shifts per day, but if strict compliance was required in regards to the target utilization, there would be no rural facilities, which would be unfair to these residents.

- 3A. Fresenius Medical Care Du Quoin will not have an adverse effect on any other area ESRD provider in that the patients identified for this facility are current Fresenius Du Quoin hemodialysis patients and pre-ESRD patients of Drs. Cowart and Kamran. There is only one other facility within 30 minutes and it is over 17 miles away, DaVita Benton. The physicians supporting this project also refer patients to that facility and will continue to do so per the patient's choice and place of residence.
- B. Not applicable – applicant is not a hospital; however the utilization will not be lowered below target utilization at any other ESRD facility due to the establishment of the facility.

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Randy Cowart is currently the Medical Director for Fresenius Medical Care Du Quoin and will continue to be the Medical Director after the relocation. Attached is his curriculum vitae.

B. All Other Personnel

Upon the discontinuation of the current Du Quoin facility and the establishment of the new Du Quoin facility all staff will transfer to the new location and resume their current position. There will be no break in employment or work schedules as the facility will relocate on a Sunday when there are no patient treatments scheduled. This will include the following staff:

- Clinic Manager who is a Registered Nurse
- 2 Full-time Registered Nurses
- 3 Full-time Patient Care Technicians
- 1 half-time Registered Dietitian (also covers 2 other facility)
- 1 half-time Licensed Master level Social Worker (also covers 1 other facility)
- 1 half-time Equipment Technician (also covers 1 other facility)
- 1 half-time Secretary (also covers 1 other facility)

Additional staff will be hired as needed according to patient census.

- 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.

C U R R I C U L U M   V I T A E

Randy G. Cowart, M.D.  
Internal Medicine/Nephrology  
The Carbondale Clinic, S.C.  
2601 West Main Street  
Carbondale, IL 62901

Personal Information:

Home Address: P. O. Box 307  
Cobden, IL 62920

Home Phone: 618-893-6123

Marital Status: Married

Birthdate: 3/30/1957

Birthplace: Tulsa, OK

Social Security Number: 265-55-8573

Education:

1975 High School Graduate, Astronaut High School, Titusville, FL

5/1979 - 8/1981 University of South Carolina, Columbia, SC

8/1981 - 5/1985 University of South Carolina School of Medicine, Columbia, SC M.D. Degree

7/1985 - 6/1988 Residency: Internal Medicine, University of South Carolina, Columbia, SC

7/1988 - 6/1990 Fellowship: Nephrology, Mayo Clinic, Rochester, MN

Experience:

6/1993 to Present Carbondale Clinic  
2601 W. Main St.  
Carbondale, Illinois 62901  
(618) 549-5361

**CURRICULUM VITAE**

**Randy G. Cowart, M.D.**

**PAGE 2**

7/1990 - 6/1993

Chief of Nephrology, USAF Medical Center,  
Scott AFB, IL

11/1981 - 6/1990

USAF Reserve Officer

8/1975 - 5/1979

USAF Active Duty, Aircraft Mechanic

**Certifications:**

9/1988

Certified, Internal Medicine, The American  
Board of Internal Medicine

1990 - 2000

Certified, Nephrology, The American Board  
of Internal Medicine

11/2001

Recertified, Nephrology, The American  
Board of Internal Medicine

**Hospital Affiliations:**

6/1993 to Present

Memorial Hospital of Carbondale, IL,  
Active Staff

St. Joseph Memorial Hospital  
Murphysboro, IL, Consulting Staff

Herrin Hospital, Herrin, IL, Active Staff

Marion Memorial Hospital, Marion, IL,  
Active Staff

Harrisburg Medical Center, Harrisburg, IL  
Consulting Staff

11/1996 to Present

Franklin Hospital, Benton, IL  
Courtesy Staff

**Outpatient Facility Staff:**

Dialysis Facilities, Carbondale, IL  
Full Staff

Dialysis Facilities, Harrisburg, IL  
Full Staff

Marion Nephroplex Dialysis Unit  
Marion, IL, Full Staff

\*CURRICULUM VITAE

Randy G. Cowart, M.D.

PAGE 3

Chester Dialysis Unit, Chester, IL  
Full Staff

DuQuoin Dialysis Unit, DuQuoin, IL  
Full Staff

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

I am the Regional Vice President of the Missouri/Southern Illinois Region of the South Division of Fresenius Medical Care North America. In accordance with 77 II. Admin Code 1110.1430, and with regards to Fresenius Medical Care Du Quoin, I certify the following:

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

Richard Alderson  
Signature

Richard Alderson  
Printed Name

Regional Vice President  
Title

State of Missouri  
County of St. Louis  
Subscribed and sworn to before me  
this 31st day of August, 2011

Jonathan E. Stogsdill  
Signature of Notary

Seal

**JONATHAN E. STOGSDILL**  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for St. Louis County  
My Commission Expires: Feb. 18, 2014  
10937184

Criterion 1110.1430 (f) – Support Services

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

- Fresenius Medical Care utilizes the Proton patient data tracking system in all of its new facilities.
- These support services are will be available at Fresenius Medical Care Du Quoin during all currently operating 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 Memorial Hospital of Carbondale, Carbondale:
  - Blood Bank Services
  - Rehabilitation Services
  - Psychiatric Services

Richard Alderson  
Signature

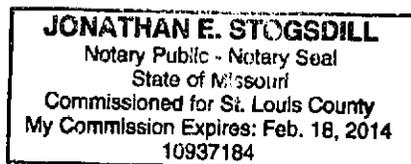
Richard Alderson/Regional Vice President  
Name/Title

State of Missouri  
County of St. Louis

Subscribed and sworn to before me  
this 5<sup>th</sup> day of August, 2011

Jonathan E. Stogsdill  
Signature of Notary

Seal



Support Services  
ATTACHMENT – 26f

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

Fresenius Medical Care Du Quoin is not located Metropolitan Statistical Area (MSA). A minimum of six dialysis stations is required to establish an in-center hemodialysis center outside of an MSA. Fresenius Medical Care Du Quoin will have eleven dialysis stations thereby meeting this requirement.

This AGREEMENT made as of this 23rd day of May, ~~2001~~ 2002, between Memorial Hospital of Carbondale (hereinafter referred to as "Hospital") and BIO-MEDICAL APPLICATIONS of Illinois D/b/a FMC \* Inc., a Delaware Corporation (hereinafter referred to as "BMA"), \* Carbondale, Saline County, Randolph County, Du Quoin, Williamson County

WITNESSETH.

WHEREAS, the Hospital desires to assure the availability of hemodialysis treatment for its patients who are capable of receiving out-patient treatment and BMA desires to assure the availability of the Hospital's facilities for its patients who need in-patient treatment at a hospital; and

WHEREAS, BMA is experienced and qualified to administer dialysis treatments and clinically manage patients with irreversible renal failure on an out-patient basis and the Hospital is equipped and qualified to provide medical hospital care on an in-patient basis for such patients;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. BMA agrees to develop, equip, maintain and operate in all respects an out-patient hemodialysis facility and will make this facility available to patients of the Hospital who are suffering from chronic renal diseases and require lifesaving care and treatment for such diseases. BMA shall conform to standards not less than those required by any applicable laws and regulations of any local, state or federal regulatory body as the same may be amended from time to time, and in the absence of applicable laws and regulations, conforming to applicable standards of professional practice. BMA shall treat such commitment as its primary responsibility and shall devote such time and effort as may be necessary to attain these objectives.
2. BMA shall provide all physical facilities, equipment and personnel necessary to establish an out-patient hemodialysis facility capable of providing treatment to patients suffering from End Stage Renal Disease, which facilities shall conform to the provisions of all local, state and federal laws and regulations. The cost of such facilities, equipment and personnel shall be borne by BMA. The location of such facilities shall be selected by BMA, but shall be in sufficiently close proximity to the Hospital to facilitate transfers of patients and communication between the facilities.
3. It is understood and agreed that BMA owns and shall operate its out-patient dialysis facilities wholly independent of Hospital. All patients treated at the out-patient facilities of BMA shall be patients of BMA and not of the Hospital and BMA shall have the sole responsibility for the treatment and medical care administered to them.

4. In addition, the parties agree that all equipment, supplies and other property utilized in the out-patient facility are to be purchased and owned by BMA and not by the Hospital. All medical, nursing and other personnel performing services in the out-patient facilities (except attending physicians) will be employees or agents of BMA and are not under the control or supervision of the Hospital. All contracts executed by BMA relating to the out-patient facilities' operations are contracts of BMA and not by the Hospital and all payments for services rendered by BMA are to be made to BMA and not to the Hospital. BMA is an independent contractor not under the control or supervision of Hospital and has the sole responsibility of providing all services and personnel necessary to properly maintain its facilities and provide the required medical care covered by this Agreement including, but not limited to, providing its own billing, accounting, bookkeeping, credit and collection, housekeeping, linen, equipment maintenance and employment of necessary personnel.
  5. Admission to BMA and the continued treatment by BMA shall be provided without reference to the patient's race, color, creed, national origin, or sex.
  6. BMA shall engage a medical director of BMA's out-patient hemodialysis facility, who has the qualifications specified in 20 C.F.R., Subpart U, who must be a physician properly licensed for his profession by the State and must be a member of the Active Medical Staff of the Hospital. BMA shall also employ such duly qualified and licensed nurses, technicians and other personnel as shall be necessary to administer treatment at its facility, in accordance with applicable local, state or federal laws and regulations.
  7. When it has been decided and agreed that a patient is to be referred to BMA, the patient's physician shall consult with the BMA Medical Director who will indicate when the patient is to report for treatment. There will be interchange, within one working day, of the patient Long-Term Program and Patient Care Plan, and of medical and other information necessary or useful in the care and treatment of patients transferred to BMA from the hospitals, or in determining whether such patients can be adequately cared for otherwise than in either of the facilities.
  8. BMA shall keep medical records of all treatments rendered to patients by BMA and these medical records shall conform to applicable standards of professional practice. If requested by the Hospital, BMA shall provide complete copies of all medical records of patients previously treated by BMA who are at the time of the request in-patients at the Hospital and such records shall be incorporated by the Hospital in the patient's records at the Hospital.
- BMA shall provide for the security and accountability for patient's personal effects in the event a patient must be transferred directly from BMA to the Hospital.

10. BMA agrees to indemnify, defend and hold harmless Hospital, its subsidiaries and affiliates, and their officers, agents, employees, successors and assigns from and against any and all damages, claims, expenses, liabilities for suits that may be based upon any incident alleged to have occurred from anything done or omitted by BMA, its agents or employees in the course of providing medical care to patients in accordance with this Agreement whether such claim or suit is made by an employee of BMA, a patient or any other person.
11. BMA shall carry malpractice insurance coverage relating to BMA's operations. On request BMA shall furnish the Hospital with a statement setting forth all terms and conditions of such insurance.
12. The Hospital agrees to make the facilities and personnel of its Routine Emergency Service available for the treatment of acute life-threatening emergencies which may occur to any of BMA's patients.

Such emergency transfers shall be initiated by the physician responsible for the patient's care at the time of the emergency. In the event of an emergency at BMA, the responsible physician at BMA shall notify the patient's physician of record as indicated in BMA's files, and the latter shall arrange for the transfer of the patient to the Hospital's Emergency Room. If such physician of record is not available, the responsible physician at BMA shall arrange for such transfer, and he shall also promptly notify the Emergency Room physician of the particular emergency. In either event, BMA shall be responsible for transporting the patient to the Hospital's Emergency Room and shall send appropriate interim medical records with the patient. The Hospital shall not transport its personnel or equipment to BMA in the event of an emergency.

13. If in the opinion of BMA's medical director, any patient of BMA requires emergency hospitalization, the Hospital agrees that it will provide a bed for such patient (or in the event a bed is not available at the Hospital, to arrange for the transfer of the patient to an affiliated hospital) and furnish all necessary medical services at its facility for such patient at the patient's expense. The Hospital will also accept any patient of BMA referred to the Hospital for elective reasons, subject to the availability of appropriate facilities after the BMA medical director or attending physician has arranged for in-patient hospital physician coverage.
14. The Hospital, acting through its appropriate medical staff members, shall from time to time evaluate its patients with chronic renal failure in accordance with its standard operating procedures. In cases where out-patient treatment is considered appropriate and recommended by patient's physician, with the approval of patient and patient's physician, the said patient shall be referred to BMA for out-patient treatment at the facility operated by BMA which is most convenient for the patient. There will be an interchange within one working day, of the patient Long-Term Program and Patient Care Plan, and of

medical and other information necessary or useful in the care and treatment of patients referred to BMA from the Hospital.

15. In addition to the services described above, the Hospital shall make the following services available to patients referred by BMA either at the Hospital or at an affiliated hospital:
- a. Availability of a surgeon capable of shunt and fistula insertion and long term maintenance;
  - b. In-patient care for any patient who develops complication or renal disease-related conditions that require hospital admission;
  - c. Kidney transplantation services, where appropriate, including tissue typing and cross matching, surgical transplant capability, availability of surgeons qualified in the management of pre and post-transplant patients;
  - d. Blood Bank services to be performed by the Hospital Laboratory.

Bills for services provided by Hospital to patients shall be rendered by Hospital to patients or their insurers and not BMA.

16. BMA shall have no responsibility for any in-patient care rendered by the Hospital. Once a patient has been referred by BMA to the Hospital, the Hospital agrees to indemnify BMA against, and hold it harmless from, any claims, or expenses or liabilities based upon or arising from anything done or omitted, or allegedly omitted, by the Hospital, its agents or employees in relation to the treatment or medical care rendered at the Hospital.
17. Whenever under the terms of this Agreement, written notice is required or permitted to be given by one party to the other, such notice shall be deemed to have been sufficiently given if personally delivered or mailed by certified mail, return receipt requested, postage prepaid, to such party at the following address:

- a. To the Hospital:

Administrator

George Maroney

Memorial Hospital of Carbondale

405 W. Jackson St. Carbondale, IL. 62901

b. To BMA:

Administrator  
**John P. John**  
\_\_\_\_\_  
**FMC Williamson County**  
\_\_\_\_\_  
**900 Skyline Dr, Marion, IL. 62959**  
\_\_\_\_\_

- 18. If any provisions of this Agreement shall at any time conflict with any applicable State or Federal law or shall conflict with any regulation or any regulatory agency having jurisdiction with respect thereto, this Agreement shall be modified in writing by the parties hereto to conform to such regulation, law, guideline, or standard established by such regulatory agency.
- 19. This Agreement contains all of the agreements among the parties with respect to its subject matter; this Agreement supercedes any and all other Agreements, either oral or in writing, among the parties hereto with respect to the subject matter hereof.
- 20. This Agreement shall bind and benefit the parties, their respective successors and assigns.
- 21. All questions as to interpretations, instructions and performances of this Agreement shall be governed by State law.
- 22. This Agreement shall remain in effect from the date hereof until terminated by either party upon at least 90 days written notice to the other party which notice shall specify the date of termination.
- 23. The undersigned parties realize that the spirit of this Agreement, the provision of the best possible medical care to all patients concerned, is of utmost importance. Both facilities will cooperate in every way possible to assure such medical care.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

Hospital Memorial Hospital of Carbondale

Bio-Medical Applications  
of Illinois D/b/a FMC Williamson County Inc.

By [Signature]  
Name and Title

By John P. John, Area Adm.  
Name and Title

## RELOCATION OF FACILITIES

- 1) The existing Du Quoin facility is currently at 57% utilization operating 4 patient shifts vs. the State standard of 6 shifts. Because this is a rural facility as stated previously in this application, 4 shifts is more of the norm for dialysis clinics. Transportation to and from treatment can be a hardship for patients on the last shift of the day which has the patient traveling home at night. Long country roads can be hazardous at night especially in inclement weather. The Du Quoin patients are elderly (70% over age 60 and 44% over age 70) and are uneasy traveling these routes at night and when they are not feeling well after treatment. County transportation services do not operate after 4 p.m. leaving these patients little transportation choices. 26% of the Du Quoin patients rely on these transportation services. Rural population does not generally support operating 3 shifts per day, but if strict compliance was required in regards to the target utilization, there would be no rural facilities, which would be unfair to these residents. For these reasons, the first two shifts of the day are the only ones operational. Utilization based on these 4 shifts is 85%, which would meet the utilization criteria.
  
- 2) Relocating the 10-station Du Quoin facility will offer patients a new, more modern facility that meets CMS guidelines along with easier access with improved patient parking and drop off. Adding the isolation station for hepatitis B patients, will give patients with hepatitis a closer option rather than having to drive sometimes in excess of an hour to Carbondale for treatment where there is currently an isolation station.

Criterion 1110.1430 (j) – Assurances

I am the Regional Vice President of the Missouri/Southern Illinois of the South Division of Fresenius Medical Care North America. In accordance with 77 II. Admin Code 1110.1430, and with regards to Fresenius Medical Care Du Quoin, I certify the following:

1. As supported in this application through expected referrals to Fresenius Medical Care Du Quoin in the first two years of operation, the applicant will commit to doing everything in its power to meet the Board's 80% utilization target. However, given historical utilization at this rural facility it may be difficult to do so. Nonetheless the first and second shifts at the facility, due to normal patient fluctuations, often meet and exceed the target utilization rate. The Board's rules require it to calculate target utilization using a third shift, and it is the operation of a third shift in the again rural area that makes it difficult to meet the Board's utilization target.
2. Fresenius Medical Care Du Quoin hemodialysis patients have achieved adequacy outcomes of:
  - o 90% of patients had a URR  $\geq$  65%
  - o 92% of patients had a Kt/V  $\geq$  1.2

and same is expected for the relocated Fresenius Medical Care Du Quoin facility.

Richard Alderson  
Signature

Richard Alderson/Regional Vice President  
Name/Title

State of Missouri:  
County of St. Louis

Subscribed and sworn to before me  
this 13<sup>th</sup> day of August, 2011

Jonathan E. Stogsdill  
Signature of Notary

Seal

<b>JONATHAN E. STOGSDILL</b> Notary Public - Notary Seal State of Missouri Commissioned for St. Louis County My Commission Expires: Feb. 18, 2014 10937184
---



September 6, 2011

Charles Newth  
Senior Real Estate Manager  
Fresenius Medical Care North America  
Reservoir Woods  
920 Winter Street  
Waltham, MA 02451-1457  
[charles.newth@fmc-na.com](mailto:charles.newth@fmc-na.com)  
phone: (781) 699-9993  
fax: (781) 699-9776

Re: **Letter of Intent to Lease the Property Located at 640 E Jackson Street, Du Quoin, Illinois.**

Dear Charles,

This letter is intended to outline certain business points of the pending building lease transaction for the Property referenced herein as follows:

**Parties:**  
Landlord: MGB Development Group, LLC or its assigns  
Tenant: Bio-Medical Applications of Illinois, Inc., a Delaware corporation, d/b/a Fresenius Medical Care Du Quoin  
Guarantor: Fresenius Medical Care Holdings, Inc.

**Property:** The Property to be constructed consists of +/-6,747 square feet on +/-2 acres located at 640 E Jackson Street, Du Quoin, Illinois; the land site is as shown on **Exhibit "A"** attached hereto.

**Primary Lease Term:** 15 years

**Options to Renew** Three (5) five year options

**Rental Rate:** The rental rate is estimated at \$17.91/sf for 6,747 sf, to be adjusted based on final project costs. Rental Rate shall increase 1.7% per year.

**Lease Commencement:** Ninety (90) days after Shell Building Substantial Completion

**Landlord Responsibilities:**  
(a) Warranty all building defects for one (1) year per contractor warranties.  
(b) The Landlord, at its cost, will maintain the structure of the building to include foundation, slab, columns, walls and roof throughout the lease term. In addition, be responsible for repairs to or replacement of heating/air conditioning equipment servicing the Premises for any single

repair for the portion of the costs that exceeds Two Thousand Five Hundred Dollars (\$2,500.00) per repair. The Two Thousand Five Hundred Dollar (\$2,500) repair and maintenance allowance shall escalate by two percent (2%) annually.

**Tenant  
Responsibilities:**

- (a) Tenant shall at its sole cost and expense keep and maintain the non-structural portions of the interior of the Premises, including all Tenant Improvements and Alterations, in good order and repair and free of refuse and rubbish.
- (b) Tenant shall pay all utility service charges directly, and Tenant shall pay directly or reimburse Landlord for all building insurance and tax bills by the required payment date.

**Contingency:**

Lease shall be contingent on Tenant obtaining a Certificate of Need from the Illinois Department of Health in order to relocate the facility and continue operations at the new Property.

This letter is non-binding but is intended to provide an outline for drafting the formal lease agreement between the Parties.

Best Regards,

*Paul Brown*

Paul Brown  
Partner  
MGB Development Group

ACCEPTED, AGREED AND  
APPROVED:

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

Name: \_\_\_\_\_  
(Please print)

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

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone/Email: \_\_\_\_\_

**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 (420-9670)		
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 (365-0267)
	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 (A0748670)	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)

**EXHIBIT 1**

LEASE SCHEDULE NO. 769-0002105-016  
(True Lease)

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

Address: 170 Wood Ave South  
Iselin, NJ 08830

LESSEE: NATIONAL MEDICAL CARE, INC.  
a Delaware corporation  
("Lessee")  
Address: 020 Winter Street  
Waltham, MA 02461

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

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

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

4. TERM OF LEASE: The term for which the Equipment shall be leased shall be for 72 months (the "Initial Lease Term"), commencing on the Lease Term Commencement Date as set forth in the Acceptance Certificate to this Schedule, and expiring 03/30/2016, unless renewed, extended, or sooner terminated in accordance with the terms of the Lease.

5. RENT: (a) Payable in monthly installments on the 28th day of each month during the Initial Lease Term as follows:

Rental Payment Numbers	Number of Rental Payments	Amount of Each Rental Payment
1-72	72	\$33,954.37

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

**6. OTHER PAYMENTS:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10. STIPULATED LOSS VALUES:

Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
1	101.47	37	60.22
2	100.61	38	58.94
3	99.66	39	57.66
4	98.56	40	56.37
5	97.55	41	55.08
6	96.63	42	53.78
7	95.48	43	52.47
8	94.41	44	51.16
9	93.33	45	49.84
10	92.25	46	48.51
11	91.15	47	47.18
12	90.05	48	45.84
13	88.95	49	44.50
14	87.83	50	43.15
15	86.71	51	41.79
16	85.58	52	40.43
17	84.44	53	39.06
18	83.29	54	37.69
19	82.14	55	36.31

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Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
20	80.87	56	34.92
21	79.81	57	33.53
22	78.63	58	32.13
23	77.45	59	30.72
24	76.26	60	29.31
25	75.06	61	27.89
26	73.86	62	26.47
27	72.65	63	25.04
28	71.44	64	23.61
29	70.22	65	22.17
30	68.99	66	20.72
31	67.76	67	19.27
32	66.52	68	17.82
33	65.27	69	16.35
34	64.01	70	14.88
35	62.75	71	13.40
36	61.49	72	11.92

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

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

Dated: 3/30/09

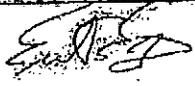
LESSOR:

Siemens Financial Services, Inc.

By: Carol Walters

Name: CAROL WALTERS

Title: VICE PRESIDENT DOCUMENTATION



Ernest Errigo  
Sr. Transaction Coordinator

LESSEE:

National Medical Care, Inc.

By: Mark Pawlett

Name: MARK PAWLETT

Title: TREASURER

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**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.

2010 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #11-022, Fresenius Medical Care Lockport and are the same financials that pertain to this application. In order to reduce bulk these financials can be referred to if necessary.



# Fresenius Medical Care

To: Illinois CON

August 31, 2011

Fresenius Medical Care Holdings, Inc (the Company or FMCH) summary of discussion points with Illinois CON for the meeting in early August, 2011. We discussed several points related to the rating and credit quality of the Company as follows:

1. Most ratings of the Company are higher than the ratings for our Senior Notes. Our Senior Secured ratings are investment grade and our Accounts Receivable Commercial Paper Facility is structured to a AA rating. See ratings summary below:

	Standard & Poor's	Moody's	Fitch
Corporate Credit Rating	BB	Ba1	BB+
Outlook	Positive	stable	stable
Secured Debt	BBB-	Baa3	BBB
Unsecured Debt	BB	Ba2	BB+

2. The market's evaluation of the Company's bonds is far more positive than the rating agencies assessment would indicate. The Company's yields trade in line with BBB investment grade rated companies and much lower than the index for BB rated companies. That chart was on Page 7 of our presentation.
3. Moody's has published its standards for investment grade ratings. Of the six criteria, the Company meets or exceeds four of the criteria.
4. The company has substantial liquidity (over a billion \$'s) to meet all of its obligations in Illinois and elsewhere.

Additionally, in the discussion following our presentation, the topic of the company's size was brought up as a negative. We did not have the opportunity to address that issue during the meeting, so we will address it here. During the credit crisis, many of the physician practices and related health care businesses in our industry (and others) had difficulty growing and raising capital. The financial markets were closed to many health care businesses, both for profit and not for profit. However, due to our size and strength of our credit, the banking and capital markets were still open to us, allowing us to continue to grow to meet the needs of end stage renal disease patients in our clinic setting and to invest in the pharmaceutical and medical equipment industries necessary to serve this patient population. We have been a strong and committed business in Illinois, willing to continue to invest capital, provide access to care, add jobs and grow in the State.

Mark Fawcett  
 Vice President, Treasurer  
 Fresenius Medical Care NA

## Fresenius Medical Care North America

Corporate Headquarters: 920 Winter St Waltham, MA 02451 (781) 699-2666

ATTACHMENT - 40

**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			6,747			880,484	880,484
Contingency		13.05			6,747			88,048	88,048
<b>TOTALS</b>		143.55			6,747			968,532	968,532

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

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

**Year 2015**

Salaries                 \$820,067  
 Benefits                205,016  
 Supplies                219,330  
 Total                     \$1,244,413

Annual Treatments    9,734

Cost Per Treatment    \$127.84

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

**Year 2015**

Depreciation/Amortization         \$152,482  
 Interest                                 0  
 CAPITAL COSTS                         \$152,482

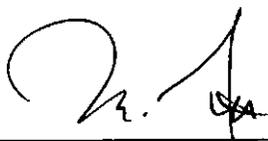
Treatments:                             9,734

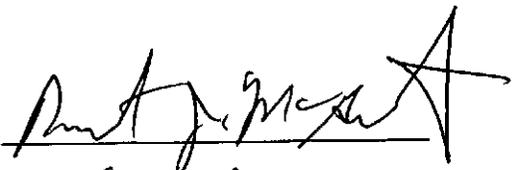
Capital Cost per treatment         \$15.66

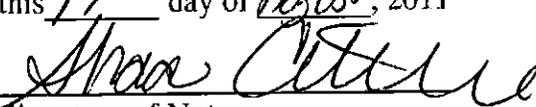
**Criterion 1120.310(a) Reasonableness of Financing Arrangements**

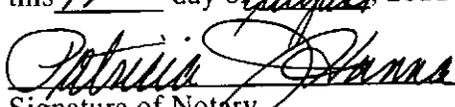
Bio-Medical Applications of Illinois, Inc.

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

By:   
Title: **Mark Fawcett**  
**Vice President & Treasurer**

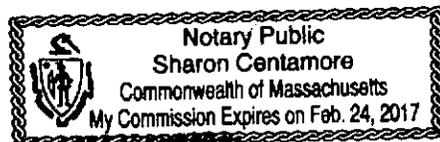
By:   
Title: Sr. VP

Notarization:  
Subscribed and sworn to before me  
this 17<sup>th</sup> day of August, 2011  
  
Signature of Notary

Notarization:  
Subscribed and sworn to before me  
this 17 day of August, 2011  
  
Signature of Notary  
**COMMISSION EXPIRES: OCT 7, 2016**

Seal

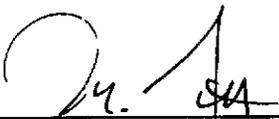
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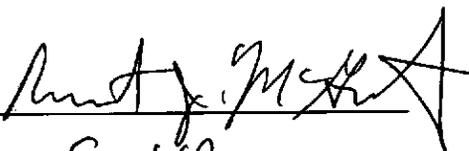


**Criterion 1120.310(a) Reasonableness of Financing Arrangements**

Fresenius Medical Care Holdings, Inc.

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

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

By:   
Title: S. VP

Notarization:

Subscribed and sworn to before me  
this 17<sup>th</sup> day of August, 2011

  
Signature of Notary

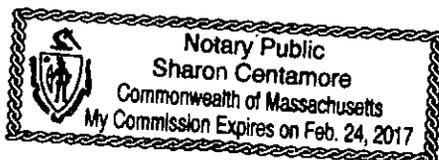
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Notarization:

Subscribed and sworn to before me  
this 17<sup>th</sup> day of August, 2011

  
Signature of Notary

COMMISSION EXPIRES: 02/24/2016  
Seal



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

Bio-Medical Applications of Illinois, Inc.

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

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

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

By: [Signature]  
ITS: **Mark Fawcett**  
**Vice President & Treasurer**

By: [Signature]  
ITS: **Sr. VP**

Notarization:  
Subscribed and sworn to before me  
this 17<sup>th</sup> day of August, 2011

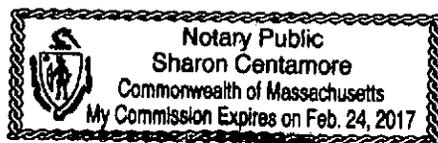
[Signature]  
Signature of Notary

Seal

Notarization:  
Subscribed and sworn to before me  
this 17 day of August, 2011

[Signature]  
Signature of Notary

COMMISSION EXPIRES: OCT 7, 2016  
Seal



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

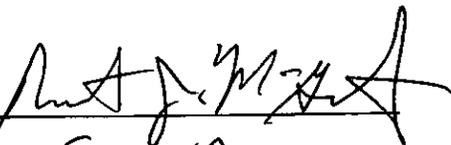
Fresenius Medical Care Holdings, Inc.

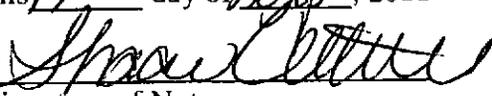
In accordance with 77 ILL. ADM Code 1120, Subpart D, Section 1120.310, of the Illinois Health Facilities & Services Review Board Application for Certificate of Need; I do hereby attest to the fact that:

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

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

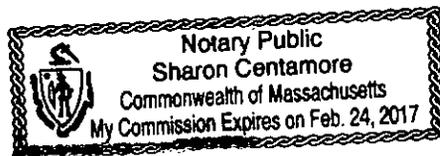
By:   
ITS: Mark Fawcett  
Vice President & Asst. Treasurer

By:   
ITS: Sr. VP

Notarization:  
Subscribed and sworn to before me  
this 17<sup>th</sup> day of August, 2011  
  
Signature of Notary

Seal

Notarization:  
Subscribed and sworn to before me  
this 17 day of August, 2011  
  
Signature of Notary  
COMMISSION EXPIRES: OCT 7, 2016  
Seal



## Safety Net Impact Statement

The discontinuation/establishment (relocation) of the Fresenius Medical Care Du Quoin dialysis facility will not have any impact on safety net services in the Perry County area. Generally speaking, dialysis services are not considered a safety net service. However, when there are no dialysis services available in the community served it may be considered a safety net service, and in this case the Du Quoin facility serves a widespread rural population. There is only one other facility within a 30 minute radius, DaVita Benton, a 13-station facility. The discontinuation of the current Du Quoin facility will not affect services as it is associated with a relocation of the facility to a location within minutes of the current site, and there will be no interruption in the availability of dialysis services.

There will be no impact on the ability of another provider to cross-subsidize safety net services as a result of this relocation because the facility is being re-established and this is a discontinuation associated with relocation, with no disruption in services. As such, there will not be any impact on any safety net providers in the community.

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

The table below shows the amount of Medicaid care provided for the 3 fiscal years prior to submission of the application for all Fresenius Medical Care hemodialysis facilities in Illinois. Charity care is not included as we do not provide charity care per the Board's definition.

SAFETY NET INFORMATION			
<b>CHARITY CARE</b>			
	2008	2009	2010
Charity Care # Patients	N/A	N/A	N/A
Charity Care Costs	N/A	N/A	N/A
<b>MEDICAID</b>			
	2008	2009	2010
Medicaid (Patients)	1,561	1,723	1,809
Medicaid (Revenue)	36,159,588	39,748,886	43,795,183

## Charity Care Information

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

The applicants do provide access to care at all of its clinics regardless of payer source or whether a patient is likely to receive treatments for which the applicants are not compensated. Uncompensated care occurs when a patient is not eligible for any type of insurance coverage (whether private or governmental) and receives treatment at our facilities. This represents a small number of patients, as Medicare covers all dialysis services as long as an individual is entitled to receive Medicare benefits (i.e. has worked and paid into the social security system as a result) regardless of age. In addition, in Illinois Medicaid covers patients who are undocumented and/or who do not qualify for Medicare, and who otherwise qualify for public assistance. Also, the American Kidney Fund provides low cost insurance coverage for patients who meet the AKF's financial parameters and who suffer from end stage renal disease (see uncompensated care attachment). The applicants work with patients to procure coverage for them as possible whether it be Medicaid, Medicare and/or coverage through the AKF. The applicants donate to the AKF to support its initiatives.

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

## Uncompensated Care By Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Alsip	33	0	0	9,960	0	0
Fresenius Antioch	73	102	0	21,689	28,682	0
Fresenius Aurora	314	83	87	67,864	18,818	21,087
Fresenius Austin Community	26	140	0	8,284	40,504	0
Fresenius Berwyn	713	715	228	199,885	163,817	52,363
Fresenius Blue Island	77	174	80	21,901	49,341	22,611
Fresenius Bolingbrook	143	48	21	31,451	12,317	5,081
Fresenius Bridgeport	395	528	45	99,428	118,493	10,991
Fresenius Burbank	248	721	49	63,286	185,201	12,597
Fresenius Carbondale	10	79	42	2,500	20,723	11,262
Fresenius Chicago	243	328	45	66,732	89,972	14,202
Fresenius Chicago Westside	162	146	0	77,512	46,548	0
Fresenius Congress Parkway	237	176	14	63,900	46,511	3,760
Fresenius Crestwood	219	67	320	59,373	17,034	84,179
Fresenius Decatur	0	0	0	0	0	0
Fresenius Deerfield	N/A	N/A	0	N/A	N/A	0
Fresenius Downers Grove	137	20	233	31,380	4,878	56,124
Fresenius Du Page West	196	76	34	43,409	18,336	9,290
Fresenius Du Quoin	0	37	10	0	10,433	2,756
Fresenius East Peoria	217	52	0	55,285	12,238	0
Fresenius Elk Grove	343	127	53	75,105	29,711	12,642
Fresenius Evanston	214	194	215	58,821	49,319	63,059
Fresenius Evergreen Park	93	510	197	23,541	140,975	52,782
Fresenius Garfield	311	177	54	97,761	45,903	14,915
Fresenius Glendale Heights	365	159	15	81,125	35,089	3,681
Fresenius Glenview	83	87	46	18,692	19,974	10,095
Fresenius Greenwood	190	251	179	46,374	62,205	42,481
Fresenius Gurnee	285	122	35	67,702	29,403	8,329
Fresenius Hazel Crest	199	34	22	53,440	9,226	6,303
Fresenius Hoffman Estates	87	33	17	19,789	7,418	4,037
Fresenius Jackson Park	454	528	3	115,160	125,578	681
Fresenius Kewanee	0	0	72	0	0	20,619
Fresenius Lake Bluff	212	65	5	54,948	17,317	1,112
Fresenius Lakeview	207	27	13	61,074	7,377	3,217
Fresenius Macomb	0	0	0	0	0	0
Fresenius Marquette Park	148	362	0	39,118	100,681	0
Fresenius McHenry	89	186	5	26,941	57,292	1,332
Fresenius McLean County	115	67	19	31,715	17,291	4,152
Fresenius Melrose Park	0	19	0	0	5,156	0
Fresenius Merrionette Park	0	105	41	0	28,882	9,936
Fresenius Midway	N/A	N/A	0	N/A	N/A	0
Fresenius Mokena	1	44	3	544	16,250	1,012
Fresenius Morris	0	42	104	0	11,267	29,076
Fresenius Naperville	199	301	100	41,182	67,077	22,565
Fresenius Naperville North	57	183	0	18,437	48,627	0
Fresenius Niles	213	152	26	55,817	37,442	6,096

Continued...

### Continued Uncompensated Care by Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Norridge	13	6	3	3,002	1,506	747
Fresenius North Avenue	0	94	74	0	23,669	18,189
Fresenius North Kilpatrick	48	0	64	11,290	0	14,200
Fresenius Northcenter	118	121	78	30,407	34,727	22,117
Fresenius Northwestern	334	226	77	89,528	58,416	21,695
Fresenius Oak Park	165	126	6	40,346	32,752	1,487
Fresenius Orland Park	188	121	0	43,222	30,148	0
Fresenius Oswego	89	12	1	25,307	3,389	305
Fresenius Ottawa	117	8	2	32,866	2,357	454
Fresenius Pekin	0	0	20	0	0	4,721
Fresenius Peoria Downtown	57	46	45	13,799	10,980	11,301
Fresenius Peoria North	115	54	13	27,782	13,179	3,245
Fresenius Plainfield	N/A	N/A	8	N/A	N/A	6,165
Fresenius Polk	212	231	104	51,467	60,738	26,376
Fresenius Pontiac	40	19	0	9,732	4,801	0
Fresenius Prairie	83	114	54	25,383	32,357	15,634
Fresenius Randolph County	0	4	32	0	1,219	8,913
Fresenius Rockford	70	74	24	18,003	24,267	6,946
Fresenius Rodgers Park	143	328	224	44,464	85,647	60,351
Fresenius Rolling Meadows	228	0	204	55,625	0	53,516
Fresenius Roseland	132	164	99	108,043	61,632	31,345
Fresenius Ross Dialysis Englewood	150	184	8	55,077	56,239	2,132
Fresenius Round Lake	225	182	1	57,640	44,165	255
Fresenius Saline County	13	21	11	3,645	5,583	2,952
Fresenius Sandwich	N/A	18	3	N/A	8,161	985
Fresenius Skokie	0	18	10	0	4,508	2,698
Fresenius South Chicago	424	747	278	115,038	205,498	70,577
Fresenius South Holland	90	127	104	22,191	31,917	26,731
Fresenius South Shore	75	110	8	20,591	30,066	2,086
Fresenius South Suburban	329	566	241	92,140	148,380	64,049
Fresenius Southside	734	483	137	209,871	129,554	34,459
Fresenius Southwestern Illinois	1	0	0	242	0	0
Fresenius Spoon River	66	38	35	14,971	9,033	8,835
Fresenius Spring Valley	1	1	31	236	233	6,422
Fresenius Streator	0	0	0	0	0	0
Fresenius Uptown	50	134	110	35,291	44,148	33,311
Fresenius Villa Park	128	369	27	35,003	95,048	7,258
Fresenius West Belmont	105	191	70	26,984	51,980	18,896
Fresenius West Chicago	0	44	0	0	24,152	0
Fresenius West Metro	241	880	237	54,133	187,505	49,677
Fresenius West Suburban	144	273	146	34,283	65,129	34,504
Fresenius Westchester	207	0	0	56,641	0	0
Fresenius Williamson County	8	0	28	1,812	0	7,468
Fresenius Willowbrook	98	45	0	23,477	10,815	0
<b>Totals</b>	<b>14,557</b>	<b>15,457</b>	<b>7,047</b>	<b>3,402,665</b>	<b>3,489,213</b>	<b>1,307,433</b>

**Medicaid Treatments/Costs By Facility**

Facility Name	IL Medicaid Txts			IL Medicaid Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Alsip	726	624	749	219,121	188,700	218,389
Fresenius Antioch	38	148	937	11,398	41,617	257,229
Fresenius Aurora	954	1,230	1,521	206,456	277,862	367,439
Fresenius Austin Community	1,050	1,574	2,111	334,543	455,377	548,468
Fresenius Berwyn	3,466	3,618	4,102	971,639	828,527	941,816
Fresenius Blue Island	1,816	1,901	1,937	516,518	538,138	550,355
Fresenius Bolingbrook	1,481	1,246	1,628	325,729	319,725	393,058
Fresenius Bridgeport	3,928	4,570	5,610	988,745	1,025,015	1,377,275
Fresenius Burbank	2,314	2,142	2,046	590,498	550,210	531,285
Fresenius Carbondale	1,119	1,214	1,650	279,802	318,454	442,445
Fresenius Chicago Dialysis Center	5,862	5,466	5,279	1,609,814	1,499,358	1,666,001
Fresenius Chicago Westside	2,396	3,509	3,807	1,146,416	1,118,745	1,169,530
Fresenius Congress Parkway	3,663	3,685	4,197	987,611	973,822	1,127,227
Fresenius Crestwood	1,045	1,166	1,072	283,308	296,443	282,439
Fresenius Decatur	33	1	136	8,220	226	36,359
Fresenius Deerfield	0	0	100	0	0	67,104
Fresenius Downers Grove	771	1,010	995	176,600	246,416	239,552
Fresenius DuQuoin	302	318	203	78,555	89,666	55,954
Fresenius DuPage West	1,529	2,086	2,725	338,547	502,413	739,997
Fresenius East Peoria	672	607	1,083	171,254	142,462	258,654
Fresenius Elk Grove	950	1,414	1,996	208,018	330,794	480,506
Fresenius Evanston	1,025	1,513	1,535	281,738	384,635	450,064
Fresenius Evergreen Park	3,484	2,284	3,231	881,879	631,675	863,821
Fresenius Macomb	12	212	116	4,123	57,485	36,414
Fresenius Garfield	2,365	2,684	3,299	743,422	696,063	910,918
Fresenius Glendale Heights	1,896	2,085	2,332	421,403	460,132	572,130
Fresenius Glenview	1,091	984	992	245,700	225,914	219,975
Fresenius Morris	30	119	200	8,814	31,923	55,776
Fresenius Greenwood	3,055	3,349	3,712	746,786	830,023	880,965
Fresenius Gurnee	1,614	1,859	2,143	383,406	448,037	517,361
Fresenius Hazel Crest	878	979	657	235,780	265,643	192,621
Fresenius Hoffman Estates	1,406	1,726	2,513	319,804	387,981	596,772
Fresenius Jackson Park	5,402	5,444	5,972	1,370,257	1,294,789	1,626,081
Fresenius Kewanee	81	182	146	27,752	51,043	41,812
Fresenius Lake Bluff	1,002	1,541	1,354	259,707	410,556	334,530
Fresenius Lakeview	1,144	1,398	1,516	337,530	381,943	375,228
Fresenius Marquette Park	2,447	2,339	2,473	646,774	650,535	722,642
Fresenius McLean County	1,147	1,225	1,044	316,325	316,139	228,138
Fresenius McHenry	57	457	546	17,254	140,859	161,482
Fresenius Melrose Park	884	1,015	1,390	243,039	275,447	360,787
Fresenius Merrionette Park	407	1,001	749	114,511	275,340	183,623
Fresenius Midway	0	0	28	0	0	35,987
Fresenius Mokena	0	0	125	0	0	42,159
Fresenius Naperville	318	512	544	65,867	114,163	123,223
Fresenius Naperville North	236	494	654	76,334	131,265	159,418
Fresenius Niles	1,637	1,675	1,914	427,287	412,508	457,523

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**Continued Medicaid Treatments/Costs By Facility**

Facility Name	IL Medicaid TxTs			IL Medicaid Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Norridge	391	858	1,037	90,276	215,349	257,928
Fresenius North Avenue	1,663	1,818	1,854	399,039	457,777	455,682
Fresenius North Kilpatrick	1,969	2,323	2,504	463,144	537,567	555,449
Fresenius Northcenter	1,236	1,603	1,981	318,505	460,061	565,347
Fresenius Northwestern	3,102	3,103	2,954	830,405	802,076	835,999
Fresenius Oak Park	2,395	1,972	2,142	586,131	512,596	530,585
Fresenius Orland Park	553	734	774	127,136	182,882	213,816
Fresenius Oswego	390	454	482	110,896	128,215	147,203
Fresenius Ottawa	187	141	70	52,529	41,542	21,192
Fresenius Pekin	83	24	136	19,043	5,483	32,924
Fresenius Peoria Downtown	1,297	1,238	1,283	313,988	295,509	325,686
Fresenius Peoria North	511	374	265	123,449	90,842	66,112
Fresenius Plainfield	0	0	390	0	0	128,173
Fresenius Polk	3,502	3,151	3,509	850,172	829,908	891,647
Fresenius Pontiac	157	185	284	38,199	46,749	69,911
Fresenius Prairie	1,513	1,067	1,108	462,703	302,851	323,637
Fresenius Randolph County	188	190	251	59,360	57,884	69,909
Fresenius Rockford	255	540	747	65,584	178,073	216,191
Fresenius Rogers Park	1,705	1,433	1,756	530,142	374,183	473,109
Fresenius Rolling Meadows	1,032	1,543	2,100	251,777	368,801	550,765
Fresenius Roseland	114	641	1,506	93,309	240,891	476,665
Fresenius Ross Dialysis-Englewood	715	814	1,936	262,534	248,798	515,780
Fresenius Roundlake	1,690	1,909	2,661	432,943	463,250	679,000
Fresenius Saline County	485	676	441	136,002	179,725	123,927
Fresenius Sandwich	0	60	145	0	33,384	47,603
Fresenius Skokie	648	850	1,096	178,781	212,937	295,651
Fresenius South Chicago	3,511	3,995	5,002	952,588	1,099,016	1,269,883
Fresenius South Holland	1,318	1,304	1,603	324,973	327,718	412,017
Fresenius South Shore	2,548	2,143	1,900	699,533	585,749	528,209
Fresenius South Suburban	1,317	1,392	1,804	368,844	364,920	479,436
Fresenius Southside	5,108	5,249	6,248	1,460,523	1,407,923	1,577,162
Fresenius Southwestern Illinois	160	296	428	38,702	75,763	115,684
Fresenius Spoon River	0	11	30	0	2,615	7,573
Fresenius Spring Valley	0	39	267	0	9,087	56,218
Fresenius Streator	0	7	34	0	2,757	11,288
Fresenius Uptown	0	701	1,037	0	230,951	315,316
Fresenius Villa Park	970	922	1,037	265,255	237,306	278,881
Fresenius West Belmont	2,240	2,495	3,388	575,654	679,000	921,006
Fresenius West Chicago	0	8	429	0	4,391	151,682
Fresenius West Metro	6,169	6,331	7,147	1,383,891	1,348,204	1,497,052
Fresenius West Suburban	6,355	5,951	5,841	1,512,980	1,419,713	1,385,026
Fresenius Westchester	504	669	429	137,909	171,821	118,436
Fresenius Williamson County	442	363	435	100,123	89,706	118,125
Fresenius Willowbrook	459	474	1,065	109,960	113,915	256,960
<b>Totals</b>	<b>122,615</b>	<b>132,658</b>	<b>154,591</b>	<b>32,355,267</b>	<b>34,055,958</b>	<b>40,270,371</b>

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

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

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

### **American Kidney Fund**

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

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

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

### **Indigent Waiver Program**

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

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

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

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

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

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

### **IL Medicaid and Undocumented patients**

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

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

### **FMCNA Collection policy**

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

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

## **Medicare and Medicaid Eligibility**

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

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

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

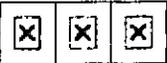
Medicare will pay 80% of what is allowed by a set fee schedule. The patient would be responsible for the remaining 20% not paid by Medicare. The supplemental (secondary) policy covers the cost of co-pays, deductibles and the remaining 20% of charges.

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

## **Self-Pay**

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

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



# MAPQUEST.

**Trip to 1151 Route 14 W**  
Benton, IL 62812-1500  
17.48 miles - about 24 minutes

Notes

FROM FRESENIUS DU QUOIN TO  
DAVITA BENTON



## 600 E Jackson St, Du Quoin, IL 62832-2429

-  1. Start out going east on CR-28 toward S Line St. go 1.8 mi

---

-  2. Turn slight right onto CR-2. go 2.0 mi

---

-   3. Turn left onto IL-14. go 0.1 mi

---

-  4. Turn right onto Crabapple Rd. go 0.2 mi

---

-  5. Turn left onto New State Route 14. go 1.0 mi

---

-   6. New State Route 14 becomes IL-14. go 12.3 mi

---

-  7. 1151 ROUTE 14 W. go 0.0 mi



## 1151 Route 14 W, Benton, IL 62812-1500

Total Travel Estimate : 17.48 miles - about 24 minutes

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# MAPQUEST.

**Trip to 725 S Lewis Ln**  
Carbondale, IL 62901-3344  
21.32 miles - about 31 minutes

Notes

FROM FRESENIUS DU QUOIN TO  
FRESENIUS CARBONDALE



**600 E Jackson St, Du Quoin, IL 62832-2429**

- 
1. Start out going **west** on **CR-28** toward **S Madison St.**
go 0.2 mi

---

- 

2. Turn **left** onto **S Washington St / US-51**. Continue to follow **US-51 S.**
go 19.6 mi

---

- 

3. Turn **left** onto **W Walnut St / IL-13 E.**
go 0.9 mi

---

- 
4. Turn **slight right** onto **E Walnut St / Old US-13 Hwy.**
go 0.2 mi

---

- 
5. Turn **right** onto **S Lewis Ln.**
go 0.4 mi

---

- 
6. **725 S LEWIS LN** is on the **left.**
go 0.0 mi



**725 S Lewis Ln, Carbondale, IL 62901-3344**

**Total Travel Estimate : 21.32 miles - about 31 minutes**

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# MAPQUEST.

**Trip to 900 Skyline Dr**  
Marion, IL 62959-4972  
33.20 miles - about 46 minutes

Notes

FROM FRESENIUS DU QUOIN TO  
FRESENIUS WILLIAMSON COUNTY

## 600 E Jackson St, Du Quoin, IL 62832-2429

- 1. Start out going **west** on **CR-28** toward **S Madison St.** go 0.2 mi
- 2. Turn **left** onto **S Washington St / US-51**. Continue to follow **US-51 S.** go 19.6 mi
- 3. Turn **left** onto **W Walnut St / IL-13 E**. Continue to follow **IL-13 E.** go 13.2 mi
- 4. Turn **right** onto **Skyline Dr.** go 0.2 mi
- 5. **900 SKYLINE DR** is on the right. go 0.0 mi

## 900 Skyline Dr, Marion, IL 62959-4972 Total Travel Estimate : 33.20 miles - about 46 minutes

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# MAPQUEST.

Trip to 324 S 4th St

Marion, IL 62959-1241

38.15 miles - about 47 minutes

Notes

FROM FRESENIUS DU QUOIN TO  
DAVITA MARION



600 E Jackson St, Du Quoin, IL 62832-2429

- 
1. Start out going east on CR-28 toward S Line St.
go 1.8 mi

---

- 
2. Turn slight right onto CR-2.
go 2.0 mi

---

- 

3. Turn left onto IL-14.
go 0.1 mi

---

- 
4. Turn right onto Crabapple Rd.
go 0.2 mi

---

- 
5. Turn left onto New State Route 14.
go 1.0 mi

---

- 

6. New State Route 14 becomes IL-14 E.
go 13.3 mi

---

- 

7. Merge onto I-57 S toward Cairo.
go 18.5 mi

---

- 
8. Take the Main St exit, EXIT 53, toward Marion.
go 0.2 mi

---

- 
9. Keep left at the fork to go on W Main St.
go 0.6 mi

---

- 
10. Turn right onto S 3rd St.
go 0.1 mi

---

- 
11. Turn right onto W Cherry St.
go 0.0 mi



12. Turn left onto S 4th St.

go 0.1 mi



13. 324 S 4TH ST is on the right.

go 0.0 mi



**324 S 4th St, Marion, IL 62959-1241**

**Total Travel Estimate : 38.15 miles - about 47 minutes**

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1350 Cedar Court  
Carbondale, IL 62901

Board Certified Specialists  
In Nephrology

Randy G. Cowart M.D.

Mubammad Kamran M.D., F.A.C.P.

Board Certified Specialists  
Assistants

Mary Rosenbauer PA-C

Diana Moreland PA-C

Laura Kidd PA-C

Acute Kidney Failure

Chronic Kidney Diseases

Hypertension

Diabetic Kidney Disease

Kidney Stone Prevention

Proteinuria

Hematuria

Hemodialysis

Peritoneal Dialysis

Kidney Transplant

Acid Base Disturbances

Electrolyte Disturbances

September 14, 2011

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

Dear Ms. Avery,

I am a nephrologist in with KDMS Consultants based in Carbondale Illinois and am the Medical Director of the Fresenius Du Quoin dialysis clinic. I also refer patients to Fresenius Medical Care Saline County, Randolph County, Williamson County and Carbondale and to DaVita Benton and Marion. I am writing, along with my partner Dr. Kamran, in support of the relocation of the Du Quoin dialysis clinic and the addition of one station to be designated as an isolation station. Currently our patients who are Hepatitis B positive have to drive a long distance to Carbondale for treatment. This trip can be in excess of an hour depending on where the patient lives.

Our practice was treating 286 hemodialysis patients at the end of 2008, 301 patients at the end of 2009 and 260 patients at the end of 2010, as reported to The Renal Network. As of the most recent quarter, we were treating 255 hemodialysis patients. Over the past twelve months we have referred 115 patients for dialysis services to the above mentioned facilities. I expect that all 34 current patients of Fresenius Medical Care Du Quoin will relocate to the new site upon its opening. We currently have 168 patients in different stages of chronic kidney disease in the Du Quoin area that will eventually require dialysis. Of these there are 61 that we expect to begin dialysis at Du Quoin in the first two years of operation after the relocation.

-1-

We have seen a decline in hemodialysis patient numbers over the past year and a half due to a high mortality rate (the Du Quoin patients are an aged population) and also a high rate of patients being referred to home dialysis. We have also seen a slowdown in hemodialysis admissions due to chronic kidney disease patients being referred to us from their primary care physician earlier in the disease progression. Earlier treatment often times will delay the onset of the need for dialysis.

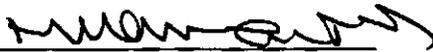
Given the poor physical condition of our current site and the need to keep access available to the daily first and second shift for the rural patient population, we urge the Board to approve the relocation and addition of one station for Fresenius Medical Care Du Quoin. Thank you for the consideration.

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

Sincerely,



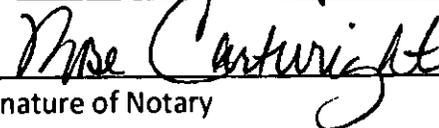
Randy G. Cowart, M. D.



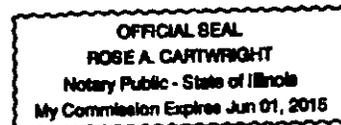
Muhammad Kamran, M. D.

Notarization:

Subscribed and sworn to before me  
this 14<sup>th</sup> day of September, 2011

  
Signature of Notary

Seal



**CURRENT DU QUOIN PATIENTS THAT WILL TRANSFER TO THE NEW  
DU QUOIN LOCATION AT 600-680 E. JACKSON STREET, DU QUOIN  
UPON OPENING**

Zip code	Patients
62238	1
62274	6
62822	3
62832	19
62865	1
62888	2
62966	2
Total	34

**PRE-ESRD PATIENTS THAT WILL BEGIN DIALYSIS AT  
DU QUOIN BY THE FIRST TWO YEARS OF OPERATION**

Town	Zip Code	Year One	Year Two
Pickneyville	62274	4	3
Du Quoin	62832	21	12
Sesser	62884	4	2
Tamaroa	62888	3	2
Vergennes	62994	4	1
Christopher	62822	2	2
Oakdale	62268	0	1
<b>Total</b>		<b>38</b>	<b>23</b>

**NEW REFERRALS FOR THE PAST TWELVE MONTHS**  
**September 1, 2010 through August 31, 2011**

Zip Code	Fresenius Carbondale		Fresenius Du Quoin		Fresenius Randolph County		Fresenius Saline County		Fresenius Williamson County		DaVita Benton		DaVita Marion		Total
	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62233	1				1										2
62237				1	1										2
62238				1	1										2
62241						2									2
62268						1									1
62272				1	2										3
62274			1	3											4
62286					1	1									2
62812									1			2			3
62821								1							1
62831				1											1
62832			9	6				1							16
62835								1							1
62865				1											1
62869								1							1
62884												1			1
62888			2												2
62896									1			2			3
62901	8	3													11
62903	1														1
62906		2													2
62907	1														1
62912	1														1
62915		1													1
62917								2							2
62918	1												1		2
62921	1														1
62924		1													1
62926	1	1													2
62930								4	1						5
62931														1	1
62932	1														1
62935								1							1
62940	1														1
62946								1	3						4
62948	1									1	1				3
62949											1				1
62950				1											1
62951											1				1
62952													1	1	10
62959									6	2					5
62966	1	3								1					1
62987								1							1
62970											1				1
62979								1							1
62984								1							1
62992	1											1			2
62999	1														1
Total	21	11	12	14	7	4	14	5	8	8	1	5	3	2	115

## Hemodialysis Patient on December 31, 2008

Zip Code	Fresenius Carbondale			Fresenius Quoin			Fresenius Randolph Co			Fresenius Saline Co			Fresenius Williamson Co			DaVita Benton		DaVita Marion		Total
	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62221		1																		1
62233								3	2											5
62237								1												1
62238		1																		1
62241								2												2
62242									2											2
62268									1											1
62272								2												2
62274					2	3														5
62286								2	2											4
62288								1	1											2
62292								1												1
62298							1													1
62812			1													3	1		1	6
62817											1									1
62821										3	2									5
62822		1		1	4	1									2	1	1			11
62832					11	5														16
62834			1																	1
62836																1				1
62859											1									1
62865					3															3
62869										2										2
62871										2										2
62883															1					1
62884						1														2
62887											1									1
62890															2					2
62891														1	1					2
62896													1	2	4	1	1	1		10
62901		20	18																	38
62902		3	1																	4
62905		1																		1
62906		5																		5
62907	1	3	1																	5
62914		1																		1
62916		1																		1
62917										1	1	4		1						7
62918		1												1	1					3
62920		5	3																	8
62922														1						1
62923															1					1
62924		1																		2
62926		1	1												1					3
62927					1															1
62930										3	4	1								8
62931										1										1
62932		1				2														3
62933															1					1
62934										1	1									2
62938										1										1
62942			1																	1
62946										7	6	5								18
62947											1	2								3
62948														1	3	8			1	13
62951																1				1
62952		1																		1
62958		1																		1
62959													6	4	8			1	1	20
62966		10	5			1														16
62967										1	1									2
62976		2	1																	3
62979										1		1								2
62982										2										2
62983															1				1	1
62984										1									1	1
62985																				1
62988		1																		1
62989		1	1												1					3
63966			1													2				1
Unknown																				2
Total	1	82	35	1	21	13	1	12	8	18	22	18	9	14	30	10	3	3	5	286

## Hemodialysis Patients on December 31, 2009

Zip Code	Fresenius Carbondale			Fresenius Du Quoin			Fresenius Randolph Co			Fresenius Salino Co			Fresenius Williamson Co			Da Vita Benton		Da Vita Marion		Total
	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62221	1																			1
62233							1	1	3											5
62237								1												1
62238	1																			1
62241								1												1
62242									1											1
62263						1														1
62272								2												2
62274				5	3															8
62276							1													1
62286								3	5											8
62288								3	1											4
62292								1												1
62666	1																			1
62812			1													4	2			7
62817												1								1
62821								2	3											5
62822				3	1									1	1		3			9
62832				12	4															16
62836																2				2
62859											1	1								2
62871											2									2
62884						1									1					1
62887											1									1
62888				1		1														2
62890								1								1	1			3
62891															1					1
62896					1									5	3	1	2		2	14
62901	1	17	16																	34
62902		1	1																	2
62903			1																	1
62905		1																		1
62906		6																		6
62907		4	1																	5
62914		3	1																	4
62916		1																		1
62917										2		2								4
62918		2												1				2		5
62919											1									1
62920			4																	4
62922													1	1						2
62923														1						1
62924			1																	1
62926		1	1																1	3
62928													2	4	4					10
62930												2								2
62931												2								2
62932		1				1									1	1				2
62933																				2
62934											1	1								1
62935												1								1
62938																				1
62942			1																	1
62946											8	6	6							20
62947												1	1							2
62948															3	6				9
62951																1				1
62952			1																2	19
62959														5	3	9				1
62960												1								1
62961																1				1
62966		14	6			1												1		22
62967													1							1
62976		1	1																	2
62979												1		1						2
62982												1	2	1						4
62983																1		1		2
62984													2	2	1					5
62985																			1	1
62988		1																		3
62992		1	2																	2
62997												2								1
62999															1					2
Unknown																2				2
Total	1	57	38	1	21	13	2	15	10	20	24	23	6	17	26	10	9	5	3	301

## Hemodialysis Patients on December 31, 2010

Zip Code	Fresenius Carbondale			Fresenius Du Quoin			Fresenius Randolph Co			Fresenius Salino Co				Fresenius Williamson Co			DaVita Benton		DaVita Marion		Total
	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Chong	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62201								1													1
62233							1	4	3												8
62237								1													1
62238		1				1															2
62241									1												1
62242									2												2
62268									1												1
62272								1	1												2
62274		1			6	3															10
62286								5	3												8
62288								2													2
62292								1													1
62812																	2	2			5
62817												1									1
62821												1									1
62822		1			2	1										1		4			9
62832					11	6															17
62856																	1				1
62869												1									1
62871												1									1
62887													1								1
62888						1															1
62890																					2
62896															1	3		2	1	1	8
62901	1	14	14																		29
62902			2																		2
62903		1																			1
62905		2																			2
62906		5	1																		6
62907		4																			4
62914		2																			2
62915			1																		1
62916		1																			1
62917									2			2								3	4
62918		2												1	1						7
62919												1									1
62920			4																		4
62922															1						1
62924		1	2													1					3
62926		1	1																		3
62930										1		6	3								10
62931										1										1	2
62932		2				1															3
62933												1									1
62935													1								1
62938													1								1
62942			1																		1
62946									5	1	3	3									12
62948															3	6					9
62949																1					1
62950								1													1
62951															2	2					4
62952						1														1	2
62958	1																				1
62959														3	4	7		1	1		16
62961																1					1
62966		10	5		1	1									1					1	19
62976			1																		1
62979										1											1
62982												2									3
62983																1					1
62984													1								1
62985																					1
62988		1																			1
62992		1																			3
62997					1					2											2
62999															2						2
Unknown																	1				1
Total	2	50	34	1	21	13	1	18	11	11	1	16	12	3	15	26	5	10	6	4	260

## Hemodialysis Patients on June 30, 2011

Zip Code	Fresenius Carbondale			Fresenius Du Quoin		Fresenius Randolph Co				Fresenius Saline Co			Fresenius Williamson Co			DaVita Benton		DaVita Marion		Total
	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Hu, Ruo Qi	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Chen	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	Dr. Cowart	Dr. Kamran	
62232								1												1
62233						1	2	1												4
62238		1			1		1													3
62241								1												1
62242								1												1
62272							1	1												2
62274			1	4	3		1													9
62286							6	2	1											9
62288							2													2
62292							1													1
62812			1											1		1	2			5
62817												1								1
62821											1									1
62822	1			2	1										1		2			7
62832				11	6															17
62835											1									1
62856																1				1
62859	1																			1
62865					1															1
62889											1									1
62871											1									1
62887												1								1
62888				2									1							2
62890																1	1			2
62896															3		4	1	1	9
62901		16	13								1									30
62902		1	1																	2
62903		1																		1
62905		1	1																	2
62906		5	2																	7
62907		4																		4
62912		1																		1
62914		2																		2
62915			1																	1
62916		1																		1
62917										1		2								3
62918		3											1	1				2		7
62919											1									1
62920	1		1																	2
62921		1																		1
62922															1					1
62924		1	2																	3
62926		1	1																	2
62930										2	5	1								8
62931										1										1
62932	1	2																		3
62933															1	1				2
62935										1										1
62938												1								1
62942			1																	1
62946										4	2	5		1						12
62948				1										3	5					8
62949															1					1
62950							1													1
62951														2	1					3
62952					1										1					2
62958	1																			1
62959														3	6	6		1	1	19
62961															1					1
62966		9	7	1	1							1						1		19
62967																				1
62970															1					1
62976			1																	1
62979										1										1
62982											2									2
62983															1					1
62984												1								1
62985																			1	1
62986		1																		2
62992		2																		2
62997							2													1
62999						1	18	6	1	9	16	13	4	16	22	3	11	5	4	255
Total	3	55	34	21	13	1	18	6	1	9	16	13	4	16	22	3	11	5	4	255