

11-097

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

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION****RECEIVED****This Section must be completed for all projects.**

OCT 14 2011

**Facility/Project Identification**

Facility Name: Shiloh Dialysis	<b>HEALTH FACILITIES &amp; SERVICES REVIEW BOARD</b>	
Street Address: 1095 North Green Mount Road		
City and Zip Code: Shiloh, Illinois 62269		
County: St. Clair	Health Service Area: 11	Health Planning Area:

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

Exact Legal Name: DaVita Inc.
Address: 601 Hawaii Street, El Segundo, California 90245
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 601 Hawaii Street, El Segundo, California 90245
Telephone Number: (310) 536-2500

**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: Kara M. Friedman
Title: Attorney
Company Name: Polsinelli Shughart PC
Address: 161 North Clark Street, Suite 4200, Chicago, Illinois 60601
Telephone Number: (312) 873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number:

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

Name: Cindy Emley
Title: Regional Operations Director
Company Name: DaVita Inc.
Address: 2930 South Montvale Drive, Suite A, Springfield, Illinois 62704
Telephone Number: (217) 547-1229
E-mail Address: Cindy.Emley@davita.com
Fax Number: (866) 620-0543

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

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

**This Section must be completed for all projects.**

**Facility/Project Identification**

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Street Address: 1095 North Green Mount Road		
City and Zip Code: Shiloh, Illinois 62269		
County: St. Clair	Health Service Area: 11	Health Planning Area:

**Applicant /Co-Applicant Identification**

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

Exact Legal Name: Total Renal Care, Inc.
Address: 601 Hawaii Street, El Segundo, California 90245
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 601 Hawaii Street, El Segundo, California 90245
Telephone Number: (310) 536-2500

**Type of Ownership of Applicant/Co-Applicant**

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E-mail Address: Cindy.Emley@davita.com
Fax Number: (866) 620-0543

**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: Cindy Emley
Title: Regional Operations Director
Company Name: DaVita Inc.
Address: 2930 South Montvale Drive, Suite A, Springfield, Illinois 62704
Telephone Number: (217) 547-1229
E-mail Address: Cindy.Emley@davita.com
Fax Number: (866) 620-0543

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Threlkeld Family Investments, LLC
Address of Site Owner: 5 West Waters Edge Drive, Belleville, IL 62221
Street Address or Legal Description of Site: 1095 North Green Mount Road, Shiloh, IL 62269 <b>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.</b>
<b>APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**Operating Identity/Licensee**

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

Exact Legal Name: Total Renal Care, Inc.
Address: 601 Hawaii Street, El Segundo, California 90245
<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>
<b>APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**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.**

3

**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.

DaVita Inc. and Total Renal Care, Inc. (the "Applicants") request authority from the Illinois Health Facilities and Services Review Board ("State Board") to establish a twelve station in-center hemodialysis facility to be located at 1095 North Green Mount Road, Shiloh, Illinois. The proposed dialysis facility will include a total of 6,482 gross square feet.

This project is classified as non-substantive because it involves the in-center hemodialysis category of service.

5

**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.

<b>Project Costs and Sources of Funds</b>			
<b>USE OF FUNDS</b>	<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$968,000		\$968,000
Contingencies	\$96,800		\$96,800
Architectural/Engineering Fees	\$75,000		\$75,000
Consulting and Other Fees	\$40,000		\$40,000
Movable or Other Equipment (not in construction contracts)	\$479,206		\$479,206
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$892,304		\$892,304
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>	<b>\$2,551,310</b>		<b>\$2,551,310</b>
<b>SOURCE OF FUNDS</b>	<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Cash and Securities	\$1,659,006		\$1,659,006
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$892,304		\$892,304
Governmental Appropriations			
Grants			
Other Funds and Sources			
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$2,551,310</b>		<b>\$2,551,310</b>
<b>NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>			

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**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>\$201,899</u>		

**Project Status and Completion Schedules**

Indicate the stage of the project's architectural drawings:	
<input type="checkbox"/> None or not applicable	<input checked="" type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>December 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 – <b>NOT APPLICABLE</b>
<input type="checkbox"/> APORS – <b>NOT APPLICABLE</b>
<input checked="" 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>

7

**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>							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>							

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



**Facility Bed Capacity and Utilization NOT APPLICABLE**

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available. Include observation days in the patient day totals for each bed service.** Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

<b>FACILITY NAME:</b>		<b>CITY:</b>			
<b>REPORTING PERIOD DATES:</b>		<b>From:</b>	<b>to:</b>		
<b>Category of Service</b>	<b>Authorized Beds</b>	<b>Admissions</b>	<b>Patient Days</b>	<b>Bed Changes</b>	<b>Proposed Beds</b>
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
<b>TOTALS:</b>					


9

**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 manager 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 DaVita 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

Tom Usilton

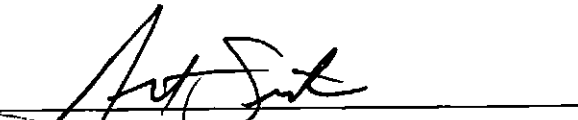
PRINTED NAME

Senior Vice President

PRINTED TITLE

Notarization:

Subscribed and sworn to before me  
this 29 day of September 2011

  
SIGNATURE

Art Sida

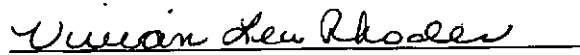
PRINTED NAME

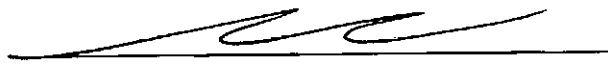
Assistant Secretary

PRINTED TITLE

Notarization:

Subscribed and sworn to before me  
this 30 day of Sept 2011

  
Signature of Notary

  
Signature of Notary

Seal: / /

Vivian Lea Rhodes  
Notary Public Seal  
DeKalb County, Georgia  
My Commission Expires April 24, 2015



\*Insert EXACT legal name of the applicant

**CERTIFICATION**

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

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager 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 Total Renal Care, 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.

*Tom Usilton*  
SIGNATURE

Tom Usilton

PRINTED NAME

Senior Vice President

PRINTED TITLE

Notarization:

Subscribed and sworn to before me this 29 day of September 2011

*Vivian Lea Rhodes*  
Signature of Notary

Seal

Vivian Lea Rhodes  
Notary Public  
DeKalb County, Georgia  
My Commission Expires April 24, 2015

*Art Sida*  
SIGNATURE

Art Sida

PRINTED NAME

Assistant Secretary

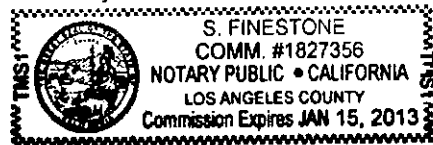
PRINTED TITLE

Notarization:

Subscribed and sworn to before me this 30 day of Sept 2011

*S. Finestone*  
Signature of Notary

Seal



\*Insert EXACT legal name of the applicant

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

##### BACKGROUND OF APPLICANT

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

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

##### PURPOSE OF PROJECT

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

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

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

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

**ALTERNATIVES**

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

Alternative options **must** include:

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

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

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

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

READ THE REVIEW CRITERION and provide the following information:

**SIZE OF PROJECT:**

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

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

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

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

**PROJECT SERVICES UTILIZATION:**

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

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

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

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

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

14

**UNFINISHED OR SHELL SPACE:**

Provide the following information:

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

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

**ASSURANCES:**

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.

APPEND DOCUMENTATION AS ATTACHMENT-25 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

Category of Service	# Existing Stations	# Proposed Stations
<input checked="" type="checkbox"/> In-Center Hemodialysis	0	12

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

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

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

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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:**

\$1,659,006	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;
_____	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.
_____	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
\$892,304	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.
_____	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;
_____	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$2,551,310	<b>TOTAL FUNDS AVAILABLE</b>	

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

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**IX. 1120.130 - Financial Viability**

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

**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)
<b>Enter Historical and/or Projected Years:</b>				
Current Ratio				
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

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.**

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**X. 1120.140 - Economic Feasibility**

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

**A. Reasonableness of Financing Arrangements**

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

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

**B. Conditions of Debt Financing**

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

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

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

Read the criterion and provide the following:

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

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

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

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**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.

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

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

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

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

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

**Section I, Identification, General Information, and Certification**  
**Applicants**

Certificates of Good Standing for DaVita Inc. and Total Renal Care, Inc. are attached at Attachment - 1. As the person with final control over the operator, DaVita Inc. is named as an applicant for this CON application. DaVita Inc. does not do business in the State of Illinois. A Certificate of Good Standing for DaVita Inc. from the state of its incorporation, Delaware, is attached.

# Delaware

PAGE 1

## The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTIETH DAY OF NOVEMBER, A.D. 2010.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "DAVITA INC." WAS INCORPORATED ON THE FOURTH DAY OF APRIL, A.D. 1994.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

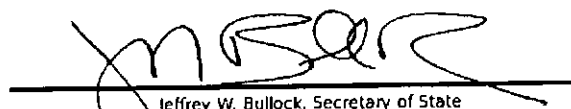
AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

2391269 8300

101133217

You may verify this certificate online  
at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)



  
Jeffrey W. Bullock, Secretary of State  
AUTHENTICATION: 8386715

DATE: 11-30-10

Attachment - 1

23



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

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

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANACT BUSINESS IN THIS STATE ON MARCH 10, 1995, 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 TRANACT 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 18TH day of OCTOBER A.D. 2010*



*Jesse White*



**Section I, Identification, General Information, and Certification**  
**Site Ownership**

The letter of intent between Threlkeld Family Investments, LLC and Total Renal Care, Inc. to lease the facility located at 1095 North Green Mount Road, Shiloh, Illinois 62269 is attached at Attachment - 2.

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Commercial Real Estate Services, Worldwide.

1177 N. Green Mount Rd Suite 201  
O'Fallon IL 62269  
Tel 618 632 3060  
Fax 618 632 3270  
www.naldesco.com

October 7, 2011

Kimberly S. Adkins  
Vice President - Commercial Brokerage  
Balke Brown Associates  
1001 Highlands Plaza Drive West, Suite 150  
St. Louis, MO 63110

**RE: LETTER OF INTENT**  
**1095 North Green Mount Road**  
**Shiloh, Illinois 62269**

Dear Kim:

We are pleased to present the following terms the lease space in the above referenced property. We are excited about this opportunity and are looking to working with you and your group to finalize terms which are mutually beneficial to both parties.

- LOCATION:** 1095 North Green Mount Road  
Belleville, Illinois 62221
- TENANT:** Total Renal Care, Inc.
- LANDLORD:** Threlkeld Family Investments, LLC
- INITIAL SPACE REQUIREMENTS:** Approximately 6,482 Sq. Ft. contiguous square feet. The four (4) northerly tenant spaces on the attached floor plan ("Premises").
- RENTAL RATE:** \$16.25 annually NNN with two and a half percent (2.5%) annual increases.
- PRIMARY TERM:** 12 years
- STATE OF ILLINOIS CERTIFICATE OF NEED CONTINGENCY:** Tenant will need to apply for a Certificate of Need for the final location. If Tenant does not get the Certificate of Need by January 31, 2012 the Lease will be null and void. If they do get the Certificate of Need, then they will go forward with the lease based on satisfying the other contingencies that are in their standard Lease Document. Tenant shall make application within thirty (30) days after LOI execution.

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**POSSESSION AND COMMENCEMENT:**

Tenant shall take possession of the premises upon completion of Landlords required work (if any). In any event, the rent and term shall commence the earlier of five (5) months from possession or until:

- a. Leasehold Improvements within the Premises have been completed in accordance with the final construction documents (except for nominal punch list items); or
- b. A Certificate of Occupancy for the Premises has been obtained from the city of Shiloh, Illinois; or
- c. Tenant has obtained all necessary licenses and permits; or
- d. Tenant's receipt of a Certificate of Need.

**FAILURE TO DELIVER PREMISES:**

If Landlord has not delivered the premises to Tenant with all base building items substantially completed by ninety (90) days from the later of certificate of need approval, all necessary building permits or lease execution, Tenant may elect to terminate the lease by written notice to Landlord.

**LEASE FORM:**

The Tenant shall provide its standard lease form

**USE:**

The use is for outpatient medical related services, office and distribution of pharmaceuticals.

**BASE BUILDING:**

The following items will be delivered by the Landlord to the premises as part of the base building:

- A 2" dedicated water meter and line
- A 4" sewer line to a municipal sewer system
- Minimum 800 amp, 120/208 volt 3 phase, 4 wire electrical service
- Gas service, at a minimum, will be rated to have 6" of water column pressure and supply 800,000-BTU's

Please refer to the attached Exhibit B regarding additional base building requirements.

**TENANT IMPROVEMENTS:**

Included in the Base Rent, Landlord shall provide a \$10/sf allowance which reflects the cost Landlord would incur to deliver a standard White Box to the Tenant. The cost to modify the existing electrical system, the cost to extend an additional dedicated 2" water line, and the cost to provide a gas fired generator back up for the existing sanitary lift station shall not exceed Fifteen Thousand Dollars (\$15,000.00) and is included in the Base Rental Rate. Any excess cost to modify such systems shall be a credit (reduction) in the \$10 / sf allowance.

**OPTION TO RENEW:**

Tenant shall have three (3) five (5) year options to renew the lease. Option Rent shall be the greater of (1) ninety five percent (95%) of fair market value or (2) the rent shall be at the same rent schedule as the original lease. Tenant shall give two hundred seventy (270) days prior written notice of its intent to renew the lease.

**RIGHT OF FIRST REFUSAL ON ADJACENT SPACE:**

Tenant shall have the right of first offer ("ROFR") on any adjacent space that may become available during the initial term of the lease and any extension thereof. Tenant shall have twenty (20) days to exercise ROFR.

**HOLDING OVER:**

In the event Tenant remains in possession of the Premises after the expiration of the term of this Lease, then Tenant shall be obligated to pay one hundred and fifty percent (150%) of the current rate.

**PARKING:**

Please indicate the number and location of parking spaces. Tenant requires five (5) designated spaces for its use as shown on Exhibit C. Landlord shall stamp Tenant's name on pavement to identify the said five (5) spaces.

**CONCESSIONS:**

None.

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

Please provide a detailed itemization and estimates of all common area operating expense components including real estate taxes and special assessments, insurance, landscape maintenance, exterior lighting, property management, maintenance, utilities, janitorial, security, etc., for which the client will be responsible to pay. If the lease provides for a base year for operating expenses, please indicate what the base year will be for a renewal. Landlord shall cap the annual increases in "Controllable Operating Expenses" portion of Lessee's Operating Expenses at five percent (5%) per year on a non-cumulative basis. Controllable expenses will be defined in the Lease.

**SIGNAGE:**

Tenant shall have the right to install building signage at the Premises, subject to Landlord's consent, which consent shall not be unreasonably withheld, and subject to compliance by Tenant with all applicable laws and regulations. Landlord, at Landlord's expense will furnish Tenant with space for Tenant's designated names on the monument sign (see Exhibit D).

**BUILDING HOURS:**

Building hours for Tenant will be 24 hours a day, 7 days a week. Utilities and HVAC will be separately metered.

**SUBLEASE/ASSIGNMENT:**

Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of Tenant without the consent of the Landlord. If Assignee is not a related entity of the Tenant, Landlord shall have the right to approve the Assignee and the Assignment, which approval shall not be unreasonably withheld.

**GOVERNMENTAL COMPLIANCE:**

Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause Tenant's Premises, the Building and parking facilities to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s).

**ROOF RIGHTS:**

If the building does not have cable television service, then Tenant will need the right to place a satellite dish on the roof at no additional fee. Tenant shall submit

plans to Landlord for approval, which approval shall not be unreasonably withheld. Tenant shall not violate the roof warranty.

**RADIUS RESTRICTION:**

Landlord shall not lease space to another clinic or similar facility like Tenant's at the property or at any of the other properties Landlord controls within two (2) miles of the subject property.

**EARLY TERMINATION OPTION:**

After Tenant has completed Forty-eight (48) months of rent payments, Tenant shall have the one time right to terminate the Lease at any time with Two hundred seventy (270) days prior written notice before the expiration date along with a payment equal to one-quarter (1/4) of Tenant's monthly base rental obligations for the remaining portion of the current lease term plus any unamortized transaction costs which shall include Tenant Improvement costs and Real Estate Brokerage Commission.

**SECURITY DEPOSIT:**

None.

**CORPORATE GUARANTEE:**

None.

**BROKERAGE FEE:**

Landlord agrees that it recognizes USI Real Estate Brokerage Services Inc. ("USI") and Balke Brown Associates as the Tenant's sole representatives and a brokerage fee of three percent (3%) of the base rent due during the base term shall be paid to USI, or its designated local affiliate, per separate commission agreement. The Tenant shall retain the right to offset rent for failure to pay the Real Estate Commission.

**CONFIDENTIALITY:**

Landlord agrees to not share tenant information, negotiations, terms or any conditions described in relation to Tenant's lease for the duration of negotiations starting from the receipt of this Letter of Intent until a fully executed lease. Only Landlord or its immediate contractors shall be party to any terms or considerations discussed in relation to Tenant's potential lease.

It should be understood that this Letter of Intent is subject to the terms of Exhibit A attached hereto.

Agreed to and accepted this 7<sup>th</sup> Day of October, 2011      Agreed to and accepted this 11<sup>th</sup> Day of October, 2011

By: [Signature]  
THREEKOC Family Investments  
("Landlord")

By: [Signature]  
On behalf of Total Rental Care, Inc. a wholly owned subsidiary of DaVita, Inc. ("Tenant")

**EXHIBIT A**

**NON-BINDING NOTICE**

**NOTICE: THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPARATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR US) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR US INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL. USI IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES USI HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT NOTICE. WE RESERVE THE RIGHT TO CONTINUE SIMULTANEOUS NEGOTIATIONS WITH OTHER PARTIES ON BEHALF OF OUR CLIENT. NO PARTY SHALL HAVE ANY LEGAL RIGHTS OR OBLIGATIONS WITH RESPECT TO ANY OTHER PARTY, AND NO PARTY SHOULD TAKE ANY ACTION OR FAIL TO TAKE ANY ACTION IN DETRIMENTAL RELIANCE ON THIS OR ANY OTHER DOCUMENT OR COMMUNICATION UNTIL AND UNLESS A DEFINITIVE WRITTEN LEASE AGREEMENT IS PREPARED AND SIGNED BY TENANT AND LANDLORD**

<sup>5</sup>  
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**EXHIBIT B**  
**Existing Building MBI**  
**(9.26.10 JB)**

At a minimum, the Landlord shall provide the following Base Building Improvements to meet Tenant's requirements for an Existing Base Building Improvements at Landlord's sole cost:

All MBI work completed by the Landlord will need to be coordinated and approved with Tenant and its Consultants prior to any work being completed, including shop drawing submittals reviews.

**Building Codes & Design** - All Minimum Base Building Improvements ("MBI") are to be performed in accordance with all local, state, and federal building codes including any related amendments, fire and life safety codes, ADA regulations, State Department of Public Health, and other applicable codes. All Landlord's work will have Governmental Authorities Having Jurisdiction ("GAHJ") approved architectural and engineering (Mechanical, Plumbing, Electrical, Structural, Civil, Environmental) plans and specifications prepared by a licensed architect and engineer.

**Zoning & Permitting** - Building and premises must be zoned to perform services as a related medical, office and distribution of pharmaceuticals. Property is zoned B-2 in the City of Shiloh and the related medical use is allowed. Distribution of pharmaceuticals will be only to the patients visiting the facility as part of their medical care. Landlord to provide details as to property's flood plain and zoning status.

**Common Areas** - Tenant will have access and use of all common areas (i.e. restrooms, stairwells and elevators) if any. All common areas if any must be code compliant for Life Safety and ADA compliance per NFPA 72 and Life Safety 101. Tenant shall review and comment within thirty (30) days of LOI execution.

**Structural** - Existing exterior walls, lintels, floor and roof framing shall remain as-is and be free of defects. Should any defects be found repairs will be made by Landlord at its cost. Any repairs will meet with current codes and approved by a Structural Engineer and/or Tenant. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Exterior Walls**

All exterior walls shall be in good shape and properly maintained. Any damaged drywall and or insulation will be replaced by Landlord prior to Tenant accepting the space. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Demising walls** - All demising walls adjacent to Tenant's space shall be a 1 or 2 hour fire rated wall depending on local codes, State and or regulatory requirements. If it does not meet this, Landlord will bring demising wall up to meet the requirements. Walls will be finished with 5/8" gypsum board, metal studs and taped and floated (Tenant shall be responsible for final finish preparation of gypsum board walls). Walls to be fire caulked in accordance with UL standards at floor and roof deck. Demising walls adjacent to other Tenant spaces will have sound attenuation belts from floor to underside of roof deck. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Roof Covering** - The roof, roof drains and downspouts shall be properly maintained to guard against roof leaks and can properly drain. Landlord will provide Tenant with the information on the Roof and Contractor holding warranty. Landlord to provide minimum of R30 roof insulation at roof deck. If the R30 value is not met, Landlord to increase R-Value by having installed additional insulation to meet requirement to the underside of the deck.

Any new penetrations made during build out will be at the Tenant's cost with the Landlord's prior written approval. Tenant shall not violate the roof warranty. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Canopy** - Landlord shall allow Tenant (at Tenant's cost) to design and construct a canopy structure for patient drop off and if allowed by local code. The design of this canopy shall be approved by the Landlord, which approval shall not be unreasonably withheld.

**Waterproofing and Weatherproofing** - Landlord shall provide a complete water tight building shell inclusive but not limited to flashing and/or sealant around windows, doors, parapet walls and mechanical/plumbing/electrical penetrations. Landlord shall properly seal the building's exterior walls, footings, slabs as required in high moisture conditions such as (including but not limited to) finish floor sub-grade, raised planters and high water table. Landlord shall be responsible for

replacing any damaged items and repairing any deficiencies exposed during/after construction of Tenant improvements. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Windows** – Any single pane window systems must be replaced by Landlord with Insulated Energy efficient thermal pane windows with thermally broken aluminum frames. Broken, missing and/or damaged glass or frames will be replaced by Landlord. Landlord shall allow Lessee, at Tenant's discretion, to tint the existing windows (per manufacturer's recommendations) per Tenant's tenant improvement design. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Thermal Insulation** – Landlord to replace any missing, damaged insulation and or insulation in any modification to walls in exterior or demising walls with R13, R19 or R30 insulation.

**Exterior Doors** – All exterior doors shall meet Accessibility codes, local codes and State Department of Health requirements for egress. If not the Landlord, at its cost, will need to bring them up to code including push paddles and/or panic hardware or any other hardware for egress. Any missing weather stripping, damage to doors or frames will be replaced by the Landlord at Landlord's cost. Landlord will provide, if not already present, a front entrance and rear door to the space per the following criteria:

- **Front/Patient Entry Doors:** Provide Storefront with Insulated glass doors and Aluminum framing to be 42" width including push paddle/panic bar hardware, pivoting and lock mechanism. Door to be prepped to accept power assist opener and push button keypad lock provided by Tenant. There are currently 3 - 36" doors and 1 - 72" double door in place on the front of the building. Tenant shall inspect premise within 30 days of LOI execution and comment.
- **Service Doors:** At Tenant's cost provide 72" wide double door (Alternates for approval by Tenant's Project Manager to include: 60" Roll up door or 36" and 24" doors) with 20 gauge Insulated hollow metal (double doors), Flush bolts, T astragal, Heavy Duty Aluminum threshold, continuous hinge each leaf, prepped for panic bar hardware (as required by code) painted with rust inhibiting paint and prepped to receive a push button keypad lock provided by Tenant. Door to have a 10" square vision panel cut out with Insulated glass installed if requested by Tenant.

Any doors that are designated to be provided modified or prepared by Landlord; Landlord shall provide to Tenant, prior to door fabrication, submittals containing specification information, hardware and shop drawings for review and acceptance by Tenant and Tenant's architect.

**Utilities** – All utilities to be provided at mutually agreed upon utility entrance points into the building. Landlord is responsible for all tap/connection and impact fees for all utilities. All Utilities to be coordinated with Tenant's Architect.

**Plumbing** – Landlord to provide a dedicated 2" water line, if not already present (and not tied-in to any other lessee's spaces, fire suppression systems, or irrigation systems) with a shut off valve, and 2" meter (1 1/2" meter under special circumstances which must be approved by Tenant) to provide a continuous minimum 50 psi, with a minimum flow rate of 30 gallons per minute. Landlord to provide Tenant with the most recent water flow and pressure test results (gallons per minute and psi) for approval. Landlord shall stub the water line into the building and to the location on Tenant's plans. Landlord to provide and pay for all tap fees related to new sanitary sewer and water services in accordance with local building and regulatory agencies.

All existing hose bibs will be in proper working condition prior to Tenant's possession of space.

Existing Sanitary sewer needs to be four-inch (4") minimum to Tenant's space and have an invert level of 42" minimum entering the space. A lift station/sewage ejector will be permitted as long as there is a gas fired emergency backup power system tied into the lift station.

If the Sanitary line is not 4", Landlord will have installed a new line to a location per Tenant's plans. All costs associated with line, tap and impact fees will be Landlord's responsibility.

Sanitary sampling manhole if required by local municipality on new line.

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**Fire Suppression and Alarm System** - Tenant shall be allowed to install a fire alarm and sprinkler system if it so elects. Landlord shall approve such system, which approval shall not be unreasonably withheld.

**Electrical** - Landlord to provide 800 amp, 3 phase electrical service to a main panel in the Lessee's space. Existing service to be a combined single service for Tenant's space. Tenant will not accept multiple services to obtain the necessary amperage. Should this not be available Landlord to upgrade to meet the following criteria:

Provide new service (preferably underground) with a dedicated meter via a new CT cabinet. Service size to be 800 amp service, 120/208 volt, 3 phase, 4 wire to a load center in the Tenant's utility room (location to be per Code and to a location per Tenant's plans) for Tenant's exclusive use in powering equipment, appliances, lighting, heating, cooling and miscellaneous use. Transformer coordination with utility company, transformer pad and underground conduit sized for service, circuit termination cabinet, grounding rod, main panel with breaker, conduit and wire inclusive of excavation, trenching and restoration. Tenant's Engineer shall have the final approval on the electrical service size and location.

Landlord will allow Tenant to have installed, at Tenant's cost, Transfer Switch for temporary generator hook-up, or permanent generator.

**Gas Service** - Existing Natural gas service at a minimum to have a 6" water column pressure and be able to supply 800,000-BTU's. Natural gas line shall be individually metered and sized per demand.

**Mechanical /Heating Ventilation Air Conditioning** - Included in Allowance

**Telephone** - If in a multi-tenant building Landlord to provide a 1" conduit from building demark location to phone room location in Tenant's space.

**Cable or Satellite TV** - Cable is not available, Tenant will have the right to place a satellite dish at Tenant's cost on roof with Landlord's prior written approval. Tenant shall not violate roof warranty. Approval of installation of satellite dish onto roof by Tenant at Tenant's cost shall not be unreasonably withheld by Landlord.

**Handicap Accessibility** - Full compliance with ADA and all local jurisdictions' handicap requirements. Landlord shall comply with all ADA regulations affecting the Building and entrance to Tenant's space including, but not limited to, the elevator, exterior and interior doors, concrete curb cuts, ramps and walk approaches to/from the parking lot, parking lot striping for three (3) dedicated handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

**Generator** - Landlord to allow a generator to be installed onsite if required by code or Tenant chooses to provide one.

**Site & Building Lighting** - Landlord to provide adequate lighting per code and to illuminate all parking, pathways and operational building access points. Parking lot lighting to be on a timer (and programmed per Tenant's business hours of operation) or photocell.

**Parking Lot** - Landlord to provide adequate amount of ADA curb cuts, handicap and standard parking stalls in accordance with dialysis use and overall building uses. Tenant shall review site plan within thirty (30) days of LOI execution and comment.

**Refuse Enclosure** - Landlord to provide refuse area for Tenant dumpsters. Landlord to provide a minimum 6" thick reinforced concrete pad approximately 100 to 150 square feet based and an 8' X 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.

# Exhibit "C"

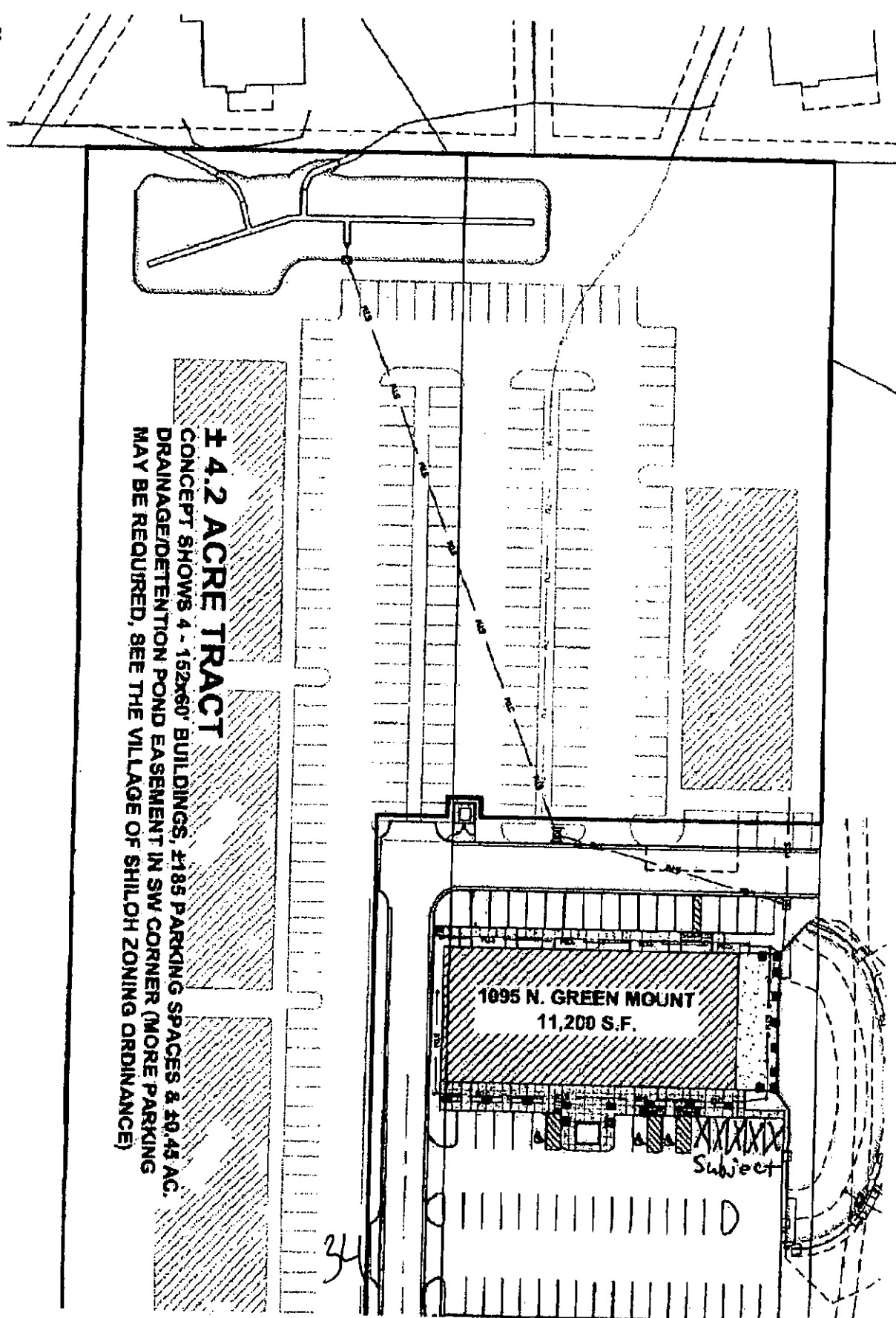
 NORTH GREEN MOUNT PROPERTY  
SCALE: 1" = 50'

**± 4.2 ACRE TRACT**  
CONCEPT SHOWS 4 - 152x60' BUILDINGS, ±185 PARKING SPACES & ±0.45 AC.  
DRAINAGE/RETENTION POND EASEMENT IN SW CORNER (MORE PARKING  
MAY BE REQUIRED, SEE THE VILLAGE OF SHILOH ZONING ORDINANCE)

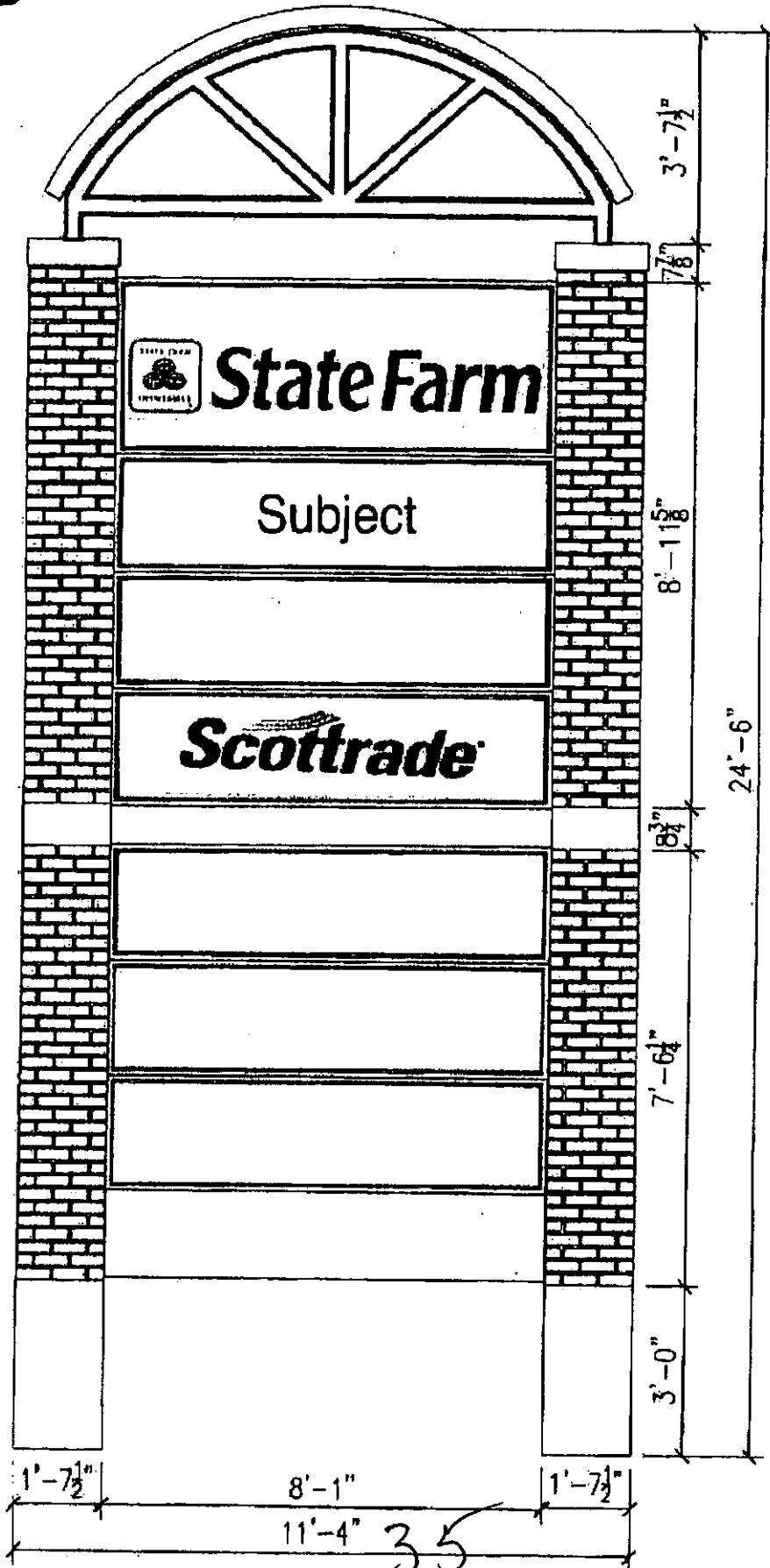
34

1695 N. GREEN MOUNT  
11,200 S.F.

Subject



# Exhibit D



**Section I, Identification, General Information, and Certification**  
**Operating Entity/Licensee**

The Illinois Certificate of Good Standing for Total Renal Care, Inc. is attached at Attachment – 3.

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

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

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANACT BUSINESS IN THIS STATE ON MARCH 10, 1995, 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 TRANACT 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 18TH  
day of OCTOBER A.D. 2010



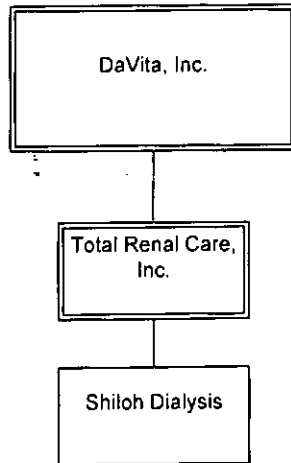
*Jesse White*

**Section I, Identification, General Information, and Certification**  
**Organizational Relationships**

The organizational chart for DaVita Inc. and Total Renal Care, Inc. is attached at Attachment – 4.

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# Shiloh Dialysis Organizational Structure

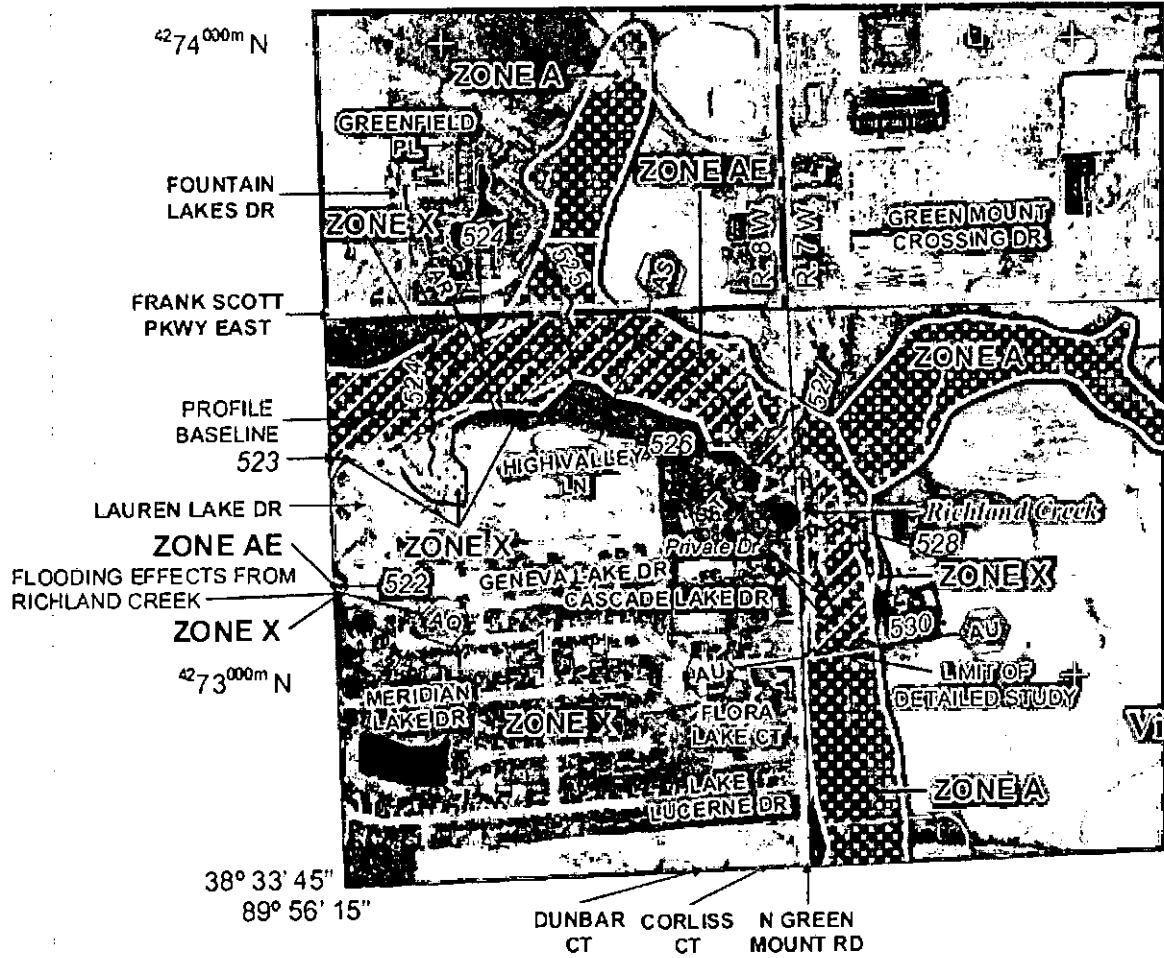


**Section I, Identification, General Information, and Certification**  
**Flood Plain Requirements**

The site of the proposed dialysis facility complies with the requirements of Illinois Executive Order #2005-5. The proposed dialysis facility will be located at 1095 North Green Mount Road, Shiloh, Illinois 62269. As shown on the FEMA flood plain map attached at Attachment - 5, the site of the proposed dialysis facility is located outside of a flood plain.

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**Section I, Identification, General Information, and Certification**  
**Historic Resources Preservation Act Requirements**

The Historic Resources Preservation Act determination from the Illinois Historic Preservation Agency is attached at Attachment - 6.

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**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)

St. Clair County  
Shiloh

CON - Establish a 12-Station Dialysis Facility  
1095 N. Green Mount Road  
IHPA Log #017080811

August 24, 2011

Anne Cooper  
Polsinelli Shughart  
161 N. Clark St., Suite 4200  
Chicago, IL 60601

Dear Ms. Cooper:

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

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Attachment - 6

**Section I, Identification, General Information, and Certification  
Project Costs and Sources of Funds**

<b>Table 1120.110</b>			
<b>Project Cost</b>	<b>Clinical</b>	<b>Non-Clinical</b>	<b>Total</b>
Modernization Contracts	\$968,000		\$968,000
Contingencies	\$96,800		\$96,800
Architectural/Engineering Fees	\$75,000		\$75,000
Consulting and Other Fees	\$40,000		\$40,000
Moveable and Other Equipment			
Communications	\$77,725		\$77,725
Water Treatment	\$105,280		\$105,280
Bio-Medical Equipment	\$8,885		\$8,885
Clinical Equipment	\$204,830		\$204,830
Clinical Furniture/Fixtures	\$18,522		\$18,522
Lounge Furniture/Fixtures	\$2,815		\$2,815
Storage Furniture/Fixtures	\$5,359		\$5,359
Business Office Fixtures	\$24,335		\$24,335
General Furniture/Fixtures	\$18,455		\$18,455
Signage	\$13,000		\$13,000
Total Moveable and Other Equipment	\$479,206		\$479,206
Fair Market Value of Leased Space	\$892,304		\$892,304
<b>Total Project Costs</b>	<b>\$2,551,310</b>		<b>\$2,551,310</b>

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**Section III, Background, Purpose of the Project, and Alternatives**  
**Criterion 1110.230(a) – Background, Purpose of the Project, and Alternatives**

Background of the Applicant

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2010 Community Care report, much of which is outlined below, details DaVita's commitment to quality, patient centric focus and community outreach, was previously submitted on July 11, 2011 as part of Applicants' applications for Proj. Nos. 11-027 to 11-036. The proposed project involves the establishment of a 12-station facility to be located at 1095 North Green Mount Road, Shiloh, Illinois.

DaVita has taken on many initiatives to improve the lives of patients suffering from chronic kidney disease ("CKD") and end stage renal disease ("ESRD"). These programs include the EMPOWER, IMPACT, CathAway, and transplant assistance programs. Information on the EMPOWER, IMPACT and CathAway programs are attached at Attachment – 11A.

There are over 26 million patients with CKD and that number is expected to rise. Current data reveals two troubling trends, which help explain the growing need for dialysis services:

- The prevalence of identified CKD stages 1 to 4 has increased from 10% to 13.1% between 1988 and 2004<sup>1</sup>
- Increasing prevalence in the diagnosis of diabetes and hypertension, the two major causes of CKD

Additionally, DaVita's EMPOWER program helps to improve intervention and education for pre-ESRD patients. Approximately 65% of CKD Medicare patients have never been evaluated by a nephrologist.<sup>2</sup> Timely CKD care is imperative for patient morbidity and mortality. Adverse outcomes of CKD can often be prevented or delayed through early detection and treatment. Several studies have shown that early detection, intervention and care of CKD may result in improved patient outcomes and reduce ESRD:

- Reduced GFR is an independent risk factor for morbidity and mortality,
- A reduction in the rate of decline in kidney function upon nephrologists referrals has been associated with prolonged survival of CKD patients,
- Late referral to a nephrologist has been correlated with lower survival during the first 90 days of dialysis, and
- Timely referral of CKD patients to a multidisciplinary clinical team may improve outcomes and reduce cost.

A care plan for patients with CKD includes strategies to slow the loss of kidney function, manage comorbidities, and prevent or treat cardiovascular disease and other complications of CKD, as well as ease the transition to kidney replacement therapy. Through the EMPOWER program, DaVita offers educational services to CKD patients that can help patients reduce, delay, and prevent adverse outcomes of untreated CKD. DaVita's EMPOWER program encourages CKD patients to take control of their health and make informed decisions about their dialysis care.

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<sup>1</sup> US Renal Data System, USRDS 2007 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, Bethesda, MD: National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases; 2007.

<sup>2</sup> Id.

DaVita's IMPACT program seeks to reduce patient mortality rates during the first 90-days of dialysis through patient intake, education and management, and reporting. In fact, since piloting in October 2007, the program has not only shown to reduce mortality rates by 8 percent but has also resulted in improved patient outcomes.

DaVita's CathAway program seeks to reduce the number of patients with central venous catheters ("CVC"). Instead patients receive arteriovenous fistula ("AV fistula") placement. AV fistulas have superior patency, lower complication rates, improved adequacy, lower cost to the healthcare system, and decreased risk of patient mortality compared to CVCs. In July 2003, the Centers for Medicare and Medicaid Services, the End Stage Renal Disease Networks and key providers jointly recommended adoption of a National Vascular Access Improvement Initiative ("NVAII") to increase the appropriate use of AV fistulas for hemodialysis. The CathAway program is designed to comply with NVAII through patient education outlining the benefits for AV fistula placement and support through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal. DaVita is an industry leader in the rate of fistula use and had the lowest day-90 catheter rates among large dialysis providers in 2010.

DaVita's transplant referral and tracking program ensures every dialysis patient is informed of transplant as a modality option and promotes access to transplantation for every patient who is interested and eligible for transplant. The social worker or designee obtains transplant center guidelines and criteria for selection of appropriate candidates and assists transplant candidates with factors that may affect their eligibility, such as severe obesity, adherence to prescribed medicine or therapy, and social/emotional/financial factors related to post-transplant functioning.

In an effort to better serve all kidney patients, DaVita believes in requiring that all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which is \$509 million in savings to the health care system and the American taxpayer in 2010.

DaVita is also committed to sustainability and reducing its carbon footprint. In fact, it is the only kidney care company recognized by the Environmental Protection Agency for its sustainability initiatives. In 2010, DaVita opened the first LEED-certified dialysis center in the U.S. Furthermore, it saves approximately 8.5 million pounds of medical waste through dialyzer reuse and it also diverts 95% of its waste through composting and recycling programs. It has also undertaken a number of similar initiatives at its offices and is seeking LEED Gold certification for its corporate headquarters.

DaVita consistently raises awareness to community needs and makes cash contributions to organizations aimed at improving access to kidney care. In 2010, DaVita donated more than \$2 million to kidney disease- awareness organizations such as the Kidney TRUST, the National Kidney Foundation, the American Kidney Fund, and several other organizations. Its own employees, or members of the "DaVita Village," assisted in these initiatives by raising more than \$3.4 million through Tour DaVita and DaVita Kidney Awareness Run/Walks.

DaVita does not limit its community engagement to the U.S. alone. It founded Bridge of Life, a 501(c)(3) nonprofit organization that operates on donations to bring care to those for whom it is out of reach. In addition to contributing Dialysis equipment to DaVita Medical Missions, Bridge of Life has accomplished 18 Missions since 2006, with more than 75 participating teammates spending more than 650 days abroad. It provided these desperately needed services in Cameroon, India, Ecuador, Guatemala, and the Phillipines, and trained many health care professionals there as well.

Neither the Centers for Medicare and Medicaid Services or the Illinois Department of Public Health has taken any adverse action involving civil monetary penalties or restriction or termination of participation in the Medicare or Medicaid programs against any of the applicants, or against any Illinois health care

facilities owned or operated by the Applicants, directly or indirectly, within three years preceding the filing of this application.

1. Health care facilities owned or operated by the Applicants:

A list of health care facilities owned or operated by the Applicants in Illinois is attached at Attachment – 11B.

Dialysis facilities are currently not subject to State Licensure in Illinois.

2. Certification that no adverse action has been taken against either of the Applicants or against any health care facilities owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 11C.

3. An authorization permitting the Illinois Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11C.



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Dear Physician Partners:

IMPACT™ is an initiative focused on reducing incident patient mortality. The program provides a comprehensive onboarding process for incident patients, with program materials centered on four key clinical indicators—access, albumin, anemia, and adequacy.

**Medical Directors: How can you support IMPACT in your facilities?**

- Customize the new Standard Admission Order template into facility-specific orders. Drive use of the standard order with your attending physicians
- Review your facility IMPACT scorecard at your monthly QIFMM meeting
- Talk about IMPACT regularly with your attending physicians

**Attending Physicians: How can you support IMPACT in your facilities?**

- Use the IMPACT scorecard to assess incident patients
- Educate teammates about the risk incident patients face and how IMPACT can help

**How was IMPACT developed? What are the initial results?**

From October 2007 to April 2009, IMPACT was piloted in DaVita® centers. Early results, presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN this April, showed an 8% reduction in annualized mortality. In addition to lower mortality, IMPACT patients showed improvements in fistula placement rates and serum albumin levels. The results are so impressive that we are implementing this program throughout the Village.

**Your support of this effort is crucial.**

If you have not seen the IMPACT order template and scorecard by the end of June, or if you have additional questions about the program, email [impact@davita.com](mailto:impact@davita.com). Together we can give our incident patients the quality and length of life they deserve.

Sincerely,

Dennis Kogod  
Chief Operating Officer

Allen R. Nissenson, MD, FACP  
Chief Medical Officer





FOR IMMEDIATE RELEASE

## DaVita's IMPACT Program Reduces Mortality for New Dialysis Patients

*Study Shows New Patient Care Model Significantly Improves Patient Outcomes*

**El Segundo, Calif., (March, 29, 2009)** – DaVita Inc., a leading provider of kidney care services for those diagnosed with chronic kidney disease (CKD), today released the findings of a study revealing DaVita's IMPACT™ (Incident Management of Patients, Actions Centered on Treatment) pilot program can significantly reduce mortality rates for new dialysis patients. The study presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN details how the IMPACT patient care model educates and manages dialysis patients within the first 90 days of treatment, when they are most unstable and are at highest risk. In addition to lower mortality rates, patient outcomes improved - confirming the health of this vulnerable patient population is better supported under DaVita's *Relentless Pursuit of Quality*™ care.

The pilot program was implemented with 606 patients completing the IMPACT program over a 12 month period in 44 DaVita centers around the nation. IMPACT focuses on patient education and important clinical outcomes - such as the measurement of adequate dialysis, access placement, anemia, and albumin levels - monitoring the patient's overall health in the first 90 days on dialysis. Data reflects a reduction in annualized mortality rates by eight percent for IMPACT patients compared with non-IMPACT patients in the DaVita network. Given that DaVita has roughly 28,000 new patients starting dialysis every year, this reduction affects a significant number of lives.

In addition, a higher number of IMPACT patients versus non-IMPACT patients had an arteriovenous fistula (AVF) in place. Research shows that fistulas - the surgical connection of an artery to a vein - last longer and are associated with lower rates of infection, hospitalization and death compared to all other access choices.

Allen R. Nissenson, MD, Chief Medical Officer at DaVita says, "The IMPACT program is about quality patient care starting in the first 90 days and extending beyond. Improved outcomes in new dialysis patients translates to better long term results and healthier patients overall."

Researchers applaud the IMPACT program's inclusion of all patients starting dialysis, regardless of their cognitive ability or health status. Enrolling all patients at this early stage in their treatment allows them to better understand their disease and care needs while healthcare providers work to improve their outcomes. Through this program, DaVita mandates reporting on this particular population to better track and manage patients through their incident period.

Dennis Kogod, Chief Operating Officer of DaVita says, "We are thrilled by the promising results IMPACT has had on our new dialysis patients. DaVita continues to be the leader in the kidney care community, and we look forward to rolling out this program to all facilities later this year, to improve the health of all new dialysis patients."

DaVita, IMPACT and *Relentless Pursuit of Quality* are trademarks or registered trademarks of DaVita Inc. All other trademarks are the properties of their respective owners.

Poster Presentation  
NKF Spring Clinical Meeting  
Nashville, TN  
March 26-28, 2009

## Incident Management of Hemodialysis Patients: Managing the First 90 Days

John Robertson<sup>1</sup>, Pooja Goel<sup>1</sup>, Grace Chen<sup>1</sup>, Ronald Levine<sup>1</sup>, Debbie Benner<sup>1</sup>, and Amy Burdan<sup>1</sup>  
<sup>1</sup>DaVita Inc., El Segundo, CA, USA

IMPACT (Incident Management of Patients, Actions Centered on Treatment) is a program to reduce mortality and morbidity in new patients during the first 3 months of dialysis, when these patients are most vulnerable. IMPACT was designed to standardize the onboarding process of incident patients from their 0 to 90-day period. We report on an observational (non-randomized), un-blinded study of 606 incident patients evaluated over 12 months (Oct77-Oct08) at 44 US DaVita facilities.

The study focused on 4 key predictive indicators associated with lower mortality and morbidity—*anemia, albumin, adequacy and access (4As)*. IMPACT consisted of:

- (1) Structured New Patient Intake Process with a standardized admission order, referral fax, and an intake checklist;
- (2) 90-day Patient Education Program with an education manual and tracking checklist;
- (3) Tools for 90-day Patient Management Pathway including QOL; and
- (4) Data Monitoring Reports.

Data as of July, 2008 is reported. Patients in the IMPACT group were 60.6 ± 15.1 years old (mean±3SD), 42.8% Caucasian, 61% male with 25% having a fistula. Results showed a reduction in 90-day mortality almost 2 percentage points lower (6.14% vs. 7.98%;  $p < 0.10$ ) among IMPACT versus nonIMPACT patients. Changes among the 4As showed higher albumin levels from 3.5 to 3.6 g/dL (note that some IMPACT patients were on protein supplementation during this period) and patients achieving fistula access during their first 90-days was 25% vs. 21.4%, IMPACT and nonIMPACT, respectively ( $p \leq 0.05$ ). However, only 20.6% of IMPACT patients achieved Hct targets ( $33 \leq 3xHb \leq 36$ ) vs. 23.4% for controls ( $p < 0.10$ ); some IMPACT patients may still have  $>36$ -level Hcts. Mean calculated Kt/V was 1.54 for IMPACT patients vs. 1.58 for nonIMPACT patients ( $p \leq 0.05$ ).

IMPACT is a first step toward a comprehensive approach to reduce mortality of incident patients. We believe this focus may help us to better manage CKD as a continuum of care. Long-term mortality measures will help determine if this process really impacts patients in the intended way, resulting in longer lives and better outcomes.

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**Headquarters**  
1627 Cole Blvd, Bldg 18  
Lakewood CO 80401  
1-888-200-1041

## **IMPACT**

For more information, contact  
1-800-400-8331

**DaVita.com**

**Our Mission**  
To be the Provider,  
Partner and Employer  
of Choice

**Core Values**  
Service Excellence  
Integrity  
Team  
Continuous Improvement  
Accountability  
Fulfillment  
Fun



Office of the Chief  
Medical Officer (OCMO)  
Alicia R. Nissenon, MD  
Chief Medical Officer  
Meredith Matthews, MD  
Robert Provenzano, MD  
John Robertson, MD  
David B. Van Wyck, MD

April 30, 2009

Dear Physicians:

As your partner, DaVita® and OCMO are committed to helping you achieve unprecedented clinical outcomes with your patients. As part of OCMO's Relentless Pursuit of Quality™, DaVita will be launching our top two clinical initiatives; IMPACT and CathAway™, at our annual 2009 Nationwide Meeting. Your facility administrators will be orienting you on both programs upon their return from the meeting in early May.



**IMPACT:** The goal of IMPACT is to reduce incident patient mortality. IMPACT stands for Incident Management of Patients Actions Centered on Treatment. The program focuses on three components: patient intake, education and management and reporting. IMPACT has been piloting since October 2007 and has demonstrated a reduction in mortality. The study recently presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN. In addition to lower mortality rates, patient outcomes improved - confirming this vulnerable patient population is healthier under DaVita's relentless pursuit of quality care.



**CathAway:** Higher catheter use is associated with increased infection, morbidity, mortality and hospitalizations <sup>(1) (2)</sup>. The 7-step Cathaway Program supports reducing the number of patients with central venous catheters (CVCs). The program begins with patient education outlining the benefits of fistula placement. The remaining steps support the patient through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal. For general information about the CathAway program, see the November 2008 issue of QUEST, DaVita's Nephrology Journal.

Here is how you can support both initiatives in your facilities:

- **Assess incident patients regularly in their first 90 days:** Discuss patients individually and regularly. Use the IMPACT scorecard to prompt these discussions.
- **Adopt "Facility Specific Orders":** Create new facility specific orders using the form that will be provided to you.
- **Minimize the "catheter-removal" cycle time:** Review each of your catheter patients with your facility teammates and identify obstacles causing delays in catheter removal. Work with the team and patients to develop action plans for catheter removal.
- **Plan fistula and graft placements:** Start AV placement plans early by scheduling vessel mapping and surgery evaluation appointments for Stage 4 CKD patients. Schedule fistula placement surgery for those patients where ESRD is imminent in the next 3-6 months.

**Launch Kits:**

In May, Launch Kits containing materials and tools to support both initiatives will be arriving at your facilities. IMPACT kits will include a physician introduction to the program, step by step implementation plan and a full set of educational resources. FAs and Vascular Access Leaders will begin training on a new tool to help identify root-causes for catheter removal delays.

Your support of these efforts is crucial. As always, I welcome your feedback, questions and ideas. Together with you, our physician partners, we will drive catheter use to all-time lows and help give our incident patients the quality and length of life they deserve.

Sincerely,



Allen R. Nissenson, MD, FACP  
Chief Medical Officer, DaVita

- (1) Dialysis Outcomes and Practice Patterns Study (DOPPS): 2 yrs/7 Countries / 10,000 pts.
- (2) Pastan et al: Vascular access and increased risk of death among hemodialysis patients.



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# Knowledge is power.

EMPOWER® is an educational program by DaVita®. The program includes a series of free community based classes for patients with chronic kidney disease (CKD). These classes encourage you to take control of your kidney disease and prepare for dialysis by making healthy choices about your kidney care

## **Taking Control Of Kidney Disease**

Learn how to slow the progression of kidney disease.

- Kidney disease and related conditions
- Behavior modification
- Dietary guidelines
- Common medications
- Insurance choices
- Ways to cope with CKD
- Questions to ask your health care team

## **Making Healthy Choices**

Learn how to prepare for dialysis.

- Kidney disease and related conditions
- Behavior modification
- Dietary guidelines
- Common medications
- Treatments that allow you to stay active and continue to work
- Insurance choices
- Ways to cope with CKD
- Questions to ask your health care team

## **Treatment Choices**

An in-depth look at all of your treatment choices.

- Kidney disease and related conditions
- Treatments that allow you to stay active and continue to work
- Insurance choices
- Ways to cope with CKD
- Questions to ask your health care team

**To register for a class, call 1-888-MyKidney (695-4363).**

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*DaVita*®



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Illinois Facilities

Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Logan Square Dialysis	2659 N MILWAUKEE AVE	1ST FL	CHICAGO	COOK	IL	60647-1643	14-2534
Lake County Dialysis Services	918 S MILWAUKEE AVE		LIBERTYVILLE	LAKE	IL	60048-3229	14-2552
Lincoln Park Dialysis	3157 N LINCOLN AVE		CHICAGO	COOK	IL	60657-3111	14-2528
Skyline Home Dialysis	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2560
TRC Children's Dialysis Center	2611 N HALSTED ST		CHICAGO	COOK	IL	60614-2301	14-2604
Emerald Dialysis	710 W 43RD ST		CHICAGO	COOK	IL	60609-3435	14-2529
Olympia Fields Dialysis Center	4557B LINCOLN HWY	STE B	MATTESON	COOK	IL	60443-2318	14-2548
Granite City Dialysis Center	9 AMERICAN VLG		GRANITE CITY	MADISON	IL	62040-3706	14-2537
Sauget Dialysis	2061 GOOSE LAKE RD		SAUGET	SAINT CLAIR	IL	62206-2822	14-2561
Churchview Dialysis	5970 CHURCHVIEW DR		ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640
Freeport Dialysis	1028 S KUNKLE BLVD		FREEPORT	STEPHENSON	IL	61032-6914	14-2642
Rockford Dialysis	3339 N ROCKTON AVE		ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647
Whiteside Dialysis	2600 N LOCUST	STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648
Chicago Heights Dialysis	177 W JOE ORR RD	STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635
Benton Dialysis	1151 ROUTE 14 W		BENTON	FRANKLIN	IL	62812-1500	14-2608
Centralia Dialysis	1231 STATE ROUTE 161		CENTRALIA	MARION	IL	62801-6739	14-2609
Marion Dialysis	324 S 4TH ST		MARION	WILLIAMSON	IL	62959-1241	14-2570
Mount Vernon Dialysis	1800 JEFFERSON AVE		MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541
Metro East Dialysis	5105 W MAIN ST		BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527
Olney Dialysis Center	117 N BOONE ST		OLNEY	RICHLAND	IL	62450-2109	14-2674
Stony Creek Dialysis	9115 S CICERO AVE		OAK LAWN	COOK	IL	60453-1895	14-2661
Beverly Dialysis	8109 SOUTH WESTERN AVE		CHICAGO	COOK	IL	60620-5939	14-2638
Maryville Dialysis	2130 VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2634
Montclare Dialysis Center	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2649
Roxbury Dialysis Center	622 ROXBURY RD		ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665

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DaVita, Inc.

Illinois Facilities

Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Dixon Kidney Center	1131 N GALENA AVE		DIXON	LEE	IL	61021-1015	14-2651
Sycamore Dialysis	2200 GATEWAY DR		SYCAMORE	DEKALB	IL	60178-3113	14-2639
Mt. Greenwood Dialysis	3401 W 111TH ST		CHICAGO	COOK	IL	60655-3329	14-2660
Lake Villa Dialysis	37809 N IL ROUTE 59		LAKE VILLA	LAKE	IL	60046-7332	14-2666
Little Village Dialysis	2335 W CERMAK RD		CHICAGO	COOK	IL	60608-3811	14-2668
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685
Wayne County Dialysis	303 NW 11TH ST	STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688
Edwardsville Dialysis	235 S BUCHANAN ST		EDWARDSVILLE	MADISON	IL	62025-2108	14-2701
Vandalia Dialysis	301 MATTES AVE		VANDALIA	FAYETTE	IL	62471-2061	14-2693
Macon County Dialysis	1090 W MCKINLEY AVE		DECATUR	MACON	IL	62526-3208	14-2584
Effingham Dialysis	904 MEDICAL PARK DR	STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580
Jacksonville Dialysis	1515 W WALNUT ST		JACKSONVILLE	MORGAN	IL	62650-1150	14-2581
Litchfield Dialysis	915 ST FRANCES WAY		LITCHFIELD		IL	62056-1775	14-2583
Mattoon Dialysis	200 RICHMOND AVE E		MATTOON	COLES	IL	61938-4652	14-2585
Springfield Central Dialysis	932 N RUTLEDGE ST		SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586
Taylorville Dialysis	901 W SPRESSER ST		TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587
Lincoln Dialysis	2100 WEST FIFTH		LINCOLN	LOGAN	IL	62656-9115	14-2582
Springfield Montvale Dialysis	2930 MONTVALE DR	STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590
Decatur East Wood Dialysis	794 E WOOD ST		DECATUR	MACON	IL	62523-1155	142599
Alton Dialysis	3511 COLLEGE AVE		ALTON	MADISON	IL	62002-5009	14-2619
Rushville Dialysis	112 SULLIVAN DRIVE		RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620
Illini Renal Dialysis	507 E UNIVERSITY AVE		CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633
Woodridge Home Dialysis	7425 JANES AVE	STE 103	WOODRIDGE	DUPAGE	IL	60517-2356	14-2696
Big Oaks Dialysis	5623 W TOUHY AVE		NILES	COOK	IL	60714-4019	14-2712
West Lawn Dialysis	7000 S PULASKI RD		CHICAGO	COOK	IL	60629-5842	14-2719

DaVita, Inc.

Illinois Facilities

Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Robinson Dialysis	1215 N ALLEN ST	STE B	ROBINSON	CRAWFORD	IL	62454-1100	14-2714
Adams County Dialysis	436 N 10TH ST		QUINCY	ADAMS	IL	62301-4152	14-2711
Pittsfield Dialysis	640 W WASHINGTON ST		PITTSFIELD	PIKE	IL	62363-1350	14-2708
Jerseyville Dialysis	917 S STATE ST		JERSEYVILLE	JERSEY	IL	62052-2344	14-2636
Stonestone Dialysis	1302 E STATE ST		ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615
Crystal Springs Dialysis	720 COG CIRCLE		CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716
Cobblestone Dialysis	934 CENTER ST	STE A	ELGIN	KANE	IL	60120-2125	14-2715
Lake Park Dialysis	1531 E HYDE PARK BLVD		CHICAGO	COOK	IL	60615-3039	14-2717
Stony Island Dialysis	8725 S STONY ISLAND AVE		CHICAGO	COOK	IL	60617-2709	14-2718
Woodlawn Dialysis	1164 E 55TH ST		CHICAGO	COOK	IL	60615-5115	14-2310
Woodlawn Home Program	5841 S MARYLAND AVE	RM L-026	CHICAGO	COOK	IL	60637-1447	14-3524
Lockport Home Dialysis	16626 W 159TH ST	STE 703	LOCKPORT	WILL	IL	60441-8019	14-2697
Maryville Home Dialysis	2136B VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2686
Kennedy Home Dialysis	5509 N CUMBERLAND AVE	STE 51S	CHICAGO	COOK	IL	60656-4702	14-2691
DSI Loop Renal Center	1101 South Canal Street		Chicago	COOK	IL	60607-4901	14-2505
DSI Scottsdale Renal Center	4651 West 79th Street	Suite 100	Chicago	COOK	IL	60652-1779	14-2518
DSI Evanston Renal Center	1715 Central Street		Evanston	COOK	IL	60201-1507	14-2511
DSI South Holland Renal Center	16136 South Park Avenue		South Holland	COOK	IL	60473-1511	14-2544
DSI Markham Renal Center	3053-3055 West 159th Street		Markham	COOK	IL	60428-4026	14-2575

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DaVita, Inc.

Illinois Facilities

Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
DSI Hazel Crest Renal Center	3470 West 183rd Street		Hazel Crest	COOK	IL	60429-2428	14-2622
DSI Arlington Heights Renal Center	17 West Golf Road		Arlington Heights	COOK	IL	60005-3905	14-2628
DSI Buffalo Grove Renal Center	1291 W. Dundee Road		Buffalo Grove	COOK	IL	60089-4009	14-2650
DSI Schaumburg Renal Center	1156 S Roselle Rd		Schaumburg	COOK	IL	60193-4072	14-2654
DSI Waukegan Renal Center	1616 North Grand Avenue	STE C	Waukegan	COOK	IL	60085-3676	14-2577

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1551 Wewatta Street  
Denver, CO 80202  
Tel: (303) 405-2100  
www.davita.com

September 29, 2011

Dale Galassie  
Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

Dear Chairman Galassie:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action has been taken against any facility owned or operated by DaVita Inc. or Total Renal Care, Inc. during the three years prior to filing this application.

Additionally, pursuant to 77 Ill. Admin. Code § 1110.230(a)(3)(C), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,

Tom Usilton  
Senior Vice President  
DaVita Inc.  
Total Renal Care, Inc.

Subscribed and sworn to me  
This 29 day of September, 2011  
2011

Victoria Ann Rhodes  
Notary Public

Attachment – 11C

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**Section III, Background, Purpose of the Project, and Alternatives**  
**Criterion 1110.230(b) – Background, Purpose of the Project, and Alternatives**

Purpose of Project

1. The purpose of the project is to improve access to life sustaining dialysis services to the residents of Shiloh and surrounding areas. As shown in Table 1110.230(b) below, there are currently five existing dialysis facilities within 30 minutes travel time of the proposed dialysis facility (the "Geographic Service Area" or "GSA"). Average utilization of existing facilities is currently 74% and four of the five facilities are at or near the State's 80% utilization standard. The existing facilities cannot accommodate rising demand for dialysis treatment in the Shiloh community. In fact, the existing facilities are only able to collectively accommodate 38 additional patients. As set forth below Midwest Nephrology and Hypertension Associates ("MNHA"), the primary referring physician group for the proposed facility, expects 150 patients to initiate dialysis within the next 12 to 18 months. While many of these patients will be referred to existing facilities in the GSA, sufficient capacity does not exist to accommodate all of the projected referrals.

Table 1110.230(b) Utilization of Existing Facilities in GSA							
Facility	City	Distance	Time	Stations	Patients	Utilization	Patient Spaces Available
RAI - Fairview Heights	Fairview Heights	4 mi	6 min	20	91	76%	5
Metro East Dialysis	Belleville	7 mi	11 min	36	163	75%	10
Saugel Dialysis	Saugel	16 mi	18 min	16	77	80%	0
Maryville Dialysis	Maryville	21 mi	24 min	12	59	82%	0
Granite City Dialysis	Granite City	23 mi	30 min	20	73	61%	23
<b>Total Utilization – Existing Facilities</b>				<b>104</b>	<b>463</b>	<b>74%</b>	<b>38</b>

A new facility is needed to accommodate growing demand for dialysis. MNHA has seen explosive growth in its ESRD patient population over the past three years, annually referring an average of 139 ESRD patients for dialysis: 129 in 2009, 149 in 2010, and 81 through July 31, 2011. In fact, MNHA is actively recruiting a fourth nephrologist to accommodate the growing patient demand.

MNHA is currently treating 402 ESRD patients and 193 Stage 4 and 37 Stage 5 CKD patients whose condition is advancing to ESRD, and who will likely require dialysis within the next 12 to 18 months. See Attachment – 12A. Conservatively, the Applicants assumed a 35% attrition rate for Stage 4 and Stage 5 CKD patients. That is, because of CKD patient death, transplant, relocation, or retained kidney function, only approximately 65% of Stage 4 and Stage 5 CKD patients are expected to initiate dialysis. That means approximately 150 of the current Stage 4 and Stage 5 CKD patients within this group will require dialysis within the next 12 to 18 months. This may be an underestimate of new ESRD patients because nephrologist intervention with CKD patients has improved in the last several years and this earlier intervention is saving lives and improving patient morbidity. While some of these patients will be referred to existing facilities within the GSA, these facilities can only accommodate 38 additional patients. Therefore, the proposed facility is needed to ensure access to life sustaining dialysis is available to residents of Shiloh and the surrounding area.

2. A map of the market area for the proposed facility is attached at Attachment – 12B. The market area encompasses approximately a 23 mile radius around the proposed facility. The boundaries of the market area of are as follows:
  - North approximately 30 minutes normal travel time to Maryville
  - Northeast approximately 30 minutes normal travel time to Highland

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- East approximately 30 minutes normal travel time to Germantown
- Southeast approximately 30 minutes normal travel time to Okawville
- South approximately 30 minutes normal travel time to New Athens
- Southwest approximately 30 minutes normal travel time to Columbia
- West approximately 30 minutes normal travel time to East Carondelet
- Northwest approximately 30 minutes normal travel time to Granite City

The purpose of this project is to improve access to life sustaining dialysis to residents of Shiloh and the immediately surrounding areas. As discussed more fully above, there is not sufficient capacity within the GSA to accommodate all of the MNHA's projected referrals.

3. The proposed project will improve access to dialysis services by adding a much needed dialysis facility in Shiloh. Importantly, a large percentage of African-Americans, (approximately 19%) reside in the proposed facility's geographic service area ("GSA"). Importantly, African Americans are at an increased risk of ESRD compared to the general population due to the higher prevalence of diabetes and hypertension, the two leading causes of CKD and ESRD, in the African American community.<sup>3</sup>

87 percent of projected patients reside within 15 minutes of the proposed facility. As discussed more fully above, four of the five dialysis facilities in the proposed facility's GSA are operating at or near 80% utilization and cannot accommodate these additional patients. The only facility operating significantly below the State's 80% utilization standard, Granite City Dialysis, is located 30 minutes from the proposed facility. While it can serve 23 additional patients, it is not a solution to the access issues in the area.

4. The proposed facility will improve access to dialysis services to the residents of Shiloh and the surrounding area by establishing a 12-station dialysis facility in Shiloh. Over the past year and a half, the number of dialysis patients in the proposed facility's GSA has increased 11%, with the most significant increases at Sauget Dialysis (18%) and Maryville Dialysis (34%). Moreover, four of the five dialysis facilities in the proposed facility's GSA are operating at or near the State's 80% utilization standard and are not viable alternatives for the proposed facility's projected patients. The only facility operating significantly below the State's 80% utilization standard is 30 minutes from the proposed facility. Importantly, MNHA projects it will refer 150 patients for dialysis within the next 12 to 18 months. See Attachment – 12A. While some of these patients will be referred to Granite City Dialysis, it can only accommodate 23 of MNHA's projected referrals. Moreover, due to the lack of access to public transportation, many residents are reliant upon family members and friends to transport them to and from dialysis. Including transportation time and transition time, patients typically devote 15 to 20 hours for dialysis each week over three days. Requiring ESRD patients to dialyze at the Granite City facility would significantly add to the hardship of dialysis for both the patients and their caregivers. Given the expense and time of the additional travel, patients may frequently miss treatments or forego dialysis altogether. Importantly, 87% of the projected patients reside within 15 minutes of the proposed facility. By making dialysis services more accessible to the residents of Shiloh and the surrounding area, patients are more likely to adhere to their treatment protocols, which will result in better outcomes and survival rates.
5. The Applicants anticipate the proposed facility will have quality outcomes comparable to its other facilities. Additionally, in an effort to better serve all kidney patients, DaVita believes in requiring all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of

<sup>3</sup> Michael F. Flessner, M.D., PhD et al., *Prevalence and Awareness of CKD Among African Americans: The Jackson Heart Study*, 53 Am. J. Kidney Dis. 183, 238, 238-39 (2009) available at [http://www.ajkd.org/article/S0272-6386\(08\)01575-8/fulltext](http://www.ajkd.org/article/S0272-6386(08)01575-8/fulltext) (last visited Oct. 5, 2011).

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quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which was \$509 million in hospitalization savings to the health care system and the American taxpayer in 2010.



**Midwest Nephrology and Hypertension Associates**  
4550 Memorial Drive, Suite 360  
Medical Office Center – One  
Belleville, Illinois 62226

September 15, 2011

Dale Galassie  
Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

Dear Chairman Galassie:

I am a nephrologist in practice with Midwest Nephrology and Hypertension Associates (“Midwest Nephrology”). I am writing on behalf of Midwest Nephrology in support of DaVita’s proposed establishment of a 12-station dialysis facility to be located at 1095 North Green Mount Road, Shiloh, Illinois (the “Proposed Facility”). Utilization of existing dialysis facilities located within 30 minutes normal travel time of the Proposed Facility is quickly approaching the State Board’s 80% utilization standard. Based upon data submitted to The Renal Network, average utilization of these existing dialysis facilities has increased 4% over the last year. Based upon the current obesity epidemic and the aging population in and around Shiloh, we anticipate demand for dialysis to continue to increase. A new 12-station dialysis facility will increase access to dialysis services to our practice’s growing end stage renal disease (“ESRD”) patient population.

Midwest Nephrology is currently treating 402 ESRD patients. Over the past three years Midwest Nephrology referred 424 ESRD patients for dialysis: 64 patients in 2008, 130 ESRD patients in 2009, and 149 ESRD patients in 2010. Through July 2011, Midwest Nephrology has referred 81 new ESRD patients for dialysis. The total number of patients treated by facility and zip code of residence for the most recent three years as reported to The Renal Network is attached hereto at Attachment 1.

Additionally, Midwest Nephrology is currently treating 230 stage 4 and Stage 5 pre-ESRD patients that reside in and around Shiloh. While we will continue to refer patients to existing facilities in the area, we have identified 127 pre-ESRD patients as potential referrals to the proposed Shiloh facility. We conservatively estimate 60 patients (or less 50% of these pre-ESRD patients) will be referred to the Proposed Facility. A list of these pre-ESRD patients by initials and zip code is attached hereto as Attachment 2. No patients will be transferred from other area providers to the Proposed Facility.

These patient referrals have not been used to support another pending or approved certificate of need application.

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Attachment – 12A

The information in this letter is true and correct to the best of my knowledge.


I support the proposed establishment of Shiloh Dialysis.

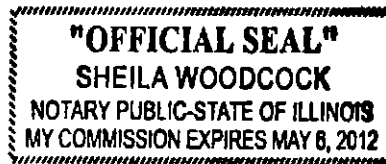
Sincerely,



Rashid Dalal, M.D.  
Midwest Nephrology and Hypertension Associates  
4550 Memorial Drive, Suite 360  
Medical Office Center – One  
Belleville, Illinois 62226

Subscribed and sworn to me  
This 7<sup>th</sup> day of OCTOBER, 2011

  
Notary Public



  
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**ATTACHMENT 1  
HISTORICAL REFERRALS**

<b>Facility</b>	<b>Zip Code</b>	<b>2008 Patients</b>	<b>2009 Patients</b>	<b>2010 Patients</b>	<b>2011 Patients</b>
<b>DaVita Sauget</b>					
Dalal	60302	0	0	1	0
	62059	0	0	1	0
	62201	1	0	1	1
	62203	4	1	0	1
	62204	1	1	4	3
	62205	3	2	4	1
	62206	3	5	5	4
	62207	5	1	2	0
	62208	1	0	0	0
	62221	1	2	0	0
	62223	1	0	1	0
	62226	1	0	0	0
	62232	0	1	0	0
	62236	0	1	1	0
	62239	0	0	0	1
	62801	0	0	0	1
<b>Total - Dalal</b>		<b>21</b>	<b>14</b>	<b>20</b>	<b>12</b>
<b>Bashiruddin</b>					
	62203	1	0	0	0
	62090	0	1	0	0
	62204	0	0	2	1
	62205	0	2	0	0
	62206	1	1	2	1
	62207	0	0	2	0
	62221	0	0	1	0
	62223	1	0	0	0
<b>Total - Bashiruddin</b>		<b>3</b>	<b>4</b>	<b>7</b>	<b>2</b>
<b>Total - DaVita Sauget</b>		<b>24</b>	<b>18</b>	<b>27</b>	<b>14</b>
<b>DaVita Metro East</b>					
Dalal	62060	0	1	0	0
	62201	0	1	1	1
	62202	0	1	0	0
	62203	4	0	6	3
	62204	0	1	0	2
	62205	2	0	0	1
	62206	0	1	3	0
	62207	0	2	1	4
	62208	0	0	1	0
	62220	0	2	3	0
	62221	2	2	5	4
	62223	0	3	4	2

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Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62226	0	3	9	12
	62230	0	1	0	0
	62232	0	0	1	0
	62234	0	0	1	0
	62243	0	0	2	1
	62249	0	1	1	0
	62254	1	0	0	0
	62255	0	1	0	0
	62257	0	1	1	0
	62258	0	0	0	1
	62260	0	1	1	0
	62264	0	0	1	0
	62265	0	0	1	0
	62269	2	0	3	3
	62278	0	0	0	1
	62298	0	0	1	0
<b>Total - Dalal</b>		11	22	46	35
<b>Bashiruddin</b>	62201	0	0	1	0
	62203	1	0	0	0
	62206	0	2	1	0
	62208	0	2	0	0
	62220	0	1	0	0
	62221	0	2	0	1
	62223	0	0	1	2
	62226	0	1	1	1
	62257	0	2	0	0
	62260	0	1	0	0
	62264	0	1	0	0
	62269	0	0	1	0
	62285	0	0	2	0
	62298	0	1	0	0
<b>Total - Bashiruddin</b>		1	13	7	4
<b>Wendland</b>	62040	0	0	1	0
	62201	0	0	1	0
	62202	0	0	1	0
	62203	1	0	2	0
	62205	0	0	1	0
	62206	0	0	2	0
	62207	0	0	1	1
	62208	0	0	3	0
	62220	0	0	2	0
	62221	0	1	9	1
	62223	0	1	6	0
	62226	0	0	2	0
	62232	0	0	1	0

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Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62234	0	0	0	1
	62243	0	0	2	1
	62258	0	0	3	1
	62260	0	0	0	1
	62264	0	0	1	0
	62269	0	0	3	0
	63138	0	0	0	1
Total - Wendland		1	2	41	7
<b>Total - DaVita Metro East</b>		<b>13</b>	<b>37</b>	<b>94</b>	<b>46</b>
<b>DaVita Granite City</b>					
Dalal	62059	0	1	0	0
	62040	3	6	3	4
	62060	1	1	0	0
	62090	0	1	0	0
	62201	0	0	1	2
	62203	0	1	0	0
	62206	0	1	0	0
	62220	0	1	0	0
	62257	0	2	0	0
Total - Dalal		4	14	4	6
Bashiruddin	62204	0	1	0	0
	62040	0	3	0	1
	62060	0	2	0	0
	62090	0	1	0	0
	62201	0	1	0	0
	62205	0	1	0	0
Total - Bashiruddin		0	9	0	1
<b>Total - DaVita Granite City</b>		<b>4</b>	<b>23</b>	<b>4</b>	<b>7</b>
<b>DaVita Maryville</b>					
Dalal	62002	0	0	0	1
	62040	0	1	0	0
	62088	0	0	0	3
	62202	0	1	0	0
	62234	1	0	0	0
	62281	0	0	1	0
	62294	0	0	1	0
Total - Dalal		1	2	2	4
<b>Total - DaVita Maryville</b>		<b>1</b>	<b>2</b>	<b>2</b>	<b>4</b>
<b>DaVita Edwardsville</b>					
Bashiruddin	62234	0	1	0	0
<b>Total - DaVita Edwardsville</b>		<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

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Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
<b>RAI Fairview Heights</b>					
Dalal	62040	1	0	0	0
	62203	1	0	0	0
	62204	1	0	0	0
	62206	0	1	0	0
	62208	0	0	0	1
	62220	0	0	1	0
	62221	1	0	0	1
	62223	0	0	2	0
	62226	2	0	1	0
	62232	1	0	1	0
	62234	1	1	0	0
	62254	0	1	1	0
	62257	0	1	1	0
	62258	0	0	0	1
	62260	1	0	0	0
	63115	0	1	0	0
<b>Total - Dalal</b>		<b>9</b>	<b>5</b>	<b>7</b>	<b>3</b>
<b>Bashiruddin</b>					
	62040	0	1	0	0
	62201	1	0	0	0
	62203	0	2	1	0
	62204	0	1	0	1
	62205	0	2	1	0
	62207	0	3	2	0
	62208	0	5	0	0
	62220	0	1	2	0
	62221	0	4	0	0
	62223	0	0	0	1
	62226	0	3	0	1
	62232	0	1	0	0
	62234	1	2	0	0
	62269	0	2	3	0
<b>Total - Bashiruddin</b>		<b>2</b>	<b>27</b>	<b>9</b>	<b>3</b>
<b>Total - RAI Fairview Heights</b>		<b>11</b>	<b>32</b>	<b>16</b>	<b>6</b>
<b>RAI Breese</b>					
Dalal	62249	1	0	0	0
	62269	2	0	0	0
<b>Total - Dalal</b>		<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Bashiruddin</b>					
	62215	0	0	1	0
	62216	0	1	0	0
	62226	0	1	0	0
	62230	1	1	0	0
	62231	0	3	0	2

70

Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62245	0	1	0	0
	62249	0	0	1	1
	62257	0	1	0	0
	62258	0	2	0	0
	62265	0	0	0	1
	62269	0	4	0	0
	62293	0	0	1	0
	62801	0	0	1	0
<b>Total - Bashiruddin</b>		<b>1</b>	<b>14</b>	<b>4</b>	<b>4</b>
<b>Total RAI Breese</b>		<b>4</b>	<b>14</b>	<b>4</b>	<b>4</b>
<b>BJC PD</b>					
Dalal	62040	2	0	0	0
	62203	0	1	0	0
	62206	1	0	0	0
	62221	1	0	0	0
	62226	1	0	0	0
	62232	0	1	0	0
	62254	1	1	0	0
	62269	0	0	1	0
<b>Total - Dalal</b>		<b>6</b>	<b>3</b>	<b>1</b>	<b>0</b>
Bashiruddin	62258	0	0	1	0
<b>Total - BJC PD</b>		<b>6</b>	<b>3</b>	<b>2</b>	<b>0</b>
<b>DaVita St. Louis</b>					
Dalal	62254	1	0	0	0
<b>Total - DaVita St. Louis</b>		<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>		<b>64</b>	<b>130</b>	<b>149</b>	<b>81</b>

**ATTACHMENT 2  
PRE-ESRD PATIENTS**

Zip Code	Initials
62208	ET
	BM
	TS
	JK
	BM
	FH
	MF
	AM
	CT
	MM
	HJ
	DJ
	LD
	MP
	JS
	MW
DS	
62221	LB
	SG
	WW
	PM
	CK
	JE
	CL
	BB
	CH
	NJ
	EJ
	JD
	LW
	BF
	MM
	BM
	WM
	DP
	HK
	AB
	HW
	CK
	JO
	WF
RM	
DM	
CB	



Zip Code	Initials
	ML
	NS
	PC
	JE
	JH
	JM
62226	MH
	EP
	RJ
	MM
	GW
	FB
	MR
	EP
	RS
	BL
	MS
	DJ
	LW
	SS
	MW
	DC
	HF
	LM
	AB
	LM
	RH
	JB
	AM
	PB
	RS
	DK
	JT
	CJ
	CH
	TL
	FG
	AH
	MB
	DR
MN	
ET	
JM	
AF	
RB	
AG	
PM	

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Zip Code	Initials
	CW
	ML
	BM
	IS
	QU
	MA
	GW
	LH
	PC
	JM
	TT
	FF
62269	CS
	TM
	OM
	MH
	HS
	SD
	JG
	LV
	TS
	GR
	JB
	JG
	TT
	CD
	NH
	IS
	LL
	RS
	TC
	DR
	RK
MJ	
JP	
BB	



**Section III, Background, Purpose of the Project, and Alternatives**  
**Criterion 1110.230(c) – Background, Purpose of the Project, and Alternatives**

Alternatives

The Applicants considered several options prior to determining to establish a 12-station dialysis facility. The options considered are as follows:

1. Do nothing;
2. Solely utilize existing facilities; and
3. Establish a new facility.

After exploring these options, which are discussed in more detail below, the Applicants determined to establish a 12-station dialysis facility. A review of each of the options considered and the reasons they were rejected follows.

Do Nothing

The purpose of the project is to improve access to life sustaining dialysis services to the residents of Shiloh and surrounding areas. A do nothing approach will not accomplish this goal, as patient demand for dialysis services will exceed existing capacity within 12 to 18 months.

Average utilization of existing facilities within the proposed facility's GSA is currently 74% and four of the five facilities are at or near the State's 80% utilization standard. These facilities can collectively only accommodate 38 additional patients. As stated in Attachment – 12, MNHA, the primary referring nephrologist group for the proposed facility, is currently treating 193 Stage 4 and 37 Stage 5 CKD patients whose conditions are advancing to ESRD and will likely require dialysis within the next 12 to 18 months. See Attachment – 13A. Assuming a 35% attrition rate for Stage 4 and Stage 5 CKD patients, approximately 150 Stage 4 and Stage 5 CKD patients will require dialysis within the next 12 to 18 months. While some of these patients will be referred to existing facilities within the GSA, sufficient capacity does not exist to accommodate all of the projected referrals. Accordingly, the Applicants rejected this option.

There is no cost with this alternative.

Solely Utilize Existing Facilities

As set forth above, existing facilities within the GSA can only collectively accommodate 38 additional patients. As MNHA has a significant CKD patient population and expects 150 patients to initiate dialysis within the next 12 to 18 months. There is significantly more anticipated demand than capacity. Also, the only facility operating significantly below the State standard is Granite City Dialysis, which is located 30 minutes from the proposed facility.

Importantly, 87 percent of the proposed facility's projected patients reside within 15 minutes of the proposed facility and would have to travel 30 minutes or more to utilize the Granite City facility. Including transportation time and transition time, patients typically devote 12 to 15 hours for dialysis each week over three days. Requiring patients to travel to Granite City for dialysis would increase the time devoted to dialysis by at least three hours, to approximately 15 to 18 hours per week. Furthermore, the utilization of Granite City Dialysis will still not adequately meet the demand identified by MNHA. Accordingly, the Applicants rejected this option.

There is no cost with this alternative.

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Establish a New Facility

Based upon current utilization of the existing facilities and the projected number of CKD patients that will require in-center hemodialysis within the next 12-18 months, the only feasible option is to establish a 12-station in-center hemodialysis facility. This alternative will ensure residents of Shiloh and its surrounding communities have continued access to life sustaining dialysis treatment. Accordingly, the applicants chose this alternative.

The cost of this alternative is \$2,551,310.

<b>Alternative</b>	<b>Community Need</b>	<b>Access</b>	<b>Cost</b>	<b>Status</b>
Do Nothing	Not Met	Decreased	\$0	Reject
Utilize Existing Facilities	Not Met	Decreased	\$0	Reject
Establish New Facility	Met	Increased	\$2,551,310	Accept

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**Midwest Nephrology and Hypertension Associates**  
4550 Memorial Drive, Suite 360  
Medical Office Center – One  
Belleville, Illinois 62226

September 15, 2011

Dale Galassie  
Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

Dear Chairman Galassie:

I am a nephrologist in practice with Midwest Nephrology and Hypertension Associates ("Midwest Nephrology"). I am writing on behalf of Midwest Nephrology in support of DaVita's proposed establishment of a 12-station dialysis facility to be located at 1095 North Green Mount Road, Shiloh, Illinois (the "Proposed Facility"). Utilization of existing dialysis facilities located within 30 minutes normal travel time of the Proposed Facility is quickly approaching the State Board's 80% utilization standard. Based upon data submitted to The Renal Network, average utilization of these existing dialysis facilities has increased 4% over the last year. Based upon the current obesity epidemic and the aging population in and around Shiloh, we anticipate demand for dialysis to continue to increase. A new 12-station dialysis facility will increase access to dialysis services to our practice's growing end stage renal disease ("ESRD") patient population.

Midwest Nephrology is currently treating 402 ESRD patients. Over the past three years Midwest Nephrology referred 424 ESRD patients for dialysis: 64 patients in 2008, 130 ESRD patients in 2009, and 149 ESRD patients in 2010. Through July 2011, Midwest Nephrology has referred 81 new ESRD patients for dialysis. The total number of patients treated by facility and zip code of residence for the most recent three years as reported to The Renal Network is attached hereto at Attachment 1.

Additionally, Midwest Nephrology is currently treating 230 stage 4 and Stage 5 pre-ESRD patients that reside in and around Shiloh. While we will continue to refer patients to existing facilities in the area, we have identified 127 pre-ESRD patients as potential referrals to the proposed Shiloh facility. We conservatively estimate 60 patients (or less 50% of these pre-ESRD patients) will be referred to the Proposed Facility. A list of these pre-ESRD patients by initials and zip code is attached hereto as Attachment 2. No patients will be transferred from other area providers to the Proposed Facility.

These patient referrals have not been used to support another pending or approved certificate of need application.

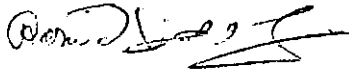
78

Attachment – 13A

The information in this letter is true and correct to the best of my knowledge.


I support the proposed establishment of Shiloh Dialysis.

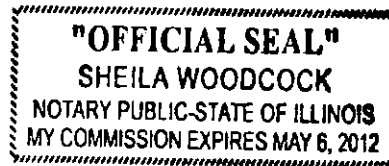
Sincerely,



Rashid Dalal, M.D.  
Midwest Nephrology and Hypertension Associates  
4550 Memorial Drive, Suite 360  
Medical Office Center - One  
Belleville, Illinois 62226

Subscribed and sworn to me  
This 7<sup>th</sup> day of OCTOBER, 2011

  
Notary Public



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**ATTACHMENT 1  
HISTORICAL REFERRALS**

<b>Facility</b>	<b>Zip Code</b>	<b>2008 Patients</b>	<b>2009 Patients</b>	<b>2010 Patients</b>	<b>2011 Patients</b>
<b>DaVita Saugnet</b>					
Dalal	60302	0	0	1	0
	62059	0	0	1	0
	62201	1	0	1	1
	62203	4	1	0	1
	62204	1	1	4	3
	62205	3	2	4	1
	62206	3	5	5	4
	62207	5	1	2	0
	62208	1	0	0	0
	62221	1	2	0	0
	62223	1	0	1	0
	62226	1	0	0	0
	62232	0	1	0	0
	62236	0	1	1	0
	62239	0	0	0	1
	62801	0	0	0	1
<b>Total - Dalal</b>		<b>21</b>	<b>14</b>	<b>20</b>	<b>12</b>
<b>Bashiruddin</b>					
	62203	1	0	0	0
	62090	0	1	0	0
	62204	0	0	2	1
	62205	0	2	0	0
	62206	1	1	2	1
	62207	0	0	2	0
	62221	0	0	1	0
	62223	1	0	0	0
<b>Total - Bashiruddin</b>		<b>3</b>	<b>4</b>	<b>7</b>	<b>2</b>
<b>Total - DaVita Saugnet</b>		<b>24</b>	<b>18</b>	<b>27</b>	<b>14</b>
<b>DaVita Metro East</b>					
Dalal	62060	0	1	0	0
	62201	0	1	1	1
	62202	0	1	0	0
	62203	4	0	6	3
	62204	0	1	0	2
	62205	2	0	0	1
	62206	0	1	3	0
	62207	0	2	1	4
	62208	0	0	1	0
	62220	0	2	3	0
	62221	2	2	5	4
	62223	0	3	4	2



Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62226	0	3	9	12
	62230	0	1	0	0
	62232	0	0	1	0
	62234	0	0	1	0
	62243	0	0	2	1
	62249	0	1	1	0
	62254	1	0	0	0
	62255	0	1	0	0
	62257	0	1	1	0
	62258	0	0	0	1
	62260	0	1	1	0
	62264	0	0	1	0
	62265	0	0	1	0
	62269	2	0	3	3
	62278	0	0	0	1
	62298	0	0	1	0
<b>Total - Dalal</b>		<b>11</b>	<b>22</b>	<b>46</b>	<b>35</b>
Bashiruddin	62201	0	0	1	0
	62203	1	0	0	0
	62206	0	2	1	0
	62208	0	2	0	0
	62220	0	1	0	0
	62221	0	2	0	1
	62223	0	0	1	2
	62226	0	1	1	1
	62257	0	2	0	0
	62260	0	1	0	0
	62264	0	1	0	0
	62269	0	0	1	0
	62285	0	0	2	0
	62298	0	1	0	0
<b>Total - Bashiruddin</b>		<b>1</b>	<b>13</b>	<b>7</b>	<b>4</b>
Wendland	62040	0	0	1	0
	62201	0	0	1	0
	62202	0	0	1	0
	62203	1	0	2	0
	62205	0	0	1	0
	62206	0	0	2	0
	62207	0	0	1	1
	62208	0	0	3	0
	62220	0	0	2	0
	62221	0	1	9	1
	62223	0	1	6	0
	62226	0	0	2	0
	62232	0	0	1	0

Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62234	0	0	0	1
	62243	0	0	2	1
	62258	0	0	3	1
	62260	0	0	0	1
	62264	0	0	1	0
	62269	0	0	3	0
	63138	0	0	0	1
<b>Total - Wendland</b>		1	2	41	7
<b>Total - DaVita Metro East</b>		13	37	94	46
<b>DaVita Granite City</b>					
Dalal	62059	0	1	0	0
	62040	3	6	3	4
	62060	1	1	0	0
	62090	0	1	0	0
	62201	0	0	1	2
	62203	0	1	0	0
	62206	0	1	0	0
	62220	0	1	0	0
	62257	0	2	0	0
<b>Total - Dalal</b>		4	14	4	6
Bashiruddin	62204	0	1	0	0
	62040	0	3	0	1
	62060	0	2	0	0
	62090	0	1	0	0
	62201	0	1	0	0
	62205	0	1	0	0
<b>Total - Bashiruddin</b>		0	9	0	1
<b>Total - DaVita Granite City</b>		4	23	4	7
<b>DaVita Maryville</b>					
Dalal	62002	0	0	0	1
	62040	0	1	0	0
	62088	0	0	0	3
	62202	0	1	0	0
	62234	1	0	0	0
	62281	0	0	1	0
	62294	0	0	1	0
<b>Total - Dalal</b>		1	2	2	4
<b>Total - DaVita Maryville</b>		1	2	2	4
<b>DaVita Edwardsville</b>					
Bashiruddin	62234	0	1	0	0
<b>Total - DaVita Edwardsville</b>		0	1	0	0

Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
<b>RAI Fairview Heights</b>					
Dalal	62040	1	0	0	0
	62203	1	0	0	0
	62204	1	0	0	0
	62206	0	1	0	0
	62208	0	0	0	1
	62220	0	0	1	0
	62221	1	0	0	1
	62223	0	0	2	0
	62226	2	0	1	0
	62232	1	0	1	0
	62234	1	1	0	0
	62254	0	1	1	0
	62257	0	1	1	0
	62258	0	0	0	1
	62260	1	0	0	0
	63115	0	1	0	0
<b>Total - Dalal</b>		<b>9</b>	<b>5</b>	<b>7</b>	<b>3</b>
<b>Bashiruddin</b>					
	62040	0	1	0	0
	62201	1	0	0	0
	62203	0	2	1	0
	62204	0	1	0	1
	62205	0	2	1	0
	62207	0	3	2	0
	62208	0	5	0	0
	62220	0	1	2	0
	62221	0	4	0	0
	62223	0	0	0	1
	62226	0	3	0	1
	62232	0	1	0	0
	62234	1	2	0	0
	62269	0	2	3	0
<b>Total - Bashiruddin</b>		<b>2</b>	<b>27</b>	<b>9</b>	<b>3</b>
<b>Total - RAI Fairview Heights</b>		<b>11</b>	<b>32</b>	<b>16</b>	<b>6</b>
<b>RAI Breese</b>					
Dalal	62249	1	0	0	0
	62269	2	0	0	0
<b>Total - Dalal</b>		<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Bashiruddin</b>					
	62215	0	0	1	0
	62216	0	1	0	0
	62226	0	1	0	0
	62230	1	1	0	0
	62231	0	3	0	2

83

Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62245	0	1	0	0
	62249	0	0	1	1
	62257	0	1	0	0
	62258	0	2	0	0
	62265	0	0	0	1
	62269	0	4	0	0
	62293	0	0	1	0
	62801	0	0	1	0
<b>Total - Bashiruddin</b>		<b>1</b>	<b>14</b>	<b>4</b>	<b>4</b>
<b>Total RAI Breese</b>		<b>4</b>	<b>14</b>	<b>4</b>	<b>4</b>
<b>BJC PD</b>					
Dalal	62040	2	0	0	0
	62203	0	1	0	0
	62206	1	0	0	0
	62221	1	0	0	0
	62226	1	0	0	0
	62232	0	1	0	0
	62254	1	1	0	0
	62269	0	0	1	0
<b>Total - Dalal</b>		<b>6</b>	<b>3</b>	<b>1</b>	<b>0</b>
Bashiruddin	62258	0	0	1	0
<b>Total - BJC PD</b>		<b>6</b>	<b>3</b>	<b>2</b>	<b>0</b>
<b>DaVita St. Louis</b>					
Dalal	62254	1	0	0	0
<b>Total - DaVita St. Louis</b>		<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>		<b>64</b>	<b>130</b>	<b>149</b>	<b>81</b>

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**ATTACHMENT 2  
PRE-ESRD PATIENTS**

Zip Code	Initials
62208	ET
	BM
	TS
	JK
	BM
	FH
	MF
	AM
	CT
	MM
	HJ
	DJ
	LD
	MP
	JS
	MW
DS	
62221	LB
	SG
	WW
	PM
	CK
	JE
	CL
	BB
	CH
	NJ
	EJ
	JD
	LW
	BF
	MM
	BM
	WM
	DP
	HK
	AB
	HW
	CK
	JO
	WF
RM	
DM	
CB	

85

Zip Code	Initials
	ML
	NS
	PC
	JE
	JH
	JM
62226	MH
	EP
	RJ
	MM
	GW
	FB
	MR
	EP
	RS
	BL
	MS
	DJ
	LW
	SS
	MW
	DC
	HF
	LM
	AB
	LM
	RH
	JB
	AM
	PB
	RS
	DK
	JT
	CJ
	CH
	TL
	FG
	AH
	MB
	DR
	MN
	ET
	JM
	AF
	RB
	AG
	PM

86

Zip Code	Initials
	CW
	ML
	BM
	IS
	QU
	MA
	GW
	LH
	PC
	JM
	TT
	FF
62269	CS
	TM
	OM
	MH
	HS
	SD
	JG
	LV
	TS
	GR
	JB
	JG
	TT
	CD
	NH
	IS
	LL
	RS
	TC
	DR
	RK
	MJ
	JP
	BB

**Section IV, Project Scope, Utilization, and Unfinished/Shell Space**  
**Criterion 1110.234(a), Size of the Project**

The Applicants propose to establish a 12-station dialysis facility. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard is 360-520 gross square feet per dialysis station for a total of 4,320 to 6,240 gross square feet for 12 dialysis stations. The total gross square footage of the proposed dialysis facility is 6,482 gross square feet. Accordingly, proposed Facility exceeds the State standard.

<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	6,482	4,320 – 6,240	242	Above

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**Section IV, Project Scope, Utilization, and Unfinished/Shell Space**  
**Criterion 1110.234(b), Project Services Utilization**

By the second year of operation, annual utilization at the proposed facility shall exceed HFSRB's utilization standard of 80%. Pursuant to Section 1100.1430 of the HFSRB's rules, facilities providing in-center hemodialysis should operate their dialysis stations at or above an annual utilization rate of 80%, assuming three patient shifts per day per dialysis station, operating six days per week. MNHA, the primary referring group, is currently treating 193 Stage 4 and 37 Stage 5 CKD patients whose condition is advancing to ESRD and who will likely require dialysis within the next 12 to 18 months. Assuming a 35% attrition rate due to death, transplant, relocation or return of function, MNHA projects 150 patients will initiate in-center hemodialysis treatment. Approximately 60, or 40%, of those patients will be referred to the proposed project within the first year after project completion. The remaining patients will be referred to existing facilities in the GSA.

<b>Table 1110.234(b)</b>					
<b>Utilization</b>					
	<b>Dept./ Service</b>	<b>Historical Utilization (Treatments)</b>	<b>Projected Utilization</b>	<b>State Standard</b>	<b>Met Standard?</b>
<b>Year 1</b>	ESRD	N/A	9,360	8,986	Yes
<b>Year 2</b>	ESRD	N/A	9,360	8,986	Yes

**Section IV, Project Scope, Utilization, and Unfinished/Shell Space**  
**Criterion 1110.234(c), Unfinished or Shell Space**

This project will not include unfinished space designed to meet an anticipated future demand for service. Accordingly, this criterion is not applicable.

**Section IV, Project Scope, Utilization, and Unfinished/Shell Space**  
**Criterion 1110.234(d), Assurances**

This project will not include unfinished space designed to meet an anticipated future demand for service. Accordingly, this criterion is not applicable.

**Section VII, Service Specific Review Criteria**  
**In-Center Hemodialysis**  
**Criterion 1110.1430, In-Center Hemodialysis Projects – Review Criteria**

1. Planning Area Need

The Applicants propose to establish a 12-station dialysis facility to be located at 1095 North Green Mount Road, Shiloh, Illinois. The proposed facility will be located in HSA 11. Based upon the HFSRB's latest need determination, there is a need for 2 dialysis stations in HSA 11. As shown in Table 1110.1430(b) below, average utilization at existing facilities within the GSA is currently 74% percent, and four of the five facilities are at or near the State's 80% utilization standard. The existing facilities cannot accommodate rising demand for dialysis treatment in the Shiloh community. In fact, the existing facilities are only able to collectively accommodate 38 additional patients. As stated throughout this application, MNHA expects 150 patients to initiate dialysis within the next 12 to 18 months. While many of these patients will be referred to existing facilities in the GSA, sufficient capacity in the GSA does not exist to accommodate all of the projected referrals. Therefore, a new facility is needed to accommodate growing demand for dialysis.

<b>Facility</b>	<b>City</b>	<b>Distance</b>	<b>Time</b>	<b>Stations</b>	<b>Patients</b>	<b>Utilization</b>
RAI - Fairview Heights	Fairview Heights	4 mi	6 min	20	91	76%
Metro East Dialysis	Belleville	7 mi	11 min	36	163	75%
Sauget Dialysis	Sauget	16 mi	18 min	16	77	80%
Maryville Dialysis	Maryville	21 mi	24 min	12	59	82%
Granite City Dialysis	Granite City	23 mi	30 min	20	73	61%
<b>Total Utilization – Existing Facilities</b>				<b>104</b>	<b>463</b>	<b>74%</b>

2. Service to Planning Area Residents

The primary purpose of the proposed project is to maintain access to life-sustaining dialysis services to the residents of Shiloh. As evidenced in the physician referral letter at Attachment – 26A, MNHA is currently treating 193 Stage 4 and 37 Stage 5 CKD patients, whose conditions are advancing to ESRD and will likely require dialysis within the next 12 to 18 months. Based upon a conservative 35% attrition rate due to transplant, return of function, death, or relocation, 150 Stage 4 and Stage 5 CKD patients will require dialysis within the next 12 to 18 months. There is no viable alternative to serve all of these patients. Therefore the establishment of Shiloh Dialysis is necessary to provide access to life-sustaining dialysis to residents of Shiloh and its surrounding communities.

3. Service Demand

Attached at Attachment – 26A is a physician referral letter from MNHA and a schedule of pre-ESRD patients by zip code as well as historical referrals. While MNHA is currently treating 230 pre-ESRD patients, 127 of these pre-ESRD patients have been identified as potential referrals to the proposed Shiloh facility. The remaining pre-ESRD patients will be referred to existing facilities within the GSA. A summary of Stage 4 and Stage 5 CKD patients projected to be referred to the proposed dialysis facility within the first two years after project completion is provided in Table 1110.1430(b)(3)(B) on the following page.

<b>Table 1110.1430(b)(3)(B) Projected Patient Referrals by Physician &amp; Zip Code</b>	
<b>Zip Code</b>	<b>Patients</b>
62269	24
62208	17
62221	33
62226	53
<b>Total</b>	<b>127</b>

4. Service Accessibility

As set forth throughout this application, there are currently five existing dialysis facilities within 30 minutes of the proposed facility. As shown in Table 1110.1430(b), average utilization at these facilities is currently 74% and four of the five facilities are at or near the State's 80% utilization standard. The existing facilities cannot collectively accommodate projected patient demand. In fact, the facilities can only collectively accommodate 38 additional patients. MNHA is currently treating 230 Stage 4 and Stage 5 CKD patients, 150 of which are expected to initial dialysis within the next 12 to 18 months. This far exceeds any excess capacity at the existing facilities. Additionally, Granite City Dialysis, the only facility operating significantly below the State standard, is located 30 minutes from the proposed facility, which is not a viable option, for many patients within the proposed facility's GSA. Accordingly, a new dialysis facility is needed to improve access to dialysis services to residents of Shiloh.

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**Midwest Nephrology and Hypertension Associates**  
4550 Memorial Drive, Suite 360  
Medical Office Center – One  
Belleville, Illinois 62226

September 15, 2011

Dale Galassie  
Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

Dear Chairman Galassie:

I am a nephrologist in practice with Midwest Nephrology and Hypertension Associates ("Midwest Nephrology"). I am writing on behalf of Midwest Nephrology in support of DaVita's proposed establishment of a 12-station dialysis facility to be located at 1095 North Green Mount Road, Shiloh, Illinois (the "Proposed Facility"). Utilization of existing dialysis facilities located within 30 minutes normal travel time of the Proposed Facility is quickly approaching the State Board's 80% utilization standard. Based upon data submitted to The Renal Network, average utilization of these existing dialysis facilities has increased 4% over the last year. Based upon the current obesity epidemic and the aging population in and around Shiloh, we anticipate demand for dialysis to continue to increase. A new 12-station dialysis facility will increase access to dialysis services to our practice's growing end stage renal disease ("ESRD") patient population.

Midwest Nephrology is currently treating 402 ESRD patients. Over the past three years Midwest Nephrology referred 424 ESRD patients for dialysis: 64 patients in 2008, 130 ESRD patients in 2009, and 149 ESRD patients in 2010. Through July 2011, Midwest Nephrology has referred 81 new ESRD patients for dialysis. The total number of patients treated by facility and zip code of residence for the most recent three years as reported to The Renal Network is attached hereto at Attachment 1.

Additionally, Midwest Nephrology is currently treating 230 stage 4 and Stage 5 pre-ESRD patients that reside in and around Shiloh. While we will continue to refer patients to existing facilities in the area, we have identified 127 pre-ESRD patients as potential referrals to the proposed Shiloh facility. We conservatively estimate 60 patients (or less 50% of these pre-ESRD patients) will be referred to the Proposed Facility. A list of these pre-ESRD patients by initials and zip code is attached hereto as Attachment 2. No patients will be transferred from other area providers to the Proposed Facility.

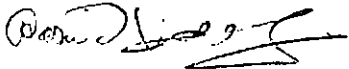
These patient referrals have not been used to support another pending or approved certificate of need application.

Attachment – 26A

The information in this letter is true and correct to the best of my knowledge.

I support the proposed establishment of Shiloh Dialysis.

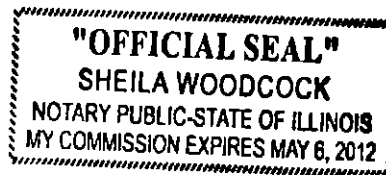
Sincerely,



Rashid Dalal, M.D.  
Midwest Nephrology and Hypertension Associates  
4550 Memorial Drive, Suite 360  
Medical Office Center – One  
Belleville, Illinois 62226

Subscribed and sworn to me  
This 7<sup>th</sup> day of OCTOBER, 2011

  
Notary Public



**ATTACHMENT 1  
HISTORICAL REFERRALS**

<b>Facility</b>	<b>Zip Code</b>	<b>2008 Patients</b>	<b>2009 Patients</b>	<b>2010 Patients</b>	<b>2011 Patients</b>
<b>DaVita Sauget</b>					
Dalal	60302	0	0	1	0
	62059	0	0	1	0
	62201	1	0	1	1
	62203	4	1	0	1
	62204	1	1	4	3
	62205	3	2	4	1
	62206	3	5	5	4
	62207	5	1	2	0
	62208	1	0	0	0
	62221	1	2	0	0
	62223	1	0	1	0
	62226	1	0	0	0
	62232	0	1	0	0
	62236	0	1	1	0
	62239	0	0	0	1
	62801	0	0	0	1
<b>Total - Dalal</b>		<b>21</b>	<b>14</b>	<b>20</b>	<b>12</b>
<b>Bashiruddin</b>					
	62203	1	0	0	0
	62090	0	1	0	0
	62204	0	0	2	1
	62205	0	2	0	0
	62206	1	1	2	1
	62207	0	0	2	0
	62221	0	0	1	0
	62223	1	0	0	0
<b>Total - Bashiruddin</b>		<b>3</b>	<b>4</b>	<b>7</b>	<b>2</b>
<b>Total - DaVita Sauget</b>		<b>24</b>	<b>18</b>	<b>27</b>	<b>14</b>
<b>DaVita Metro East</b>					
Dalal	62060	0	1	0	0
	62201	0	1	1	1
	62202	0	1	0	0
	62203	4	0	6	3
	62204	0	1	0	2
	62205	2	0	0	1
	62206	0	1	3	0
	62207	0	2	1	4
	62208	0	0	1	0
	62220	0	2	3	0
	62221	2	2	5	4
	62223	0	3	4	2

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Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62226	0	3	9	12
	62230	0	1	0	0
	62232	0	0	1	0
	62234	0	0	1	0
	62243	0	0	2	1
	62249	0	1	1	0
	62254	1	0	0	0
	62255	0	1	0	0
	62257	0	1	1	0
	62258	0	0	0	1
	62260	0	1	1	0
	62264	0	0	1	0
	62265	0	0	1	0
	62269	2	0	3	3
	62278	0	0	0	1
	62298	0	0	1	0
<b>Total - Dalal</b>		<b>11</b>	<b>22</b>	<b>46</b>	<b>35</b>
<b>Bashiruddin</b>					
	62201	0	0	1	0
	62203	1	0	0	0
	62206	0	2	1	0
	62208	0	2	0	0
	62220	0	1	0	0
	62221	0	2	0	1
	62223	0	0	1	2
	62226	0	1	1	1
	62257	0	2	0	0
	62260	0	1	0	0
	62264	0	1	0	0
	62269	0	0	1	0
	62285	0	0	2	0
	62298	0	1	0	0
<b>Total - Bashiruddin</b>		<b>1</b>	<b>13</b>	<b>7</b>	<b>4</b>
<b>Wendland</b>					
	62040	0	0	1	0
	62201	0	0	1	0
	62202	0	0	1	0
	62203	1	0	2	0
	62205	0	0	1	0
	62206	0	0	2	0
	62207	0	0	1	1
	62208	0	0	3	0
	62220	0	0	2	0
	62221	0	1	9	1
	62223	0	1	6	0
	62226	0	0	2	0
	62232	0	0	1	0

Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62234	0	0	0	1
	62243	0	0	2	1
	62258	0	0	3	1
	62260	0	0	0	1
	62264	0	0	1	0
	62269	0	0	3	0
	63138	0	0	0	1
<b>Total - Wendland</b>		<b>1</b>	<b>2</b>	<b>41</b>	<b>7</b>
<b>Total - DaVita Metro East</b>		<b>13</b>	<b>37</b>	<b>94</b>	<b>46</b>
<b>DaVita Granite City</b>					
Dalal	62059	0	1	0	0
	62040	3	6	3	4
	62060	1	1	0	0
	62090	0	1	0	0
	62201	0	0	1	2
	62203	0	1	0	0
	62206	0	1	0	0
	62220	0	1	0	0
	62257	0	2	0	0
<b>Total - Dalal</b>		<b>4</b>	<b>14</b>	<b>4</b>	<b>6</b>
<b>Bashiruddin</b>					
	62204	0	1	0	0
	62040	0	3	0	1
	62060	0	2	0	0
	62090	0	1	0	0
	62201	0	1	0	0
	62205	0	1	0	0
<b>Total - Bashiruddin</b>		<b>0</b>	<b>9</b>	<b>0</b>	<b>1</b>
<b>Total - DaVita Granite City</b>		<b>4</b>	<b>23</b>	<b>4</b>	<b>7</b>
<b>DaVita Maryville</b>					
Dalal	62002	0	0	0	1
	62040	0	1	0	0
	62088	0	0	0	3
	62202	0	1	0	0
	62234	1	0	0	0
	62281	0	0	1	0
	62294	0	0	1	0
<b>Total - Dalal</b>		<b>1</b>	<b>2</b>	<b>2</b>	<b>4</b>
<b>Total - DaVita Maryville</b>		<b>1</b>	<b>2</b>	<b>2</b>	<b>4</b>
<b>DaVita Edwardsville</b>					
Bashiruddin	62234	0	1	0	0
<b>Total - DaVita Edwardsville</b>		<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
<b>RAI Fairview Heights</b>					
Dalal	62040	1	0	0	0
	62203	1	0	0	0
	62204	1	0	0	0
	62206	0	1	0	0
	62208	0	0	0	1
	62220	0	0	1	0
	62221	1	0	0	1
	62223	0	0	2	0
	62226	2	0	1	0
	62232	1	0	1	0
	62234	1	1	0	0
	62254	0	1	1	0
	62257	0	1	1	0
	62258	0	0	0	1
	62260	1	0	0	0
	63115	0	1	0	0
<b>Total - Dalal</b>		<b>9</b>	<b>5</b>	<b>7</b>	<b>3</b>
<b>Bashiruddin</b>					
	62040	0	1	0	0
	62201	1	0	0	0
	62203	0	2	1	0
	62204	0	1	0	1
	62205	0	2	1	0
	62207	0	3	2	0
	62208	0	5	0	0
	62220	0	1	2	0
	62221	0	4	0	0
	62223	0	0	0	1
	62226	0	3	0	1
	62232	0	1	0	0
	62234	1	2	0	0
	62269	0	2	3	0
<b>Total - Bashiruddin</b>		<b>2</b>	<b>27</b>	<b>9</b>	<b>3</b>
<b>Total - RAI Fairview Heights</b>		<b>11</b>	<b>32</b>	<b>16</b>	<b>6</b>
<b>RAI Breese</b>					
Dalal	62249	1	0	0	0
	62269	2	0	0	0
<b>Total - Dalal</b>		<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Bashiruddin</b>					
	62215	0	0	1	0
	62216	0	1	0	0
	62226	0	1	0	0
	62230	1	1	0	0
	62231	0	3	0	2

Facility	Zip Code	2008 Patients	2009 Patients	2010 Patients	2011 Patients
	62245	0	1	0	0
	62249	0	0	1	1
	62257	0	1	0	0
	62258	0	2	0	0
	62265	0	0	0	1
	62269	0	4	0	0
	62293	0	0	1	0
	62801	0	0	1	0
<b>Total - Bashiruddin</b>		<b>1</b>	<b>14</b>	<b>4</b>	<b>4</b>
<b>Total RAI Breese</b>		<b>4</b>	<b>14</b>	<b>4</b>	<b>4</b>
<b>BJC PD</b>					
Dalal	62040	2	0	0	0
	62203	0	1	0	0
	62206	1	0	0	0
	62221	1	0	0	0
	62226	1	0	0	0
	62232	0	1	0	0
	62254	1	1	0	0
	62269	0	0	1	0
<b>Total - Dalal</b>		<b>6</b>	<b>3</b>	<b>1</b>	<b>0</b>
Bashiruddin	62258	0	0	1	0
<b>Total - BJC PD</b>		<b>6</b>	<b>3</b>	<b>2</b>	<b>0</b>
<b>DaVita St. Louis</b>					
Dalal	62254	1	0	0	0
<b>Total - DaVita St. Louis</b>		<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>		<b>64</b>	<b>130</b>	<b>149</b>	<b>81</b>

**ATTACHMENT 2  
PRE-ESRD PATIENTS**

Zip Code	Initials
62208	ET
	BM
	TS
	JK
	BM
	FH
	MF
	AM
	CT
	MM
	HJ
	DJ
	LD
	MP
	JS
	MW
62221	DS
	LB
	SG
	WW
	PM
	CK
	JE
	CL
	BB
	CH
	NJ
	EJ
	JD
	LW
	BF
	MM
	BM
	WM
	DP
	HK
	AB
	HW
	CK
	JO
WF	
RM	
DM	
CB	

Zip Code	Initials
	ML
	NS
	PC
	JE
	JH
	JM
62226	MH
	EP
	RJ
	MM
	GW
	FB
	MR
	EP
	RS
	BL
	MS
	DJ
	LW
	SS
	MW
	DC
	HF
	LM
	AB
	LM
	RH
	JB
	AM
	PB
	RS
	DK
	JT
	CJ
	CH
	TL
	FG
	AH
	MB
	DR
MN	
ET	
JM	
AF	
RB	
AG	
PM	

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Zip Code	Initials
	CW
	ML
	BM
	IS
	QU
	MA
	GW
	LH
	PC
	JM
	TT
	FF
62269	CS
	TM
	OM
	MH
	HS
	SD
	JG
	LV
	TS
	GR
	JB
	JG
	TT
	CD
	NH
	IS
	LL
	RS
	TC
	DR
	RK
	MJ
	JP
	BB

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**Section VII, Service Specific Review Criteria**  
**In-Center Hemodialysis**  
**Criterion 1110.1430(c), Unnecessary Duplication/Maldistribution**

1. Unnecessary Duplication of Services

- a. The proposed dialysis facility will be located at 1095 North Green Mount Road, Shiloh, Illinois. A map of the proposed facility's market area is attached at Attachment – 26B. A list of all zip codes located, in total or in part, within 30 minutes normal travel time of the site of the proposed dialysis facility as well as 2010 census figures for each zip code is provided in Table 1110.1430(c)(1)(A).

<b>Table 1110.1430(c)(1)(A)</b>		
<b>Population of Zip Codes within 30 Minutes of Proposed Facility</b>		
<b>Zip Code</b>	<b>City</b>	<b>Population</b>
62025	EDWARDSVILLE	33,748
62034	GLEN CARBON	13,819
62040	GRANITE CITY	43,735
62048	HARTFORD	1,459
62059	LOVEJOY	746
62060	MADISON	4,847
62061	MARINE	1,718
62062	MARYVILLE	7,658
62084	ROXANA	1,606
62087	SOUTH ROXANA	2,087
62090	VENICE	1,189
62201	EAST SAINT LOUIS	7,547
62203	EAST SAINT LOUIS	8,209
62204	EAST SAINT LOUIS	7,960
62205	EAST SAINT LOUIS	9,329
62206	EAST SAINT LOUIS	16,509
62207	EAST SAINT LOUIS	8,750
62208	FAIRVIEW HEIGHTS	17,376
62214	ADDIEVILLE	1,229
62215	ALBERS	1,872
62216	AVISTON	2,526
62217	BALDWIN	807
62218	BARTELSON	1,481
62220	BELLEVILLE	20,504
62221	BELLEVILLE	27,858
62223	BELLEVILLE	17,560
62225	SCOTT AIR FORCE BASE	5,381
62226	BELLEVILLE	29,744
62230	BREESE	6,194
62232	CASEYVILLE	7,260
62234	COLLINSVILLE	33,430
62236	COLUMBIA	12,562
62239	DUPO	4,954
62240	EAST CARONDELET	1,966

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<b>Table 1110.1430(c)(1)(A) Population of Zip Codes within 30 Minutes of Proposed Facility</b>		
<b>Zip Code</b>	<b>City</b>	<b>Population</b>
62243	FREEBURG	5,910
62245	GERMANTOWN	1,794
62248	HECKER	320
62249	HIGHLAND	15,971
62254	LEBANON	6,089
62255	LENZBURG	1,001
62257	MARISSA	3,214
62258	MASCOUTAH	9,199
62260	MILLSTADT	7,290
62264	NEW ATHENS	3,338
62265	NEW BADEN	4,353
62266	NEW MEMPHIS	254
62269	O FALLON	31,348
62271	OKAWVILLE	2,077
62273	PIERRON	426
62278	RED BUD	6,690
62281	SAINT JACOB	2,155
62282	SAINT LIBORY	471
62285	SMITHTON	4,484
62289	SUMMERFIELD	350
62292	TILDEN	947
62293	TRENTON	4,748
62294	TROY	14,367
62298	WATERLOO	16,609
<b>Total</b>		<b>507,025</b>

Source: U.S. Census Bureau, Census 2010, American Factfinder available at <http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk> (last visited Sept. 22, 2011).

- b. A list of all existing and approved dialysis facilities located within 30 minutes of the proposed facility is provided in Table 1110.1430(c)(1)(C). A map of all existing and approved facilities is attached at Attachment – 26B.

<b>Table 1110.1430(c)(1)(C) Existing Facilities within 30 Minutes for Proposed Facility</b>					
<b>Facility</b>	<b>Address</b>	<b>City</b>	<b>Zip</b>	<b>Distance</b>	<b>Time</b>
RAI - Fairview Heights	821 Lincoln Highway	Fairview Heights	62208	4 mi	6 min
Metro East Dialysis	5105 West Main Street	Belleville	62226	7 mi	11 min
Sauget Dialysis	2300 Goose Lake Road	Sauget	62206	16 mi	18 min
Maryville Dialysis	2130 Vadalaberne Drive	Maryville	62062	21 mi	24 min
Granite City Dialysis	9 American Village	Granite City	62040	23 mi	30 min

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2. Maldistribution of Services

The proposed dialysis facility will not result in a maldistribution of services. A maldistribution exists when an identified area has an excess supply of facilities, stations, and services characterized by such factors as, but not limited to: (1) ratio of stations to population exceeds one and one-half times the State Average; (2) historical utilization for existing facilities and services is below the HFSRB's utilization standard; or (3) insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above utilization standards.

a. Ratio of Stations to Population

As shown in Table 1110.1430(c)(2)(A), the ratio of stations to population is 72.87% of the State Average.

<b>Table 1110.1430(c)(2)(A) Ratio of Stations to Population</b>			
	<b>Population</b>	<b>Dialysis Stations</b>	<b>Stations to Population</b>
Geographic Service Area	507,025	104	1:4,875
State	12,830,632	3,657	1:3,508

b. Historic Utilization of Existing Facilities

As shown in Table 1110.1430(c)(2)(A) below, average utilization of existing facilities is 74%.

<b>Table 1110.1430(c)(2)(A) Utilization of Existing Facilities in GSA</b>						
<b>Facility</b>	<b>City</b>	<b>Distance</b>	<b>Time</b>	<b>Stations</b>	<b>Patients</b>	<b>Utilization</b>
RAI - Fairview Heights	Fairview Heights	4 mi	6 min	20	91	76%
Metro East Dialysis	Belleville	7 mi	11 min	36	163	75%
Sauget Dialysis	Sauget	16 mi	18 min	16	77	80%
Maryville Dialysis	Maryville	21 mi	24 min	12	59	82%
Granite City Dialysis	Granite City	23 mi	30 min	20	73	61%
<b>Total Utilization - Existing Facilities</b>				<b>104</b>	<b>463</b>	<b>74%</b>

c. Sufficient Population to Achieve Target Utilization

The Applicants propose to establish a 12-station dialysis facility. To achieve the HFSRB's 80% utilization standard within the first two years after project completion, the Applicants would need 58 patient referrals. As evidenced in the physician referral letter at Attachment - 26A, MNHA is currently treating 193 Stage 4 and 37 Stage 5 CKD patients, whose conditions are advancing to ESRD and will likely require dialysis within the next 12 to 18 months. Based upon a very conservative 35% attrition rate due to transplant, return of function, death, or relocation, 150 Stage 4 and Stage 5 CKD patients will require dialysis within the next 12 to 18 months. Accordingly, there is sufficient volume to justify the proposed facility.

3. Impact to Other Providers

- a. The proposed dialysis facility will not have an adverse impact on existing facilities in the GSA. As discussed throughout this application, the existing facilities can only collectively accommodate 38 additional patients, and MNHA projects 150 of its pre-ESRD patients will initiate dialysis within the next 12 to 18 months. While many of these patients will be referred

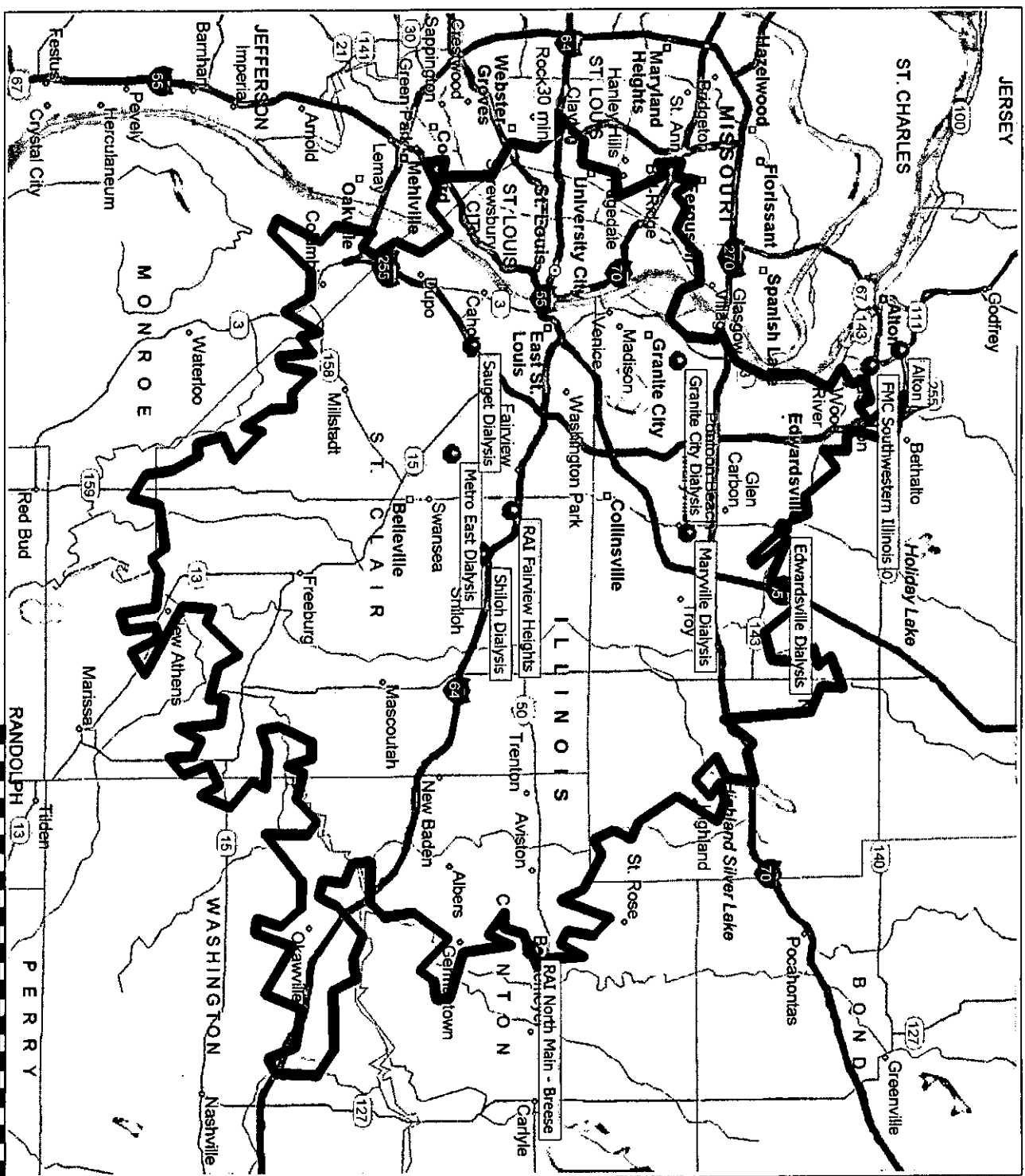
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to existing facilities, sufficient capacity in the GSA does not exist to accommodate all of the projected referrals.

- b. The proposed facility will not lower the utilization of other area providers that are operating below the occupancy standards. As set forth above, MNHA projects it will refer 150 pre-ESRD patients for dialysis within the next 12 to 18 months. While many of these patients will be referred to existing facilities, including those that are operating below the State's 80% utilization standard, sufficient capacity in the GSA does not exist to accommodate all of the projected referrals.

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# Shiloh GSA Map



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**Section VII, Service Specific Review Criteria**  
**In-Center Hemodialysis**  
**Criterion 1110.1430(e), Staffing**

1. The proposed facility will be staffed in accordance with all State and Medicare staffing requirements.
  - a. Medical Director: Rashid A. Dalal, M.D. will serve as the Medical Director for the proposed facility. A copy of Dr. Dalal's curriculum vitae is attached at Attachment – 26C.
  - b. Other Clinical Staff: Initial staffing for the proposed facility will be as follows:
    - Administrator
    - Registered Nurse
    - Patient Care Technician
    - Biomedical Technician
    - Administrative Assistant
    - Social Worker
    - Registered Dietitian

As patient volume increases, nursing and patient care technician staffing will increase accordingly to maintain a ratio of at least one direct patient care provider for every 4 ESRD patients. At least one registered nurse will be on duty while the facility is in operation.

2. All staff will be training under the direction of the proposed facility's Governing Body, utilizing DaVita's comprehensive training program. DaVita's training program meets all State and Medicare requirements. The training program includes introduction to the dialysis machine, components of the hemodialysis system, infection control, anticoagulation, patient assessment/data collection, vascular access, kidney failure, documentation, complications of dialysis, laboratory draws, and miscellaneous testing devices used. In addition, it includes in-depth theory on the structure and function of the kidneys; including, homeostasis, renal failure, ARF/CRF, uremia, osteodystrophy and anemia, principles of dialysis; components of hemodialysis system; water treatment; dialyzer reprocessing; hemodialysis treatment; fluid management; nutrition; laboratory; adequacy; pharmacology; patient education, and service excellence. A summary of the training program is attached at Attachment – 26D.
3. As set forth in the letter from Tom Usilton, Senior Vice President of DaVita Inc. and Total Renal Care, Inc. attached at Attachment – 26E, Shiloh Dialysis will maintain an open medical staff.

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# Curriculum Vitae

## Rashid A. Dalal, M.D.

### EMPLOYMENT

#### PRESENT EMPLOYMENT

Rashid A. Dalal, MD PC dba Midwest NHA  
Nephrology Partner

January 2009-Present  
4550 Memorial Drive, Ste. 360  
Belleville, IL 62226

DavitaSauget Dialysis Unit  
Medical Director

November 1997-Present  
2061 Goose Lake Drive  
Sauget, IL 62206

Davita Metro East Dialysis Unit  
Medical Director

June 1, 2010 - Present  
5105 W Main St  
Belleville, IL 62226

#### PAST EMPLOYMENT

Rashid A. Dalal, MD, PC  
Solo Practice/Nephrologist

October 1998-December 2008  
4550 Memorial Drive, Ste. 480  
Belleville, IL 62226

Catherine Kasper Center  
Internal Medicine & Nephrology

February 1996-September 1998  
129 North 8th Street  
East St. Louis, IL 62221

Complete Health Center  
Internal Medicine & Nephrology

October 1995-February 1996  
129 North 8th Street  
East St. Louis, IL 62221

Locum Tenens  
General Practice

September 1987-December 1987  
Lusaka, Zambia

### EDUCATION

#### FELLOWSHIP

Saint Louis University Hospital  
Nephrology

1993-1995  
3635 Vista at Grand, St. Louis, MO 63110

#### RESIDENCY

Saint Luke's Hospital  
Internal Medicine

1990-1993  
222 S Woods Mill Rd, Chesterfield, MO 63017

Prince Charles and St. Tydfil's Hospitals  
Internal Medicine and Geriatric Medicine

1988-1989  
MerthyrTydfil, Wales, United Kingdom

#### INTERNSHIP

Ndola Central and Arthur Davison Hospitals  
Ndola, Zambia

1985-1986

Attachment - 26C

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**PROFESSIONAL**

University of Zambia School of Medicine  
Bachelor of Medicine, Bachelor of Surgery  
MBChB

1978-1985  
Lusaka, Zambia

University of Zambia School of Natural Sciences  
Bachelor of Science on Human Biology  
BSc

Lusaka, Zambia

ECFMG

1987

**CURRENT HOSPITAL PRIVILEGES**

Memorial Hospital	Belleville, IL	Active
St. Elizabeth's Hospital	Belleville, IL	Active
Gateway Regional Medical Center	Granite City, IL	Active
Touchette Regional Hospital	Centreville, IL	Active
St. Joseph's Hospital	Breese, IL	Active
Gambro Health Care Dialysis Center	Fairview Heights, IL	Active
Davita Dialysis Center	Belleville, IL	Active
Maryville Dialysis Unit	Maryville, IL	Active

**LICENSURE AND CERTIFICATION**

**CERTIFICATION**

Board Certified, Nephrology, American Board of Internal Medicine  
Board Certified, Internal Medicine, American Board of Internal Medicine  
Licentiate of the Royal College of Physicians (LRCP)  
Member of the Royal College of Surgeons (MRCS), UK  
FLEX

**ACTIVE LICENSES**

Illinois Medical	036.090043
DEA	BD3901724
Illinois Controlled Substance	336.051748
Missouri Medical	103192
Missouri BNDD	14495
NPI	1265434815

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## **PROGRAM DESCRIPTION**

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### **Introduction to Program**

The Hemodialysis Education and Training Program is grounded in DaVita's Core Values. These core values include a commitment to providing *service excellence*, promoting *integrity*, practicing a *team* approach, systematically striving for *continuous improvement*, practicing *accountability*, and experiencing *fulfillment and fun*.

The Hemodialysis Education and Training Program is designed to provide the new teammate with the necessary theoretical background and clinical skills necessary to function as a competent hemodialysis patient care provider.

DaVita hires both non-experienced and experienced teammates.

A **non-experienced teammate** is defined as:

- A newly hired patient care teammate without prior dialysis experience.
- A rehired patient care teammate who left prior to completing the initial training.

An **experienced teammate** is defined as:

- A newly hired patient care teammate with prior dialysis experience as evidenced by successful completion of a competency exam.
- A rehired patient care teammate who left and can show proof of completing their initial training.

The curriculum of the Hemodialysis Education and Training Program is modeled after the American Nephrology Nurses Association Core Curriculum for Nephrology Nursing and the Board of Nephrology Examiners Nursing and Technology guidelines.

The program incorporates the policies, procedures, and guidelines of DaVita Inc.

The new teammate will be provided with a "StarTracker". The "StarTracker" is a tool that will help guide the training process while tracking progress. The facility administrator and preceptor will review the Star Tracker to plan and organize the training and professional development of the new teammate. The Star Tracker will guide the new teammate through the initial phase of training and then through the remainder of their first year with DaVita, thus increasing their knowledge of all aspects of dialysis. It is designed to be used in conjunction with the "My Learning Plan Workbooks."

### **Program Description**

- The education program for the newly hired patient care provider teammate **without prior dialysis experience** is composed of at least (1) 120 hours didactic instruction and (2) 280 hours clinical practicum, unless otherwise specified by individual state regulations.

The **didactic phase** consists of instruction including but not limited to lectures, readings, self-study materials, on-line learning activities, specifically designed hemodialysis



workbooks for the teammate, demonstrations and observations. This education may be coordinated by the Clinical Services Specialist (CSS), the administrator, or the preceptor. This training includes introduction to the dialysis machine, components of the hemodialysis system, dialysis delivery system, principles of hemodialysis, infection control, anticoagulation, patient assessment/data collection, vascular access, kidney failure, documentation, complications of dialysis, laboratory draws, and miscellaneous testing devices used, introduction to DaVita Policies and Procedures, and introduction to the Amgen Core Curriculum.

The **didactic phase** also includes classroom training with the Clinical Services Specialist, which covers more in-depth theory on structure and functions of the kidneys. This includes homeostasis, renal failure ARF/CRF, uremia, osteodystrophy and anemia, principles of dialysis, components of the hemodialysis system, water treatment, dialyzer reprocessing, hemodialysis treatment (which includes machine troubleshooting and patient complications), documentation, complication case studies, heparinization and anticoagulation, vascular access (which includes vascular access workshop), patient assessment (including workshop), fluid management with calculation workshop, nutrition, laboratory, adequacy, pharmacology, patient teaching/adult learning, service excellence (which includes professionalism, ethics and communications).

A final comprehensive examination score of  $\geq 80\%$  must be obtained to successfully complete this portion of the didactic phase. If a score of less than 80% is attained, the teammate will receive additional appropriate remediation and a second exam will be given.

Also included in the **didactic phase** is additional classroom training covering Health and Safety Training, DaVita Virtual Training Program (which includes 21 hours of computer training classes), One For All orientation training, HIPAA training, LMS mandatory water classes, emergency procedures specific to facility, location of disaster supplies, and orientation to the unit.

Included in the **didactic phase** for nurses is additional classroom training. The didactic phase includes:

- The role of the dialysis nurse in the facility
- Pharmacology for nurses
- Outcomes management
- Patient assessment for the dialysis nurse.

The **clinical practicum phase** consists of supervised clinical instruction provided by the facility preceptor, a registered nurse, or the clinical services specialist (CSS). During this phase the teammate will demonstrate a progression of skills required to perform the hemodialysis procedures in a safe and effective manner. A *Procedural Skills Inventory Checklist* will be completed to the satisfaction of the preceptor and the administrator.

The clinical hemodialysis workbooks will also be utilized for this training and must be completed to the satisfaction of the preceptor and the administrator.

Those teammates who will be responsible for the Water Treatment System within the facility are required to complete the Mandatory LMS Educational Water courses and the corresponding skills checklists.

Both the didactic phase and/or the clinical practicum phase of a specific skill set will be successfully completed prior to the new teammate receiving an independent assignment for that specific skill set. The new teammate is expected to attend all training sessions and complete all assignments and workbooks.

- The education program for the newly hired patient care provider teammate **with previous dialysis experience** is individually tailored based on the identified learning needs. The initial orientation to the *Health Prevention and Safety Training* will be successfully completed prior to the new teammate working/receiving training in the clinical area. The *Procedural Skills Inventory Checklist* including verification of review of applicable policies and procedures will be completed by the preceptor, a registered nurse, and/or the clinical services specialist (CSS) and the new teammate upon demonstration of an acceptable skill-level. The new teammate will also utilize the hemodialysis training workbook and progress at their own pace. This workbook should be completed within a timely manner as to also demonstrate acceptable skill-level.

The *Initial Competency Exam* will be completed; a score of  $\geq 80\%$  or higher is required prior to the new teammate receiving an independent patient-care assignment. If the new teammate receives a score of less than 80%, this teammate will receive theory instruction pertaining to the area of deficiency and a second competency exam will then be given. If the new teammate receives a score of less than 80% on the second exam, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate.

Following completion of the training, a *Verification of Competency* form will be completed (see forms TR1-06-05, TR1-06-06). In addition to the above, further training and/or certification will be incorporated as applicable by state law.

The goal of the program is for the trainee to successfully meet all training requirements. Failure to meet this goal is cause for dismissal from the training program and subsequent termination by the facility.

### **Process of Program Evaluation**

The Hemodialysis Education Program utilizes various evaluation tools to verify program effectiveness and completeness. Key evaluation tools include the, DaVita Prep Class Evaluation (TR1-06-08), the New Teammate Satisfaction Survey on the LMS and random surveys of facility administrators to determine satisfaction of the training program. To assure continuous



1551 Wewatta Street  
Denver, CO 80202  
Tel: (303) 405-2100  
www.davita.com

September 29, 2011

Dale Galassie  
Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

**Re: Certification of Support Services**

Dear Chairman Galassie:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1110.1430(f) that Shiloh Dialysis will maintain an open medical staff.

I also certify the following with regard to needed support services:

- DaVita participates in a dialysis data system;
- Shiloh Dialysis will have available all needed support services consisting of clinical laboratory service, blood bank, nutrition, rehabilitation, psychiatric services, and social services; and
- Patients will have access to training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training, which will be provided either at Shiloh Dialysis or through a signed, written agreement for these services with another facility.

Sincerely,

Tom Usilton  
Senior Vice President  
DaVita Inc.  
Total Renal Care, Inc.

Subscribed and sworn to me  
This 29 day of September,  
2011

Notary Public

Vivian Lea Rhodes  
Notary Public  
DeKalb County, Georgia  
My Commission Expires April 24, 2015

Attachment – 26E

**Section VII, Service Specific Review Criteria**  
**In-Center Hemodialysis**  
**Criterion 1110.1430(f), Support Services**

Attached at Attachment – 26E is a letter from Tom Usilton, Senior Vice President of DaVita Inc. attesting that Shiloh Dialysis will participate in a dialysis data system, make support services available to patients, and provide access to training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training.

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**Section VII, Service Specific Review Criteria**  
**In-Center Hemodialysis**  
**Criterion 1110.1430(g), Minimum Number of Stations**

The minimum number of in-center hemodialysis stations for a dialysis facility located inside a Metropolitan Statistical Area is 8. Shiloh, Illinois is located in the St. Louis, MO-IL Metropolitan Statistical Area.<sup>4</sup> The Applicants propose to establish a 12-station dialysis facility to be located in Shiloh, Illinois. Accordingly, this criterion is met.

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<sup>4</sup> Peter R. Orszag, Executive Office of the President, Office of Management and Budget, OMB Bulletin No. 10-02, Update of Statistical Area Definitions and Guidance on Their Use, List 1 (Dec. 1, 2009) available at <http://www.whitehouse.gov/sites/default/files/omb/assets/bulletins/b10-02.pdf> (last visited Jul. 29, 2011).

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**Section VII, Service Specific Review Criteria**  
**In-Center Hemodialysis**  
**Criterion 1110.1430(h), Continuity of Care**

Included at Attachment – 26F is an agreement from Anderson Hospital agreeing to accept the Applicants' ESRD patients for inpatient care and other hospital services when needed.

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**FOR COMPANY USE ONLY**  
**PCN (or clinic #) #: 2414**

**PATIENT TRANSFER AGREEMENT**

**THIS PATIENT TRANSFER AGREEMENT** (the "Agreement") is made the \_\_\_ day of May, 2007 (the "Effective Date"), by and between Southwestern Illinois Health Facilities, Inc. dba Anderson Hospital (hereinafter "Hospital"), and Total Renal Care, Inc. (hereinafter "Company").

**WITNESSETH**

**WHEREAS**, the parties hereto desire to enter into this Agreement governing the transfer of patients between Hospital and the following Company clinic:

*Edwardsville Dialysis  
235 S. Buchanan  
Edwardsville, IL 62025*

**WHEREAS**, the parties hereto desire to enter into this Agreement in order to specify the rights and duties of each of the parties and to specify the procedure for ensuring the timely transfer of patients between the facilities; and

**WHEREAS**, the parties wish to facilitate the continuity of care and the timely transfer of patients and records between the facilities.

**WHEREAS**, only a patient's attending physician (not Company or the Hospital) can refer such patient to Company for dialysis treatments.

**NOW THEREFORE**, in consideration of the premises herein contained and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

**1. HOSPITAL OBLIGATIONS.** In accordance with the policies and procedures as hereinafter provided, and upon the recommendation of an attending physician, a patient of Company may be transferred to Hospital.

*4/12/07*

(a) Hospital agrees to exercise its best efforts to provide for prompt admission of patients provided that all usual, reasonable conditions of admission are met. All transfers between the facilities shall be made in accordance with applicable federal and state laws and regulations, the standards of the Joint Commission on the Accreditation of Healthcare Organizations (~~JCAHO~~) and any other applicable accrediting bodies, and reasonable policies and procedures of the facilities. Transfer record forms shall be completed in detail and signed by the physician or nurse in charge at Company and must accompany the patient to the receiving institution.

(b) Neither the decision to transfer a patient nor the decision to not accept a request to transfer a patient shall be predicated upon arbitrary, capricious or unreasonable

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discrimination or based upon the patient's inability to pay for services rendered by either facility.

## 2. COMPANY OBLIGATIONS.

(a) Upon transfer of a patient to Hospital, Company agrees:

- i. That it shall transfer any needed personal effects of the patient, and information relating to the same, and shall be responsible therefore until signed for by a representative of Hospital;
- ii. Original medical records kept by each of the parties shall remain the property of that institution; and
- iii. That transfer procedures shall be made known to the patient care personnel of each of the parties.

(b) Company agrees to transmit with each patient at the time of transfer, or in case of an emergency, as promptly as possible thereafter, an abstract of pertinent medical and other records necessary to continue the patient's treatment without interruption and to provide identifying and other information, to include:

- i. current medical findings;
- ii. diagnosis;
- iii. rehabilitation potential;
- iv. discharge summary;
- v. a brief summary of the course of treatment followed;
- vi. nursing and dietary information;
- vii. ambulating status; and
- viii. administrative and pertinent social information.

(c) Company agrees to readmit to its facilities patients who have been transferred to Hospital for medical care as clinic capacity allows. Hospital agrees to keep the administrator or designee of Company advised of the condition of the patients that will affect the anticipated date of transfer back to Company and to provide as much notice of the transfer date as possible. Company shall assign readmission priority for its patients who have been treated at Hospital and who are ready to transfer back to Company.

3. **BILLING, PAYMENT, AND FEES.** Hospital and Company each shall be responsible for billing the appropriate payor for the services it provides, respectively,



hereunder. Company shall not act as guarantor for any charges incurred while the patient is a patient in Hospital.

4. **HIPAA.** Hospital and Company agree to comply with the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Hospital and Company acknowledge and agree that from time to time, HIPAA may require modification to this Agreement for compliance purposes. Hospital and Company further acknowledge and agree to comply with requests by the other party hereto related to HIPAA.

5. **STATUS AS INDEPENDENT CONTRACTORS.** The parties acknowledge and agree that their relationship is solely that of independent contractors. Governing bodies of Hospital and Company shall have exclusive control of the policies, management, assets, and affairs of their respective facilities. Nothing in this Agreement shall be construed as limiting the right of either to affiliate or contract with any other Hospital or facility on either a limited or general basis while this Agreement is in effect. Neither party shall use the name of the other in any promotional or advertising material unless review and approval of the intended use shall be obtained from the party whose name is to be used and its legal counsel.

6. **INSURANCE.** Each party shall secure and maintain, or cause to be secured and maintained during the term of this Agreement, comprehensive general liability, property damage, and workers compensation insurance in amounts generally acceptable in the industry, and professional liability insurance providing minimum limits of liability of \$1,000,000 per occurrence and \$3,000,000 in aggregate. Each party shall deliver to the other party certificate(s) of insurance evidencing such insurance coverage upon execution of this Agreement, and annually thereafter upon the request of the other party. Each party shall provide the other party with not less than thirty (30) days prior written notice of any change in or cancellation of any of such insurance policies. Said insurance shall survive the termination of this Agreement.

7. **INDEMNIFICATION.**

(a) **Hospital Indemnity.** Hospital hereby agrees to defend, indemnify and hold harmless Company and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense (including, without limitation, costs of investigation and reasonable attorney's fees), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Hospital and its staff regardless of whether or not it is caused in part by Company or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Company.

(b) **Company Indemnity.** Company hereby agrees to defend, indemnify and hold harmless Hospital and its shareholders, affiliates, officers, directors, employees, and

agents for, from and against any claim, loss, liability, cost and expense (including, without limitation, costs of investigation and reasonable attorney's fees), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Company and its staff regardless of whether or not it is caused in part by or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Hospital.

(c) Survival. The indemnification obligations of the parties shall continue in full force and effect notwithstanding the expiration or termination of this Agreement with respect to any such expenses, costs, damages, claims and liabilities which arise out of or are attributable to the performance of this Agreement prior to its expiration or termination.

**8. DISPUTE RESOLUTION.** Any dispute which may arise under this Agreement shall first be discussed directly with representatives of the departments of the parties that are directly involved. If the dispute cannot be resolved at this level, it shall be referred to administrative representatives of the parties for discussion and resolution.

(a) Informal Resolution. Should any dispute between the parties arise under this Agreement, written notice of such dispute shall be delivered from one party to the other party and thereafter, the parties, through appropriate representatives, shall first meet and attempt to resolve the dispute in face-to-face negotiations. This meeting shall occur within thirty (30) days of the date on which the written notice of such dispute is received by the other party.

(b) Resolution Through Mediation. If no resolution is reached through informal resolution, pursuant to Section 8(a) above, the parties shall, within forty-five (45) days of the first meeting referred to in Section 8(a) above, attempt to settle the dispute by formal mediation. If the parties cannot otherwise agree upon a mediator and the place of the mediation within such forty-five (45) day period, the American Arbitration Association ("AAA") in the state of Illinois shall administer the mediation. Such mediation shall occur no later than ninety (90) days after the dispute arises. All findings of fact and results of such mediation shall be in written form prepared by such mediator and provided to each party to such mediation. In the event that the parties are unable to resolve the dispute through formal mediation pursuant to this Section 8(b), the parties shall be entitled to seek any and all available legal remedies.

**9. TERM AND TERMINATION.** This Agreement shall be effective for an initial period of one (1) year from the Effective Date and shall continue in effect indefinitely after such initial term, except that either party may terminate by giving at least sixty (60) days notice in writing to the other party of its intention to terminate this Agreement. If this Agreement is terminated for any reason within one (1) year of the Effective Date of this Agreement, then the parties hereto shall not enter into a similar agreement with each other for the services covered hereunder before the first anniversary of the Effective Date.

Termination shall be effective at the expiration of the sixty (60) day notice period. However, if either party shall have its license to operate its facility revoked by the State or become ineligible as a provider of service under Medicare or Medicaid laws, this Agreement shall automatically terminate on the date such revocation or ineligibility becomes effective.

10. **AMENDMENT.** This Agreement may be modified or amended from time to time by mutual written agreement of the parties, signed by authorized representatives thereof, and any such modification or amendment shall be attached to and become part of this Agreement. No oral agreement or modification shall be binding unless reduced to writing and signed by both parties.

11. **ENFORCEABILITY/SEVERABILITY.** The provisions of this Agreement are severable. The invalidity or unenforceability of any term or provisions hereto in any jurisdiction shall in no way affect the validity or enforceability of any other terms or provisions in that jurisdiction, or of this entire Agreement in any other jurisdiction.

12. **EXCLUDED PROVIDER.** Each party represents that neither that party nor any entity owning or controlling that party has ever been excluded from any federal health care program including the Medicare/Medicaid program or from any state health care program. Each party further represents that it is eligible for Medicare/Medicaid participation. Each party agrees to disclose immediately any material federal, state, or local sanctions of any kind, imposed subsequent to the date of this Agreement, or any investigation which commences subsequent to the date of this Agreement, that would materially adversely impact Company's ability to perform its obligations hereunder.

13. **NOTICES.** All notices, requests, and other communications to any party hereto shall be in writing and shall be addressed to the receiving party's address set forth below or to any other address as a party may designate by notice hereunder, and shall either be (a) delivered by hand, (b) sent by recognized overnight courier, or (c) by certified mail, return receipt requested, postage prepaid.

If to Hospital: Anderson Hospital  
6800 State Route 162  
Maryville, IL 62062

If to Company: Total Renal Care, Inc.  
235 S. Buchanan  
Edwardsville, IL 62025  
Attention: Administrator

with a copy to: DaVita Inc.  
2611 N. Halsted  
Chicago, IL 60614  
Attention: Group General Counsel

All notices, requests, and other communication hereunder shall be deemed effective (a) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (b) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (c) if sent by certified mail, five (5) business days following the day such mailing is made.

15. **ASSIGNMENT.** This Agreement shall not be assigned in whole or in part by either party hereto without the express written consent of the other party, except that Company may assign this Agreement to one of its affiliates or subsidiaries without the consent of Hospital.

16. **COUNTERPARTS.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Copies of signatures sent by facsimile shall be deemed to be originals.

17. **NON-DISCRIMINATION.** All services provided by Hospital hereunder shall be in compliance with all federal and state laws prohibiting discrimination on the basis of race, color religion, sex national origin, handicap, or veteran status.

18. **WAIVER.** The failure of any party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant, or condition, and the obligations of such party with respect thereto shall continue in full force and effect.

19. **GOVERNING LAW.** The laws of the state of Illinois shall govern this Agreement.

20. **HEADINGS.** The headings appearing in this Agreement are for convenience and reference only, and are not intended to, and shall not, define or limit the scope of the provisions to which they relate.

21. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all other agreements, either oral or written, between the parties (including, without limitation, any prior agreement between Hospital and Company or any of its subsidiaries or affiliates) with respect to the subject matter hereof.

22. **APPROVAL BY DAVITA INC. ("DAVITA") AS TO FORM.** The parties acknowledge and agree that this Agreement shall take effect and be legally binding upon the parties only upon full execution hereof by the parties and upon approval by DaVita as to the form hereof.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

**COMPANY:**

Total Renal Care, Inc.

By: Cindy Emley

Name: CINDY EMLEY

Title: Regional operations Director

**HOSPITAL:**

Southwestern Illinois Health  
Facilities, Inc. dba Anderson  
Hospital

By: Patricia A. Peverly

Name: Patricia A. Peverly

Title: Chief Nursing Officer

**APPROVED AS TO FORM ONLY:**

By: Steven E. Lieb

Name: Steven E. Lieb

Title: Group General Counsel

**Section VII, Service Specific Review Criteria**  
**In-Center Hemodialysis**  
**Criterion 1110.1430(i), Relocation of Services**

The proposed project is for the establishment of a de novo 12-station dialysis facility. Thus, this criterion is not applicable.

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**Section VII, Service Specific Review Criteria**  
**In-Center Hemodialysis**  
**Criterion 1110.1430(j), Assurances**

Attached at Attachment – 26G is a letter from Tom Usilton, Senior Vice President of DaVita Inc. certifying that Shiloh Dialysis will achieve target utilization by the second year of operation and outcome measures will meet or exceed current standards.

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1551 Wewatta Street  
Denver, CO 80202  
Tel: (303) 405-2100  
www.davita.com

September 29, 2011

Dale Galassie  
Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

**Re: In-Center Hemodialysis Assurances**

Dear Chairman Galassie:

Pursuant to 77 Ill. Admin. Code § 1110.1430(j), I hereby certify the following:

- By the second year after project completion, Shiloh Dialysis will achieve and maintain 80% target utilization as specified in 77 Ill. Admin. Code; and
- Hemodialysis outcome measures will be achieved and maintained as follows:
  - $\geq 85\%$  of hemodialysis patient population achieves urea reduction ratio (URR)  $\geq 65\%$  and
  - $\geq 85\%$  of hemodialysis patient population achieves Kt/V Daugirdas II .1.2

Sincerely,

Tom Usilton  
Senior Vice President  
DaVita Inc.  
Total Renal Care, Inc.

Subscribed and sworn to me  
This 29 day of September, 2011  
2011.

Notary Public

Vivian Lea Rhodes  
Notary Public  
DeKalb County, Georgia  
My Commission Expires April 24, 2015

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Attachment - 26G



**Section VIII, Financial Feasibility**  
**Criterion 1120.120 Availability of Funds**

The project will be funded with \$1,659,006 in cash and securities and a lease with Threlkeld Family Investments, LLC for \$892,304. A copy of DaVita's 2010 10-K Statement, evidencing sufficient funds to finance the proposed project was previously submitted with the applications for Project Nos. 11-027 through 11-036. A letter of intent to lease the facility is attached at Attachments – 39A.

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Commercial Real Estate Services, Worldwide.

1177 N. Green Mount Rd Suite 201  
O'Fallon IL 62269  
Tel 618 632 3060  
fax 618 632 3270  
www.naidesco.com

October 7, 2011

Kimberly S. Adkins  
Vice President - Commercial Brokerage  
Balke Brown Associates  
1001 Highlands Plaza Drive West, Suite 150  
St. Louis, MO 63110

**RE: LETTER OF INTENT**  
**1095 North Green Mount Road**  
**Shiloh, Illinois 62269**

Dear Kim:

We are pleased to present the following terms the lease space in the above referenced property. We are excited about this opportunity and are looking to working with you and your group to finalize terms which are mutually beneficial to both parties.

- LOCATION:** 1095 North Green Mount Road  
Belleville, Illinois 62221
- TENANT:** Total Renal Care, Inc.
- LANDLORD:** Threlkeld Family Investments, LLC
- INITIAL SPACE REQUIREMENTS:** Approximately 6,482 Sq. Ft. contiguous square feet. The four (4) northerly tenant spaces on the attached floor plan ("Premises").
- RENTAL RATE:** \$16.25 annually NNN with two and a half percent (2.5%) annual increases.
- PRIMARY TERM:** 12 years
- STATE OF ILLINOIS CERTIFICATE OF NEED CONTINGENCY:**

Tenant will need to apply for a Certificate of Need for the final location. If Tenant does not get the Certificate of Need by January 31, 2012 the Lease will be null and void. If they do get the Certificate of Need, then they will go forward with the lease based on satisfying the other contingencies that are in their standard Lease Document. Tenant shall make application within thirty (30) days after LOI execution.

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**POSSESSION AND COMMENCEMENT:**

Tenant shall take possession of the premises upon completion of Landlords required work (if any). In any event, the rent and term shall commence the earlier of five (5) months from possession or until:

- a. Leasehold Improvements within the Premises have been completed in accordance with the final construction documents (except for nominal punch list items); or
- b. A Certificate of Occupancy for the Premises has been obtained from the city of Shiloh, Illinois; or
- c. Tenant has obtained all necessary licenses and permits; or
- d. Tenant's receipt of a Certificate of Need.

**FAILURE TO DELIVER PREMISES:**

If Landlord has not delivered the premises to Tenant with all base building items substantially completed by ninety (90) days from the later of certificate of need approval, all necessary building permits or lease execution, Tenant may elect to terminate the lease by written notice to Landlord.

**LEASE FORM:**

The Tenant shall provide its standard lease form

**USE:**

The use is for outpatient medical related services, office and distribution of pharmaceuticals.

**BASE BUILDING:**

The following items will be delivered by the Landlord to the premises as part of the base building:

- A 2" dedicated water meter and line
- A 4" sewer line to a municipal sewer system
- Minimum 800 amp, 120/208 volt 3 phase, 4 wire electrical service
- Gas service, at a minimum, will be rated to have 6" of water column pressure and supply 800,000-BTU's

Please refer to the attached Exhibit B regarding additional base building requirements.

**TENANT IMPROVEMENTS:**

Included in the Base Rent, Landlord shall provide a \$10/sf allowance which reflects the cost Landlord would incur to deliver a standard White Box to the Tenant. The cost to modify the existing electrical system, the cost to extend an additional dedicated 2" water line, and the cost to provide a gas fired generator back up for the existing sanitary lift station shall not exceed Fifteen Thousand Dollars (\$15,000.00) and is included in the Base Rental Rate. Any excess cost to modify such systems shall be a credit (reduction) in the \$10 / sf allowance.

**OPTION TO RENEW:**

Tenant shall have three (3) five (5) year options to renew the lease. Option Rent shall be the greater of (1) ninety five percent (95%) of fair market value or (2) the rent shall be at the same rent schedule as the original lease. Tenant shall give two hundred seventy (270) days prior written notice of its intent to renew the lease.

**RIGHT OF FIRST REFUSAL ON ADJACENT SPACE:**

Tenant shall have the right of first offer ("ROFR") on any adjacent space that may become available during the initial term of the lease and any extension thereof. Tenant shall have twenty (20) days to exercise ROFR.

**HOLDING OVER:**

In the event Tenant remains in possession of the Premises after the expiration of the term of this Lease, then Tenant shall be obligated to pay one hundred and fifty percent (150%) of the current rate.

**PARKING:**

Please indicate the number and location of parking spaces. Tenant requires five (5) designated spaces for its use as shown on Exhibit C. Landlord shall stamp Tenant's name on pavement to identify the said five (5) spaces.

**CONCESSIONS:**

None.

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

Please provide a detailed itemization and estimates of all common area operating expense components including real estate taxes and special assessments, insurance, landscape maintenance, exterior lighting, property management, maintenance, utilities, janitorial, security, etc., for which the client will be responsible to pay. If the lease provides for a base year for operating expenses, please indicate what the base year will be for a renewal. Landlord shall cap the annual increases in "Controllable Operating Expenses" portion of Lessee's Operating Expenses at five percent (5%) per year on a non-cumulative basis. Controllable expenses will be defined in the Lease.

**SIGNAGE:**

Tenant shall have the right to install building signage at the Premises, subject to Landlord's consent, which consent shall not be unreasonably withheld, and subject to compliance by Tenant with all applicable laws and regulations. Landlord, at Landlord's expense will furnish Tenant with space for Tenant's designated names on the monument sign (see Exhibit D).

**BUILDING HOURS:**

Building hours for Tenant will be 24 hours a day, 7 days a week. Utilities and HVAC will be separately metered.

**SUBLEASE/ASSIGNMENT:**

Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of Tenant without the consent of the Landlord. If Assignee is not a related entity of the Tenant, Landlord shall have the right to approve the Assignee and the Assignment, which approval shall not be unreasonably withheld.

**GOVERNMENTAL COMPLIANCE:**

Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause Tenant's Premises, the Building and parking facilities to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s).

**ROOF RIGHTS:**

If the building does not have cable television service, then Tenant will need the right to place a satellite dish on the roof at no additional fee. Tenant shall submit

plans to Landlord for approval, which approval shall not be unreasonably withheld. Tenant shall not violate the roof warranty.

**RADIUS RESTRICTION:**

Landlord shall not lease space to another clinic or similar facility like Tenant's at the property or at any of the other properties Landlord controls within two (2) miles of the subject property.

**EARLY TERMINATION OPTION:**

After Tenant has completed Forty-eight (48) months of rent payments, Tenant shall have the one time right to terminate the Lease at any time with Two hundred seventy (270) days prior written notice before the expiration date along with a payment equal to one-quarter (1/4) of Tenant's monthly base rental obligations for the remaining portion of the current lease term plus any unamortized transaction costs which shall include Tenant Improvement costs and Real Estate Brokerage Commission.

**SECURITY DEPOSIT:**

None.

**CORPORATE GUARANTEE:**

None.

**BROKERAGE FEE:**

Landlord agrees that it recognizes USI Real Estate Brokerage Services Inc. ("USI") and Balke Brown Associates as the Tenant's sole representatives and a brokerage fee of three percent (3%) of the base rent due during the base term shall be paid to USI, or its designated local affiliate, per separate commission agreement. The Tenant shall retain the right to offset rent for failure to pay the Real Estate Commission.

**CONFIDENTIALITY:**

Landlord agrees to not share tenant information, negotiations, terms or any conditions described in relation to Tenant's lease for the duration of negotiations starting from the receipt of this Letter of Intent until a fully executed lease. Only Landlord or its immediate contractors shall be party to any terms or considerations discussed in relation to Tenant's potential lease.

It should be understood that this Letter of Intent is subject to the terms of Exhibit A attached hereto.

Agreed to and accepted this 7<sup>th</sup> Day of October, 2011

Agreed to and accepted this 11<sup>th</sup> Day of October, 2011

By: [Signature]  
THREKEL Family Investments  
("Landlord")

By: [Signature]  
On behalf of Total Rent Care, Inc. a wholly owned subsidiary of DaVita, Inc. ("Tenant")

## EXHIBIT A

## NON-BINDING NOTICE

NOTICE: THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPARATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR USI) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR USI INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL. USI IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES USI HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT NOTICE. WE RESERVE THE RIGHT TO CONTINUE SIMULTANEOUS NEGOTIATIONS WITH OTHER PARTIES ON BEHALF OF OUR CLIENT. NO PARTY SHALL HAVE ANY LEGAL RIGHTS OR OBLIGATIONS WITH RESPECT TO ANY OTHER PARTY, AND NO PARTY SHOULD TAKE ANY ACTION OR FAIL TO TAKE ANY ACTION IN DETRIMENTAL RELIANCE ON THIS OR ANY OTHER DOCUMENT OR COMMUNICATION UNTIL AND UNLESS A DEFINITIVE WRITTEN LEASE AGREEMENT IS PREPARED AND SIGNED BY TENANT AND LANDLORD

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**EXHIBIT B**  
**Existing Building MBI**  
**(9.26.10 JB)**

At a minimum, the Landlord shall provide the following Base Building Improvements to meet Tenant's requirements for an Existing Base Building Improvements at Landlord's sole cost:

All MBI work completed by the Landlord will need to be coordinated and approved with Tenant and its Consultants prior to any work being completed, including shop drawing submittals reviews.

**Building Codes & Design** - All Minimum Base Building Improvements ("MBBI") are to be performed in accordance with all local, state, and federal building codes including any related amendments, fire and life safety codes, ADA regulations, State Department of Public Health, and other applicable codes. All Landlord's work will have Governmental Authorities Having Jurisdiction ("GAHJ") approved architectural and engineering (Mechanical, Plumbing, Electrical, Structural, Civil, Environmental) plans and specifications prepared by a licensed architect and engineer.

**Zoning & Permitting** - Building and premises must be zoned to perform services as a related medical, office and distribution of pharmaceuticals. Property is zoned B-2 in the City of Shiloh and the related medical use is allowed. Distribution of pharmaceuticals will be only to the patients visiting the facility as part of their medical care. Landlord to provide details as to property's flood plain and zoning status.

**Common Areas** - Tenant will have access and use of all common areas (i.e. restrooms, stairwells and elevators) if any. All common areas if any must be code compliant for Life Safety and ADA compliance per NFPA 72 and Life Safety 101. Tenant shall review and comment within thirty (30) days of LOI execution.

**Structural** - Existing exterior walls, lintels, floor and roof framing shall remain as-is and be free of defects. Should any defects be found repairs will be made by Landlord at its cost. Any repairs will meet with current codes and approved by a Structural Engineer and/or Tenant. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Exterior Walls**

All exterior walls shall be in good shape and properly maintained. Any damaged drywall and or insulation will be replaced by Landlord prior to Tenant accepting the space. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Demising walls** - All demising walls adjacent to Tenant's space shall be a 1 or 2 hour fire rated wall depending on local codes, State and or regulatory requirements. If it does not meet this, Landlord will bring demising wall up to meet the requirements: Walls will be finished with 5/8" gypsum board, metal studs and taped and floated (Tenant shall be responsible for final finish preparation of gypsum board walls). Walls to be fire caulked in accordance with UL standards at floor and roof deck. Demising walls adjacent to other Tenant spaces will have sound attenuation batts from floor to underside of roof deck. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Roof Covering** - The roof, roof drains and downspouts shall be properly maintained to guard against roof leaks and can properly drain. Landlord will provide Tenant with the information on the Roof and Contractor holding warranty. Landlord to provide minimum of R30 roof insulation at roof deck. If the R30 value is not met, Landlord to increase R-Value by having installed additional insulation to meet requirement to the underside of the deck.

Any new penetrations made during build out will be at the Tenant's cost with the Landlord's prior written approval. Tenant shall not violate the roof warranty. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Canopy** - Landlord shall allow Tenant (at Tenant's cost) to design and construct a canopy structure for patient drop off and if allowed by local code. The design of this canopy shall be approved by the Landlord, which approval shall not be unreasonably withheld.

**Waterproofing and Weatherproofing** - Landlord shall provide a complete water tight building shell inclusive but not limited to flashing and/or sealant around windows, doors, parapet walls and mechanical/plumbing/electrical penetrations. Landlord shall properly seal the building's exterior walls, footings, slabs as required in high moisture conditions such as (including but not limited to) finish floor sub-grade, raised planters and high water table. Landlord shall be responsible for

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replacing any damaged items and repairing any deficiencies exposed during/after construction of Tenant improvements. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Windows** - Any single pane window systems must be replaced by Landlord with Insulated Energy efficient thermal pane windows with thermally broken aluminum frames. Broken, missing and/or damaged glass or frames will be replaced by Landlord. Landlord shall allow Lessee, at Tenant's discretion, to tint the existing windows (per manufacturer's recommendations) per Tenant's tenant improvement design. Tenant shall inspect premises within 30 days of LOI execution and comment.

**Thermal Insulation** - Landlord to replace any missing, damaged insulation and or insulation in any modification to walls in exterior or demising walls with R13, R19 or R30 insulation.

**Exterior Doors** - All exterior doors shall meet Accessibility codes, local codes and State Department of Health requirements for egress. If not the Landlord, at its cost, will need to bring them up to code including push paddles and/or panic hardware or any other hardware for egress. Any missing weather stripping, damage to doors or frames will be replaced by the Landlord at Landlord's cost. Landlord will provide, if not already present, a front entrance and rear door to the space per the following criteria:

- **Front/Patient Entry Doors:** Provide Storefront with insulated glass doors and Aluminum framing to be 42" width including push paddle/panic bar hardware, pivoting hinge and lock mechanism. Door to be prepped to accept power assist opener and push button keypad lock provided by Tenant. There are currently 3 - 36" doors and 1 - 72" double door in place on the front of the building. Tenant shall inspect premise within 30 days of LOI execution and comment.
- **Service Doors:** At Tenant's cost provide 72" wide double door (Alternates for approval by Tenant's Project Manager to include: 80" Roll up door or 36" and 24" doors) with 20 gauge insulated hollow metal (double doors), Flush bolts, T astragal, Heavy Duty Aluminum threshold, continuous hinge each leaf, prepped for panic bar hardware (as required by code) painted with rust inhibiting paint and prepped to receive a push button keypad lock provided by Tenant. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Tenant.

Any doors that are designated to be provided modified or prepared by Landlord; Landlord shall provide to Tenant, prior to door fabrication, submittals containing specification information, hardware and shop drawings for review and acceptance by Tenant and Tenant's architect.

**Utilities** - All utilities to be provided at mutually agreed upon utility entrance points into the building. Landlord is responsible for all tap/connection and impact fees for all utilities. All Utilities to be coordinated with Tenant's Architect.

**Plumbing** - Landlord to provide a dedicated 2" water line, if not already present (and not tied-in to any other lessees spaces, fire suppression systems, or irrigation systems) with a shut off valve, and 2" meter (1 1/2" meter under special circumstances which must be approved by Tenant) to provide a continuous minimum 50 psi, with a minimum flow rate of 30 gallons per minute. Landlord to provide Tenant with the most recent water flow and pressure test results (gallons per minute and psi) for approval. Landlord shall stub the water line into the building and to the location on Tenant's plans. Landlord to provide and pay for all tap fees related to new sanitary sewer and water services in accordance with local building and regulatory agencies.

All existing hose bibs will be in proper working condition prior to Tenant's possession of space.

Existing Sanitary sewer needs to be four-inch (4") minimum to Tenant's space and have an invert level of 42" minimum entering the space. A lift station/sewage ejector will be permitted as long as there is a gas fired emergency backup power system tied into the lift station.

If the Sanitary line is not 4", Landlord will have installed a new line to a location per Tenant's plans. All costs associated with line, tap and impact fees will be Landlord's responsibility.

Sanitary sampling manhole if required by local municipality on new line.

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**Fire Suppression and Alarm System** – Tenant shall be allowed to install a fire alarm and sprinkler system if it so elects. Landlord shall approve such system, which approval shall not be unreasonably withheld.

**Electrical** – Landlord to provide 800 amp, 3 phase electrical service to a main panel in the Lessee's space. Existing service to be a combined single service for Tenant's space. Tenant will not accept multiple services to obtain the necessary amperage. Should this not be available Landlord to upgrade to meet the following criteria:

Provide new service (preferably underground) with a dedicated meter via a new CT cabinet. Service size to be 800 amp service, 120/208 volt, 3 phase, 4 wire to a load center in the Tenant's utility room (location to be per Code and to a location per Tenant's plans) for Tenant's exclusive use in powering equipment, appliances, lighting, heating, cooling and miscellaneous use. Transformer coordination with utility company, transformer pad and underground conduit sized for service, circuit termination cabinet, grounding rod, main panel with breaker, conduit and wire inclusive of excavation, trenching and restoration. Tenant's Engineer shall have the final approval on the electrical service size and location.

Landlord will allow Tenant to have installed, at Tenant's cost, Transfer Switch for temporary generator hook-up, or permanent generator.

**Gas Service** – Existing Natural gas service at a minimum to have a 6" water column pressure and be able to supply 800,000-BTU's. Natural gas line shall be individually metered and sized per demand.

**Mechanical /Heating Ventilation Air Conditioning** – Included in Allowance

**Telephone** – If in a multi-tenant building Landlord to provide a 1" conduit from building demark location to phone room location in Tenant's space.

**Cable or Satellite TV** – Cable is not available, Tenant will have the right to place a satellite dish at Tenant's cost on roof with Landlord's prior written approval. Tenant shall not violate roof warranty. Approval of installation of satellite dish onto roof by Tenant at Tenant's cost shall not be unreasonably withheld by Landlord.

**Handicap Accessibility** - Full compliance with ADA and all local jurisdictions' handicap requirements. Landlord shall comply with all ADA regulations affecting the Building and entrance to Tenant's space including, but not limited to, the elevator, exterior and interior doors, concrete curb cuts, ramps and walk approaches to/from the parking lot, parking lot striping for three (3) dedicated handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

**Generator** – Landlord to allow a generator to be installed onsite if required by code or Tenant chooses to provide one.

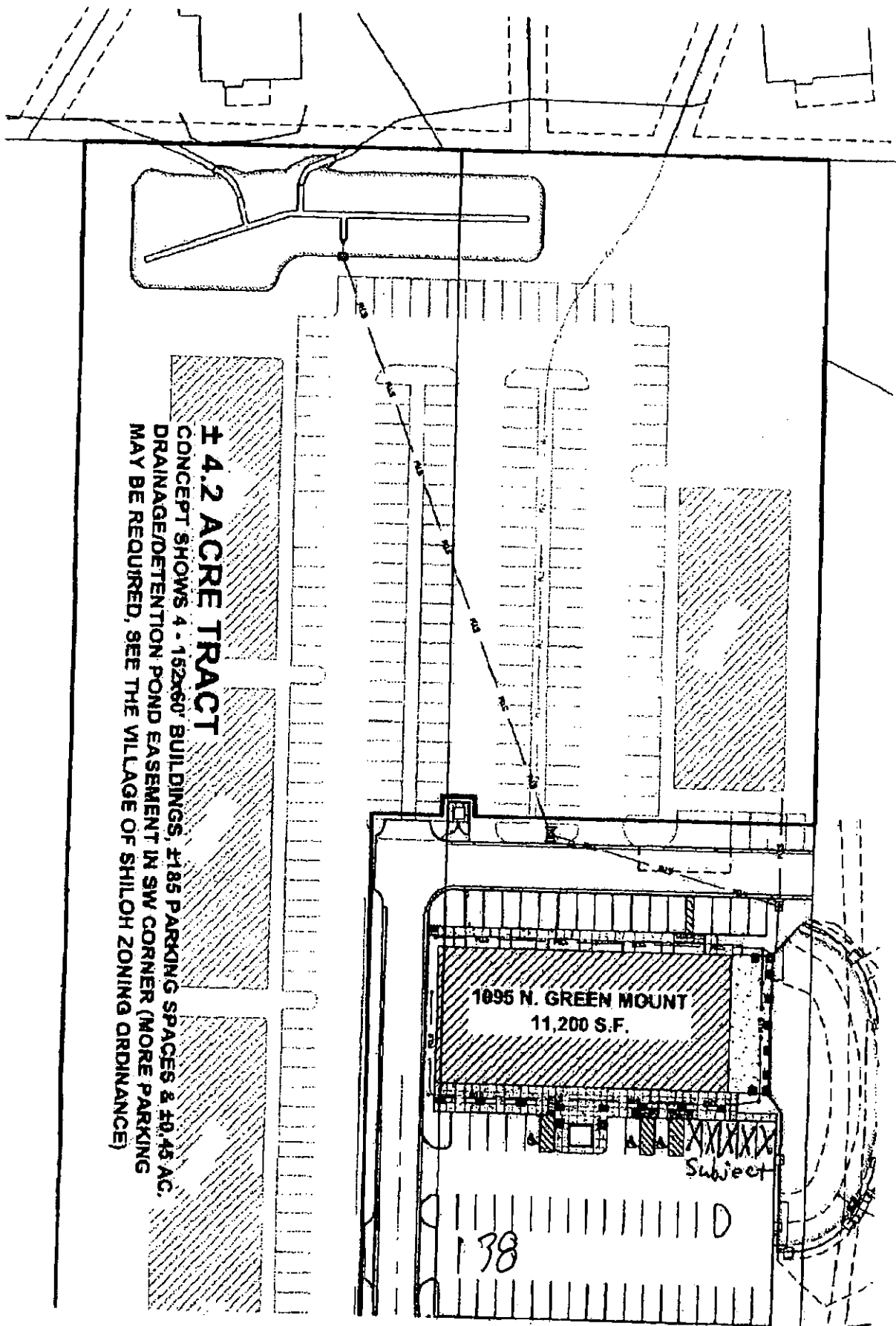
**Site & Building Lighting** – Landlord to provide adequate lighting per code and to illuminate all parking, pathways and operational building access points. Parking lot lighting to be on a timer (and programmed per Tenant's business hours of operation) or photocell.

**Parking Lot** – Landlord to provide adequate amount of ADA curb cuts, handicap and standard parking stalls in accordance with dialysis use and overall building uses. Tenant shall review site plan within thirty (30) days of LOI execution and comment.

**Refuse Enclosure** - Landlord to provide refuse area for Tenant dumpsters. Landlord to provide a minimum 6" thick reinforced concrete pad approximately 100 to 150 square feet based and an 8' X 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.

# Exhibit "C"


 NORTH GREEN MOUNT PROPERTY  
 SCALE: 1" = 50'



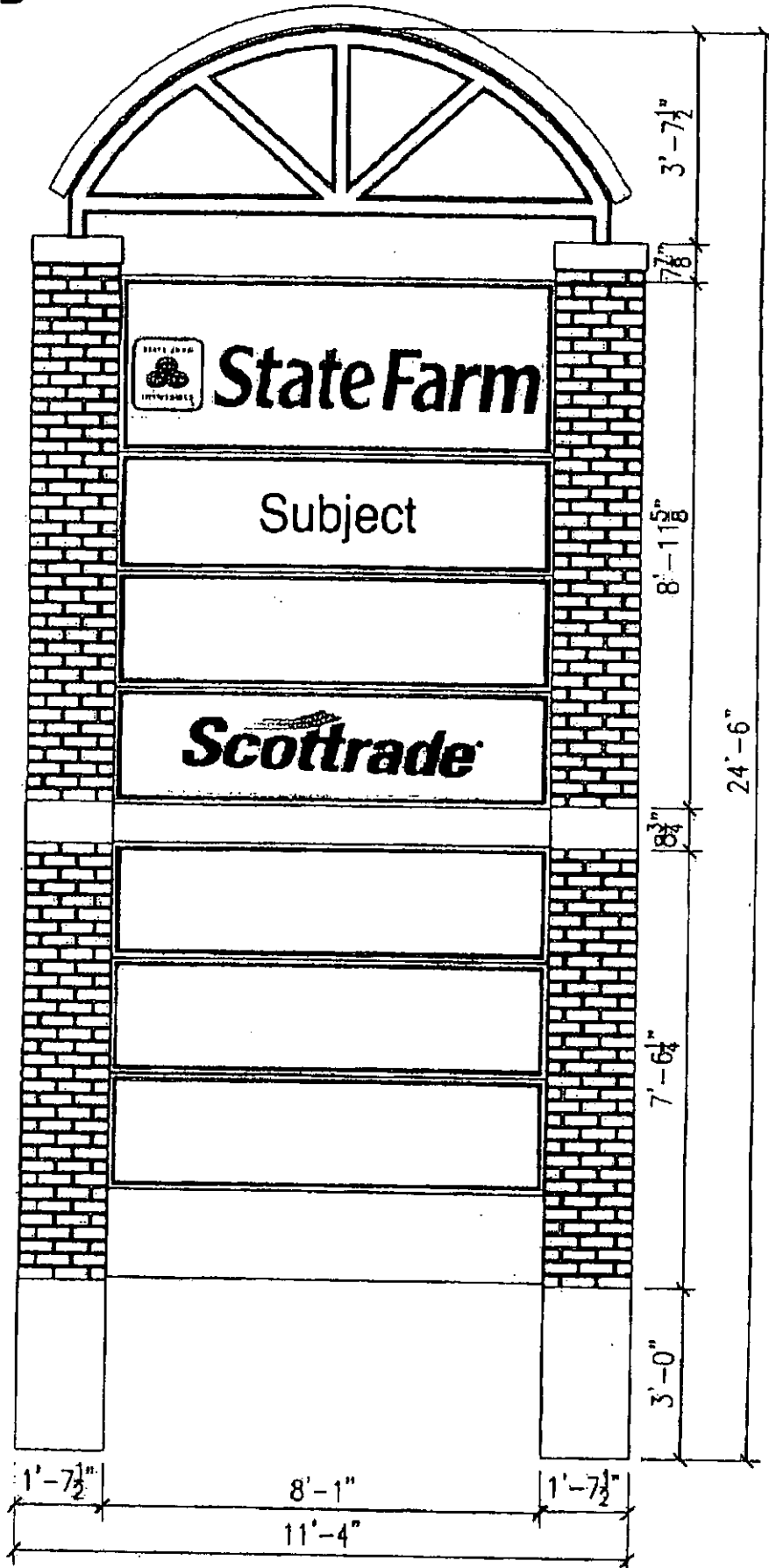
**± 4.2 ACRE TRACT**  
 CONCEPT SHOWS 4 - 152x60' BUILDINGS, ±185 PARKING SPACES & ±0.45 AC.  
 DRAINAGE/DETENTION POND EASEMENT IN SW CORNER (MORE PARKING  
 MAY BE REQUIRED, SEE THE VILLAGE OF SHILOH ZONING ORDINANCE)

1895 N. GREEN MOUNT  
 11,200 S.F.

Subject

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# Exhibit D



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**Section IX, Financial Feasibility**  
**Criterion 1120.130 – Financial Viability Waiver**

All project capital expenses will be funded through internal resources. A copy of DaVita's 2010 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted with the applications for Project Nos. 11-027 through 11-036.

**Section X, Economic Feasibility Review Criteria**  
**Criterion 1120.140(a), Reasonableness of Financing Arrangements**

Attached at Attachment 42-A is a letter from Tom Usilton, Senior Vice President of DaVita Inc. attesting that the total estimated project costs and related costs will be funded in total with cash and cash equivalents.

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1551 Wewatta Street  
Denver, CO 80202  
Tel: (303) 405-2100  
www.davita.com

September 29, 2011

Dale Galassie  
Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

**Re: Reasonableness of Financing Arrangements**

Dear Chairman Galassie:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1120.140(a) that the total estimated project costs and related costs will be funded in total with cash and cash equivalents.

Sincerely,

Tom Usilton  
Senior Vice President  
DaVita Inc.  
Total Renal Care, Inc.

Subscribed and sworn to me  
This 29 day of September, 2011  
2011

Notary Public

Attachment - 42A

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**Section X, Economic Feasibility Review Criteria**  
**Criterion 1120.140(b), Conditions of Debt Financing**

This project will be funded in total with cash and cash equivalents. Accordingly, this criterion is not applicable.

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**Section X, Economic Feasibility Review Criteria**  
**Criterion 1120.140(c), Reasonableness of Project and Related Costs**

1. The Cost and Gross Square Feet by Department is provided in the table below.

<b>COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE</b>									
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		\$149.34			6,482			\$968,000	\$968,000
Contingency		\$14.93			6,482			\$96,800	\$96,800
<b>TOTALS</b>		<b>\$164.27</b>			<b>6,482</b>			<b>\$1,064,800</b>	<b>\$1,064,800</b>

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

2. As shown in Table 1120.310(c) below, the project costs are below the State Standard.

<b>Table 1120.310(c)</b>			
	<b>Proposed Project</b>	<b>State Standard</b>	<b>Above/Below State Standard</b>
Modernization Contracts	\$968,000	\$149.35 per gsf x 6,700 gsf = \$149.35 x 6,482 = \$968,087	Below State Standard
Contingencies	\$96,800	10-15% of Modernization Contracts = 10-15% x \$968,000 = \$96,800 - \$145,200	Meets State Standard
Architectural/Engineering Fees	\$75,000	6.90% - 10.36% x (Modernization Costs + Contingencies) = 6.90% - 10.36% x (\$968,000 + \$96,800) = 6.90% - 10.36% x	Meets State Standard

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**Table 1120.310(c)**

	<b>Proposed Project</b>	<b>State Standard</b>	<b>Above/Below State Standard</b>
		\$1,064,800 \$73,471 - \$110,313	
Consulting and Other Fees	\$40,000	No State Standard	No State Standard
Moveable Equipment	\$479,206	\$39,945 per station x 12 stations \$39,945 x 12 = \$479,340	Below State Standard

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**Section X, Economic Feasibility Review Criteria**  
**Criterion 1120.310(d), Projected Operating Costs**

Operating Expenses: \$807,594

Treatments: 9,360

Operating Expense per Treatment: \$86.28

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**Section X, Economic Feasibility Review Criteria**  
**Criterion 1120.310(e), Total Effect of Project on Capital Costs**

Capital Costs:

Depreciation:	\$98,856
Amortization	\$7,324
Total Capital Costs:	\$106,180

Treatments: 9,360

Capital Costs per Treatment: \$11.34

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**Section XI, Safety Net Impact Statement**

1. This criterion is required for all substantive and discontinuation projects. DaVita Inc. and its affiliates are safety net providers of dialysis services to residents of the State of Illinois. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2010 Community Care report, which details DaVita's commitment to quality, patient centric focus and community outreach, was previously submitted on July 11, 2011 as part of Applicants' applications for Proj. Nos. 11-027 to 11-036. DaVita accepts and dialyzes patients with renal failure needing a regular course of dialysis without regard to race, color, national origin, gender, sexual orientation, age, religion, disability or ability to pay. Because of the life sustaining nature of dialysis, federal government guidelines define renal failure as a condition that qualifies an individual for Medicare benefits eligibility regardless of their age and subject to having met certain minimum eligibility requirements including having earned the necessary number of work credits. Indigent ESRD patients who are not eligible for Medicare and who are not covered by commercial insurance are eligible for Medicaid benefits. If there are gaps in coverage under these programs during coordination of benefits periods or prior to having qualified for program benefits, grants are available to these patients from both the American Kidney Foundation and the National Kidney Foundation. If none of these reimbursement mechanisms are available for a period of dialysis, financially needy patients may qualify for assistance from DaVita in the form of free care. DaVita submits the following information regarding the amount of charity and Medicaid care provided over the most recent three years.

<b>Safety Net Information per PA 96-0031</b>			
<b>CHARITY CARE</b>			
<b>Charity (# of patients)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Inpatient			
Outpatient	52	66	96
<b>Total</b>	<b>52</b>	<b>66</b>	<b>96</b>
<b>Charity (cost in dollars)</b>			
Inpatient			
Outpatient	\$321,510	\$597,263	\$957,867
<b>Total</b>	<b>\$321,510</b>	<b>\$597,263</b>	<b>\$957,867</b>
<b>MEDICAID</b>			
<b>Medicaid (# of patients)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Inpatient			
Outpatient	443	445	563
<b>Total</b>	<b>443</b>	<b>445</b>	<b>563</b>
<b>Medicaid (revenue)</b>			
Inpatient			
Outpatient	\$8,695,341	\$8,820,052	\$10,447,021
<b>Total</b>	<b>\$8,695,341</b>	<b>\$8,820,052</b>	<b>\$10,447,021</b>

2. The proposed project will not impact the ability of other health care providers or health care systems to cross-subsidize safety net services. As set forth throughout this application, there are currently five existing dialysis facilities within 30 minutes of the proposed facility. As shown in Table 1110.1430(b), average utilization at these facilities is currently 74% and four of the five

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facilities are at or near the State's 80% utilization standard. The existing facilities cannot collectively accommodate projected patient demand. In fact, the facilities can only collectively accommodate 38 additional patients. MNHA is currently treating 230 Stage 4 and Stage 5 CKD patients, 150 of which are expected to initial dialysis within the next 12 to 18 months. This far exceeds any excess capacity at the existing facilities. Accordingly, the proposed dialysis facility will not impact other general health care providers' ability to cross-subsidize safety net services.

3. The proposed project is for the establishment of a 12-station dialysis facility. There will be no discontinuation of any services. Accordingly, this criterion is not applicable.

**Section XII, Charity Care Information**

The table below provides charity care information for all dialysis facilities located in the State of Illinois that are owned or operated by the Applicants.

CHARITY CARE			
	2008	2009	2010
<b>Net Patient Revenue</b>	<b>\$138,964,396</b>	<b>\$149,370,292</b>	<b>\$161,884,078</b>
Amount of Charity Care (charges)	\$297,508	\$575,803	\$957,867
Cost of Charity Care	\$297,508	\$575,803	\$957,867

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**Appendix I – Time & Distance Determination**

Attached as Appendix I are the distance and normal travel time from the proposed facility to all existing dialysis facilities in HSA 1 as determined by MapQuest.



# MAPQUEST.

Trip to 5105 W Main St  
Belleville, IL 62226-4728  
6.97 miles - about 11 minutes

Notes

Metro East Dialysis

**A** 1095 N Green Mount Rd, Belleville, IL 62221-3303



1. Start out going north on N Green Mount Rd / CR-R18 toward Frank Scott Pky E.

go 0.2 mi



2. Turn left onto Frank Scott Pky E.

go 6.4 mi



3. Turn left onto W Main St.

go 0.3 mi



4. 5105 W MAIN ST is on the left.

go 0.0 mi

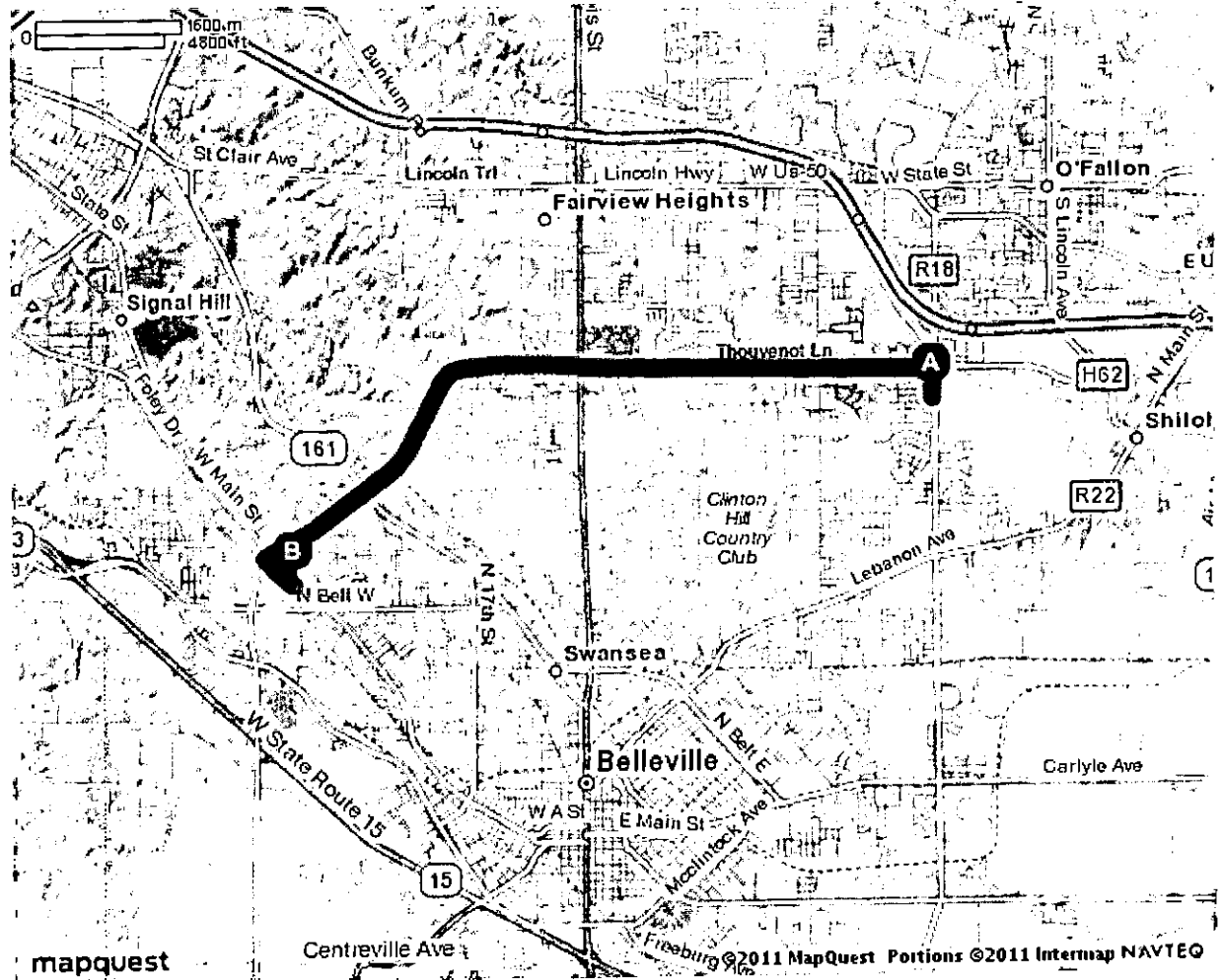
**B** 5105 W Main St, Belleville, IL 62226-4728  
Total Travel Estimate : 6.97 miles - about 11 minutes

Route Map [Hide](#)

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Appendix 1





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# MAPQUEST.

Notes

Granite City Dialysis

**Trip to 9 American Vlg**  
Granite City, IL 62040-3706  
22.88 miles - about 30 minutes

**A** 1095 N Green Mount Rd, Belleville, IL 62221-3303



1. Start out going north on N Green Mount Rd / CR-R18 N toward Frank Scott Pky E.

go 0.7 mi



2. Merge onto I-64 W / US-50 W via the ramp on the left toward East St Louis.

go 7.8 mi



3. Merge onto I-255 N via EXIT 7 toward Chicago.

go 6.3 mi



4. Take the Horseshoe Lake Road exit, EXIT 26.

go 0.5 mi



5. Turn right onto Horseshoe Lake Rd.

go 3.9 mi



6. Turn left onto IL-162 W / Edwardsville Rd.

go 1.8 mi



7. Turn right onto Nameoki Rd / IL-203.

go 1.9 mi



8. Turn left onto American Vlg.

go 0.0 mi



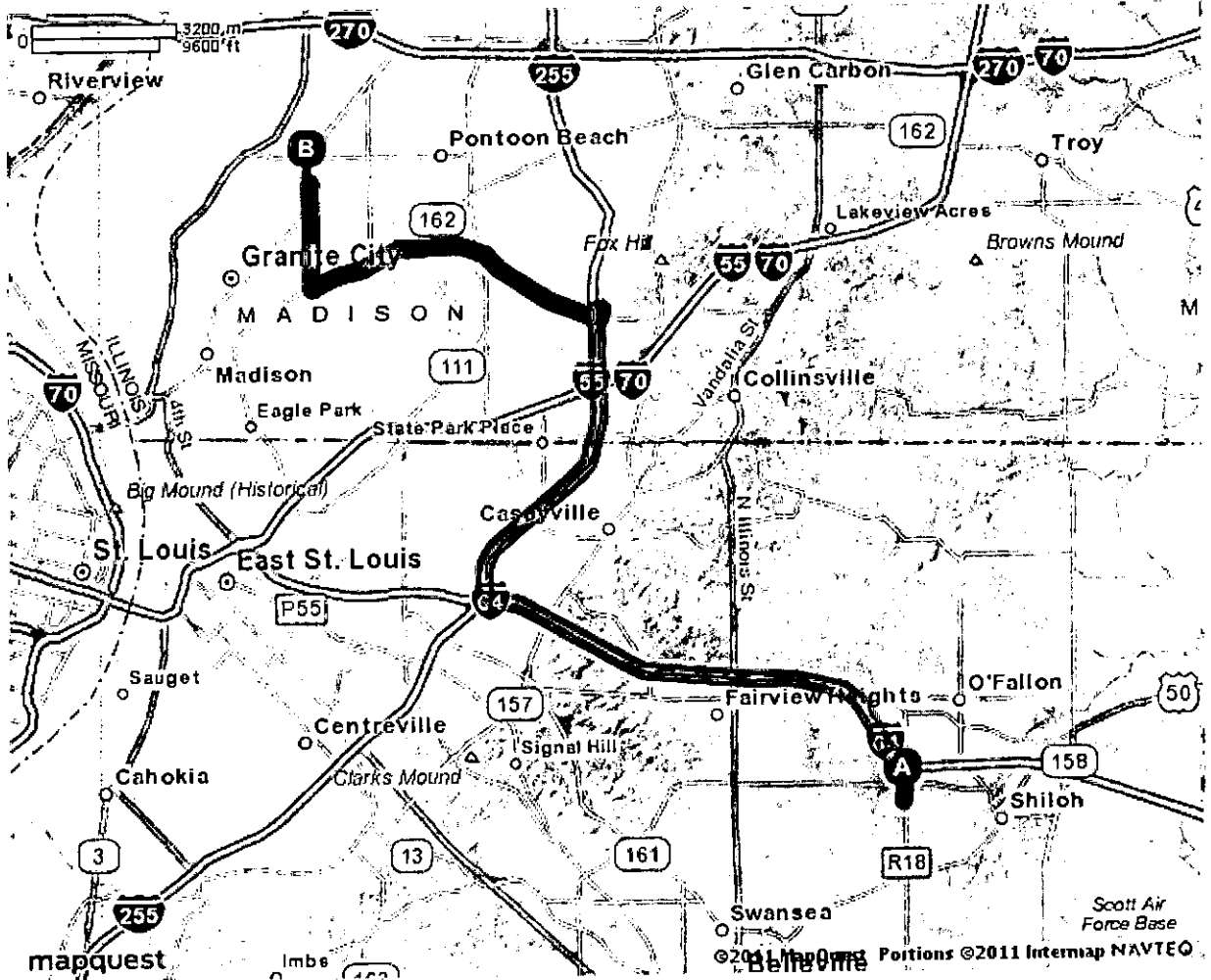
9. 9 AMERICAN VLG is on the right.

go 0.0 mi

**B** 9 American Vlg, Granite City, IL 62040-3706  
Total Travel Estimate : 22.88 miles - about 30 minutes

Route Map [Hide](#)

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# MAPQUEST.

Notes

RAI Fairview Heights

Trip to 821 Lincoln Hwy  
Fairview Heights, IL 62208-2216  
3.70 miles - about 6 minutes

**A** 1095 N Green Mount Rd, Belleville, IL 62221-3303



1. Start out going north on N Green Mount Rd / CR-R18 N toward Frank Scott Pky E.

go 0.7 mi



2. Merge onto I-64 W / US-50 W via the ramp on the left toward East St Louis.

go 1.0 mi



3. Take EXIT 14 toward O'Fallon.

go 0.3 mi



4. Turn left onto W US-50.

go 1.3 mi



5. W US-50 becomes Lincoln Hwy.

go 0.3 mi



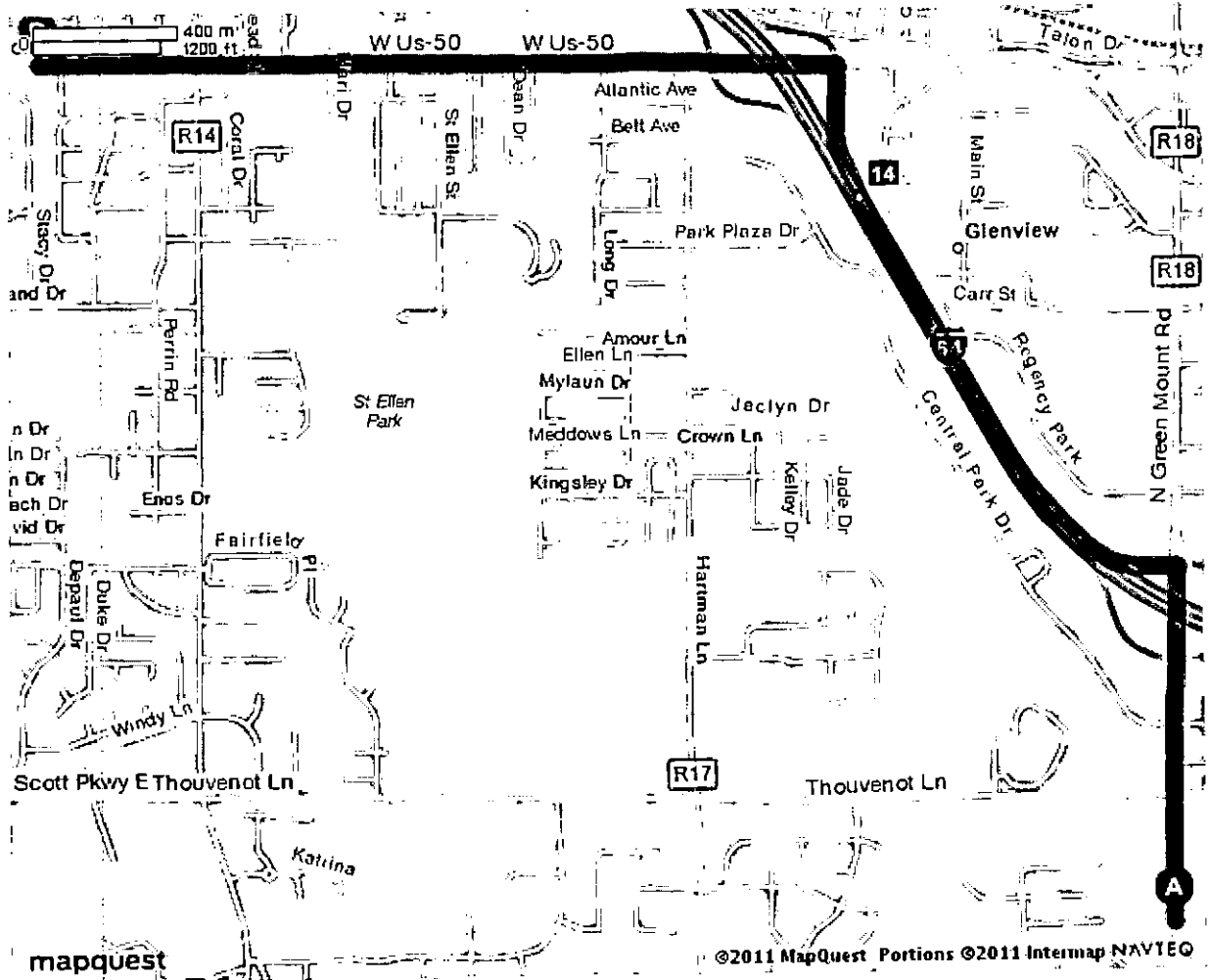
6. 821 LINCOLN HWY is on the right.

go 0.0 mi

**B** 821 Lincoln Hwy, Fairview Heights, IL 62208-2216  
Total Travel Estimate : 3.70 miles - about 6 minutes

Route Map Hide

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# MAPQUEST.

Trip to 2300 Goose Lake Rd  
 Sauget, IL 62206  
 15.55 miles - about 18 minutes

Notes

Sauget Dialysis

## 1095 N Green Mount Rd, Belleville, IL 62221-3303



1. Start out going north on N Green Mount Rd / CR-R18 N toward Frank Scott Pky E.

go 0.7 mi



2. Merge onto I-64 W / US-50 W via the ramp on the left toward East St Louis.

go 7.8 mi



3. Merge onto I-255 S / US-50 W via EXIT 7 toward Memphis.

go 5.7 mi



4. Take the Mousette Lane exit, EXIT 15.

go 0.3 mi



5. Turn right onto Mousette Ln.

go 0.1 mi



6. Turn left onto Goose Lake Rd.

go 0.8 mi



7. 2300 GOOSE LAKE RD is on the left.

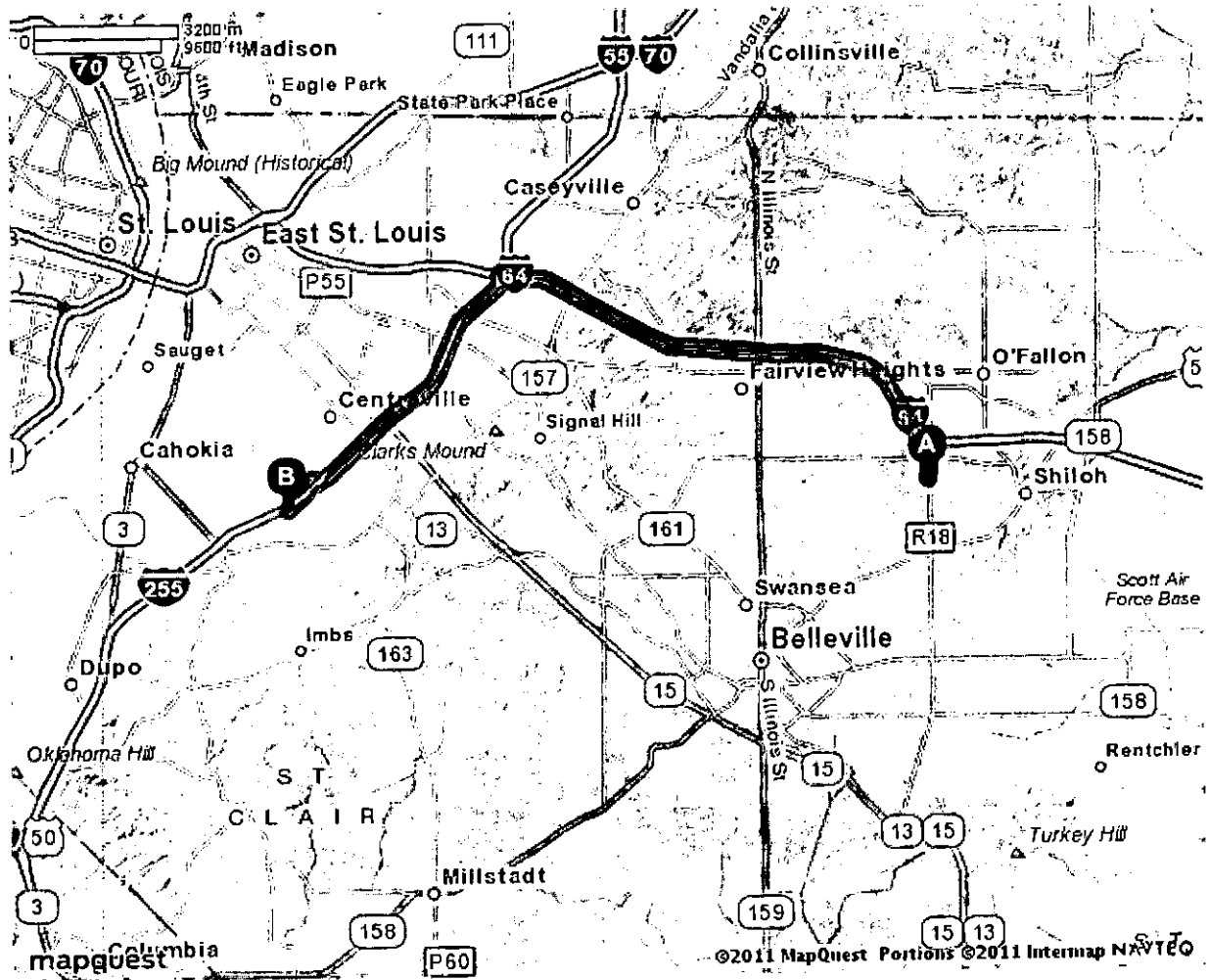
go 0.0 mi

## 2300 Goose Lake Rd, Sauget, IL 62206

Total Travel Estimate : 15.55 miles - about 18 minutes

Route Map [Hide](#)

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# MAPQUEST.

Notes

Maryville Dialysis

**Trip to 2130 Vadalabene Dr**  
 Maryville, IL 62062-5632  
 20.50 miles - about 24 minutes

**A** 1095 N Green Mount Rd, Belleville, IL 62221-3303

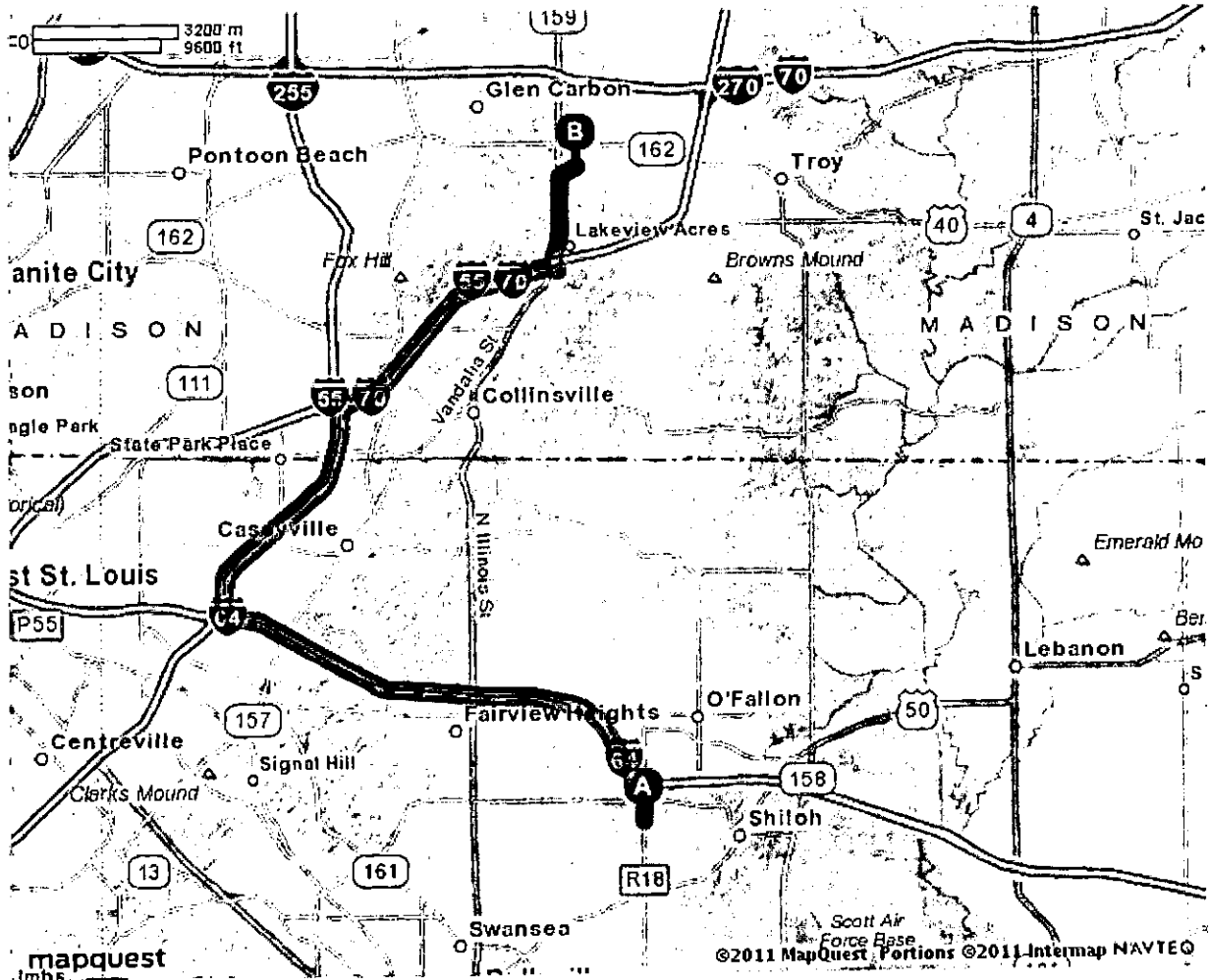
- |  |   |           |
|--|---|-----------|
|  | 1. Start out going north on N Green Mount Rd / CR-R18 N toward Frank Scott Pky E.   | go 0.7 mi |
|  | 2. Merge onto I-64 W / US-50 W via the ramp on the left toward East St Louis.       | go 7.8 mi |
|  | 3. Merge onto I-255 N via EXIT 7 toward Chicago.                                    | go 4.8 mi |
|  | 4. Merge onto I-55 N / I-70 E / US-40 E via EXIT 25A toward Chicago / Indianapolis. | go 5.0 mi |
|  | 5. Merge onto IL-159 N via EXIT 15B toward Maryville.                               | go 1.9 mi |
|  | 6. Turn right onto Vadalabene Dr.   | go 0.3 mi |
|  | 7. 2130 VADALABENE DR is on the right.  | go 0.0 mi |

**B** 2130 Vadalabene Dr, Maryville, IL 62062-5632  
 Total Travel Estimate : 20.50 miles - about 24 minutes

Route Map [Hide](#)

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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:

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