

Original

12-004

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

JAN 19 2012

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD**Facility/Project Identification**

Facility Name: <i>Fresenius Medical Care North Pekin</i>			
Street Address: <i>137 Radio City Drive</i>			
City and Zip Code: <i>North Pekin, 61554</i>			
County: <i>Tazewell</i>	Health Service Area	<i>2</i>	Health Planning Area:

Applicant /Co-Applicant Identification

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

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

Type of Ownership of Applicant/Co-Applicant

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

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

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

Primary Contact

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

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

Additional Contact

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

Name: <i>Richard Stotz</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154</i>
Telephone Number: <i>708-498-9365</i>
E-mail Address: <i>richard.stotz@fmc-na.com</i>
Fax Number: <i>708-498-9283</i>

Post Permit Contact

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

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

Additional Contact

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

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

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>Pekin 250 LLC</i>
Address of Site Owner: <i>10531 Timberwood Cr., Suite D, Louisville, KY 40223</i>
Street Address or Legal Description of Site: <i>137 Radio City Drive, North Pekin, IL 61554</i>
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

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

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

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

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT**1. Project Classification**

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

Part 1110 Classification:

- Substantive
 Non-substantive

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

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

2. Narrative Description

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

Fresenius Medical Care of Illinois, LLC, proposes to establish a 9 station in-center hemodialysis facility at 137 Radio City Drive, North Pekin, IL. The facility will be in leased space in a strip mall. The interior of the leased space will be built out by the applicant.

Fresenius Medical Care North Pekin will be in HSA 2. There is a need for 4 additional ESRD stations in this HSA according to the December 2011 inventory update.

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

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds				
USE OF FUNDS		CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs		N/A	N/A	N/A
Site Survey and Soil Investigation		N/A	N/A	N/A
Site Preparation		N/A	N/A	N/A
Off Site Work		N/A	N/A	N/A
New Construction Contracts		N/A	N/A	N/A
Modernization Contracts		1,020,000	N/A	1,020,000
Contingencies		100,000	N/A	100,000
Architectural/Engineering Fees		112,000	N/A	112,000
Consulting and Other Fees		N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)		256,500	N/A	256,500
Bond Issuance Expense (project related)		N/A	N/A	N/A
Net Interest Expense During Construction (project related)		N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	1,285,200 141,000	1,426,200	N/A	1,426,200
Other Costs To Be Capitalized		N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)		N/A	N/A	N/A
TOTAL USES OF FUNDS		2,914,700		2,914,700
SOURCE OF FUNDS		CLINICAL	NONCLINICAL	CLINICAL
Cash and Securities		1,488,500	N/A	1,488,500
Pledges		N/A	N/A	N/A
Gifts and Bequests		N/A	N/A	N/A
Bond Issues (project related)		N/A	N/A	N/A
Mortgages		N/A	N/A	N/A
Leases (fair market value)		1,426,200	N/A	1,426,200
Governmental Appropriations		N/A	N/A	N/A
Grants		N/A	N/A	N/A
Other Funds and Sources		N/A	N/A	N/A
TOTAL SOURCES OF FUNDS		2,914,700	N/A	2,914,700
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.				

Related Project Costs

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

Land acquisition is related to project	<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 non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.		
Estimated start-up costs and operating deficit cost is \$ <u>52,809</u> .		

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:	
<input checked="" type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>May 31, 2014</u>	
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed.	
<input type="checkbox"/> Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies	
<input checked="" type="checkbox"/> Project obligation will occur after permit issuance.	
APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

State Agency Submittals

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

Cost Space Requirements

Provide in the following format, the 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
REVIEWABLE							
ESRD							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

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

CERTIFICATION

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

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

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

[Handwritten Signature]

SIGNATURE

PRINTED NAME Mark Fawcett
Vice President & Treasurer

PRINTED TITLE

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

[Handwritten Signature]

SIGNATURE

PRINTED NAME Bryan Mello
Assistant Treasurer

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 7 day of Dec 2011

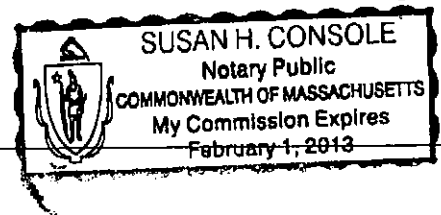
[Handwritten Signature]

Signature of Notary

Signature of Notary

Seal

Seal



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

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

[Handwritten Signature]

SIGNATURE

Mark Fawcett

VICE PRESIDENT & ASST. TREASURER

PRINTED TITLE

[Handwritten Signature]

SIGNATURE

Bryan Mello

ASSISTANT TREASURER

PRINTED TITLE

Notarization:

Subscribed and sworn to before me this day of 2011

Notarization:

Subscribed and sworn to before me this 7 day of Dec 2011

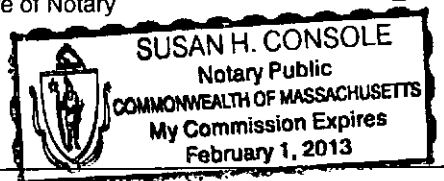
[Handwritten Signature]

Signature of Notary

Signature of Notary

Seal

Seal



*Insert EXACT legal name of the applicant

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

PURPOSE OF PROJECT

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

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

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

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

ALTERNATIVES

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

Alternative options **must** include:

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

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

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

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

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

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

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

Provide the following information:

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

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

ASSURANCES: NOT APPLICABLE – THERE IS NO UNFINISHED SHELL SPACE

Submit the following:

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

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

G. Criterion 1110.1430 - In-Center Hemodialysis

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

Category of Service	# Existing Stations	# Proposed Stations
<input checked="" type="checkbox"/> In-Center Hemodialysis	0	9

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

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

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

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

VIII. - 1120.120 - Availability of Funds

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

<u>1,488,500</u>	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
<u>N/A</u>	<p>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.</p>
<u>N/A</u>	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
<u>1,426,200</u>	<p>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:</p> <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
<u>N/A</u>	<p>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;</p>
<u>N/A</u>	<p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p>
<u>2,914,700</u>	<p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
TOTAL FUNDS AVAILABLE	

IX. 1120.130 - Financial Viability

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

<p><u>Financial Viability Waiver</u></p> <p>The applicant is not required to submit financial viability ratios if:</p> <ol style="list-style-type: none"> 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. <p>See Section 1120.130 Financial Waiver for information to be provided</p> <p>APPEND DOCUMENTATION AS ATTACHMENT-40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>
--

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

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

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

2. Variance **NOT APPLICABLE**

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

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

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			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

XII. Charity Care Information

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

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

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

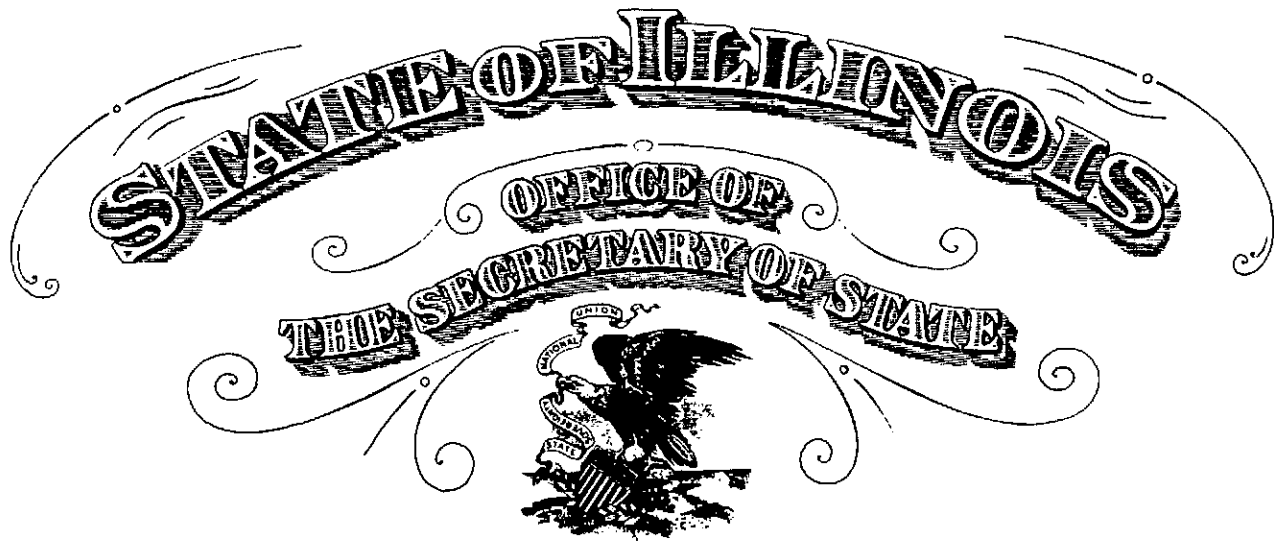
A table in the following format must be provided for all facilities as part of Attachment 44.

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

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

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Co-applicant Identification including Certificate of Good Standing	21-22
2	Site Ownership	23-29
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	30
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	31
5	Flood Plain Requirements	32-33
6	Historic Preservation Act Requirements	34
7	Project and Sources of Funds Itemization	35-36
8	Obligation Document if required	37
9	Cost Space Requirements	38
10	Discontinuation	
11	Background of the Applicant	39-72
12	Purpose of the Project	73
13	Alternatives to the Project	74-76
14	Size of the Project	77
15	Project Service Utilization	78
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	79-111
27	Non-Hospital Based Ambulatory Surgery	
28	General Long Term Care	
29	Specialized Long Term Care	
30	Selected Organ Transplantation	
31	Kidney Transplantation	
32	Subacute Care Hospital Model	
33	Post Surgical Recovery Care Center	
34	Children's Community-Based Health Care Center	
35	Community-Based Residential Rehabilitation Center	
36	Long Term Acute Care Hospital	
37	Clinical Service Areas Other than Categories of Service	
38	Freestanding Emergency Center Medical Services	
	Financial and Economic Feasibility:	
39	Availability of Funds	112-124
40	Financial Waiver	125-127
41	Financial Viability	
42	Economic Feasibility	128-132
43	Safety Net Impact Statement	133
44	Charity Care Information	134-141
	Appendix 1 – Physician Referral Letters	142-146
	Appendix 2 – MapQuest Travel Times	147-150



To all to whom these Presents Shall Come, Greeting:

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

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON MARCH 26, 2004, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 5TH day of JULY A.D. 2011 .



Jesse White

Authentication #: 1118601316

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

SECRETARY OF STATE

Co - Applicant Identification

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

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

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

Name of Registered Agent: *CT Systems*

Name of Chief Executive Officer: *Mats Wahlstrom*

CEO Address: *920 Winter Street, Waltham, MA 02541*

Telephone Number: *781-669-9000*

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

Type of Ownership

- | | | |
|--|--|--------------------------------|
| <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.

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: *Pekin 250 LLC*

Address of Site Owner: *10531 Timberwood Cr., Suite D, Louisville, KY 40223*

Street Address or Legal Description of Site: *137 Radio City Drive, North Pekin, IL 61554*

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

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



Cushman & Wakefield of
 Illinois, Inc.
 455 N. Cityfront Plaza Drive
 Suite 2800
 Chicago, IL 60611-5555
 (312) 470-1800 Tel
 (312) 470-3800 Fax
 www.cushwake.com

January 10, 2012

Chad Middendorf
 10531 Timberwood Circle, Suite D
 Louisville, KY 40223

RE: Fresenius Medical Care of Illinois, Inc.
Letter of Intent – Pekin, IL

Dear Chad,

Cushman & Wakefield has been exclusively authorized by FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, to present the following letter of intent to lease space from your company.

Fresenius Medical Care Of Illinois is the world's leading provider of dialysis products and services. The company manages in excess of 1,800 kidney dialysis clinics and 50 billing centers and regional offices throughout North America.

LANDLORD: Pekin 250 LLC
 10531 Timberwood Circle, Suite D
 Louisville, KY 4022

TENANT: Fresenius Medical Care of Illinois, LLC.

LOCATION: 137 Radio City Dr.
 North Pekin, IL 61554
 (Subject to change when property is subdivided)

PIN: 04-04-13-104-019

INITIAL SPACE REQUIREMENTS: Approximately 6,800 contiguous usable square feet.

Fresenius Medical Care of Illinois, LLC may have the need and therefore must have the option to increase or decrease the area by up to ten percent (10%) until approval of final construction drawings.

PRIMARY TERM: An initial lease term of fifteen (15) years. The Lease and rent would commence on the date that the facility starts treating patients. For purposes of establishing an actual occupancy date, both parties will execute an amendment after occupancy has occurred, setting forth dates for purposes of calculations, notices, or other events in the Lease that may be tied to a commencement date.

DELIVERY OF PREMISES: Landlord shall deliver the Premises to Fresenius Medical Care of Illinois, LLC for completion of the Tenant Improvements upon substantial completion of the shell.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

24

OPTIONS TO RENEW: Three (3), five (5) year options to renew the Lease. Option rental rates shall be based upon the lower of Fair Market Value or the increase in the Consumer Price Index over the previous five years, capped at 2.5% per year. Fresenius Medical Care of Illinois, LLC shall provide sixty (60) days' prior written notification of its desire to exercise the option.

RENTAL RATE: \$18.00 per usable square foot

ESCALATION: 10% increase in years 6 and 11.

TENANT ALLOWANCE: Please see Building Shell Exhibit. *(See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)*

CONCESSIONS: A rent free period of 3 months upon commencement.

USE: Fresenius Medical Care of Illinois, LLC shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes except those authorized in writing by Landlord, which shall not be unreasonably withheld, conditioned or delayed. Fresenius Medical Care of Illinois, LLC may operate on the Premises, at Fresenius Medical Care of Illinois, LLC's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

DEMISED PREMISES SHELL: Landlord is responsible for delivery a shell building in conformance with Fresenius Medical Care of Illinois, LLC's specifications attached as *(See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)*

CONTRACTOR FOR TENANT IMPROVEMENTS: FRESENIUS MEDICAL CARE OF ILLINOIS, LLC will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FRESENIUS MEDICAL CARE OF ILLINOIS, LLC shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any.

HVAC: Landlord will provide HVAC service to the space to meet FRESENIUS MEDICAL CARE OF ILLINOIS, LLC's requirements as outlined in Exhibit A. FRESENIUS MEDICAL CARE OF ILLINOIS, LLC requires HVAC service 24 hours per day, 7 days per week. *(See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)*

DELIVERIES: FRESENIUS MEDICAL CARE OF ILLINOIS, LLC requires delivery access to the Premises 24 hours per day, 7 days per week.

EMERGENCY GENERATOR: FRESENIUS MEDICAL CARE OF ILLINOIS, LLC shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

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

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

**PRELIMINARY
IMPROVEMENT PLAN:**

At this time, please provide AutoCAD files that include one-eighth inch scale architectural drawings of the proposed demised premises and detailed building specifications.

PARKING:

Landlord will provide a parking ratio of 5 per 1,000 RSF with as many of those spaces as possible to be directly in front of the building for patient use. FRESENIUS MEDICAL CARE OF ILLINOIS, LLC shall require that 10% of the parking (**specify number**) be designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at Landlord's sole cost and expense).

BUILDING CODES:

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC requires that the site, shell and all interior structures constructed or provided by the Landlord to meet all local, State, and Federal building code requirements, including all provisions of ADA.

**CORPORATE
IDENTIFICATION:**

Tenant shall have signage rights in accordance with local code.

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

Tenant shall be responsible for all Real Estate Taxes and Operating Expenses associate with the building.

**ASSIGNMENT/
SUBLETTING:**

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

MAINTENANCE:

Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the exterior portions and structural portions of the Building to keep the building weather and water tight and structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, doors and windows, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, footings as well as any elevators, water mains, gas and sewer lines, sidewalks, private roadways, landscape, parking areas, common areas, and loading docks, if any, on or appurtenant to the Building or the Premises.

With respect to the parking and other exterior areas of the Building and subject to reasonable reimbursement by Tenant, Landlord shall perform the following, pursuant to good and accepted business practices throughout the term: repainting the exterior surfaces of the building when necessary,

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

repairing, resurfacing, repaving, re-striping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

Tenant shall maintain and keep the interior of the Premises in good repair, free of refuse and rubbish and shall return the same at the expiration or termination of the Lease in as good condition as received by Tenant, ordinary wear and tear, and damage or destruction by fire, flood, storm, civil commotion or other unavoidable causes excepted. Tenant shall be responsible for maintenance and repair of Tenant's equipment in the Premises.

UTILITIES:

Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of any of Tenant's utility specifications in the Premises. Landlord agrees to bring water, electricity, gas and sanitary sewer to the Premises in sizes and to the location specified by Tenant and pay for the cost of meters to meter their use. Landlord shall pay for all impact fees and tapping fees associated with such utilities.

SURRENDER:

At any time prior to the expiration or earlier termination of the Lease, Tenant may remove any or all the alterations, additions or installations, installed by or on behalf of Tenant, in such a manner as will not substantially injure the Premises. Tenant agrees to restore the portion of the Premises affected by Tenant's removal of such alterations, additions or installations to the same condition as existed prior to the making of such alterations, additions, or installations. Upon the expiration or earlier termination of the Lease, Tenant shall turn over the Premises to Landlord in good condition, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commotion, or other unavoidable cause excepted. All alterations, additions, or installations not so removed by Tenant shall become the property of Landlord without liability on Landlord's part to pay for the same.

ZONING AND RESTRICTIVE COVENANTS:

Landlord confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no restrictive covenants imposed by the development, owner, and/or municipality that would in any way limit or restrict the operation of FRESANIUS MEDICAL CARE OF ILLINOIS, LLC's dialysis clinic

FLOOD PLAIN:

Landlord confirms that the property and premises is not in a Flood Plain.

CAPITALIZATION TEST:

Landlord will complete the attached Accounting Classification Form to ensure FRESANIUS MEDICAL CARE OF ILLINOIS, LLC is not entering into a capitalized lease arrangement.

FINANCING:

Landlord will provide a non-disturbance agreement.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

EXCLUSIVITY

Landlord will not, during the term of the Lease and any option terms, lease space in a 5 mile radius to any other provider of hemodialysis services.

ENVIRONMENTAL:

Landlord confirms that there is no asbestos present in the building and that there are no contaminants or environmental hazards in or on the property. A Phase One Environmental Study has been conducted and has been made available for FRESINIUS MEDICAL CARE OF ILLINOIS, LLC's review. Landlord also confirms that no other tenants or their activities present issues as to the generation of hazardous materials.

DRAFT LEASE:

FRESINIUS MEDICAL CARE OF ILLINOIS, LLC requires the use of its Standard Form Lease, which is attached.

BROKERAGE FEE:

Cushman & Wakefield of Illinois, is the exclusive real estate services provider to FMCNA, its subsidiaries and affiliates. The Landlord will pay a market commission to Cushman & Wakefield of Illinois. The real estate commission shall be payable 50% upon lease execution and 50% upon occupancy. FRESINIUS MEDICAL CARE OF ILLINOIS, LLC and FMCNA shall retain the right to offset rent for failure to pay the real estate commission.

LEASE EXECUTION:

Both parties agree that they will make best efforts to reach a fully executed lease document within thirty days of the execution of this letter of intent.

LEASE SECURITY:

Fresenius Medical Holdings Corp shall fully guarantee the lease.

CONFIDENTIAL:

The material contained herein is confidential. It is intended for use of Landlord and Tenant solely in determining whether they desire to enter into a Lease, and it is not to be copied or discussed with any other person.

EXCLUSIVE NEGOTIATING PERIOD:

The parties agree that they will negotiate on an exclusive basis for a period of thirty (30) days from the execution of this document.

NON-BINDING NATURE:

This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive Lease agreement has been fully executed and delivered by the parties. The parties agree that this proposal is not intended to create any agreement or obligation by either party to negotiate a definitive Lease agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive, fully executed agreement, and without any liability to the other party, either party may (i) propose different terms from those summarized

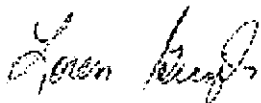
No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

herein, (ii) enter into negotiations with other parties and/or (iii) unilaterally terminate all negotiations with the other party hereto.

If you are in agreement with these terms, please execute the document below and return a copy for our records.

You may email the proposal to loren.guzik@cushwake.com. Thank you for your time and cooperation in this matter, should you have any questions please call me at 312.470.1897.

Sincerely,



Loren Guzik
Senior Director
Office Group
Phone: 312-470-1897
Fax: 312-470-3800
e-mail: loren_guzik@cushwake.com

CC: Mr. Bill Popken

AGREED AND ACCEPTED this 17 day of 1/17, 2012

By: Chad Muddard

Title: General Manager

AGREED AND ACCEPTED this ___ day of _____, 2012

By: _____

Title: _____

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

Operating Identity/Licensee

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

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

Certificate of Good Standing at Attachment – 1.

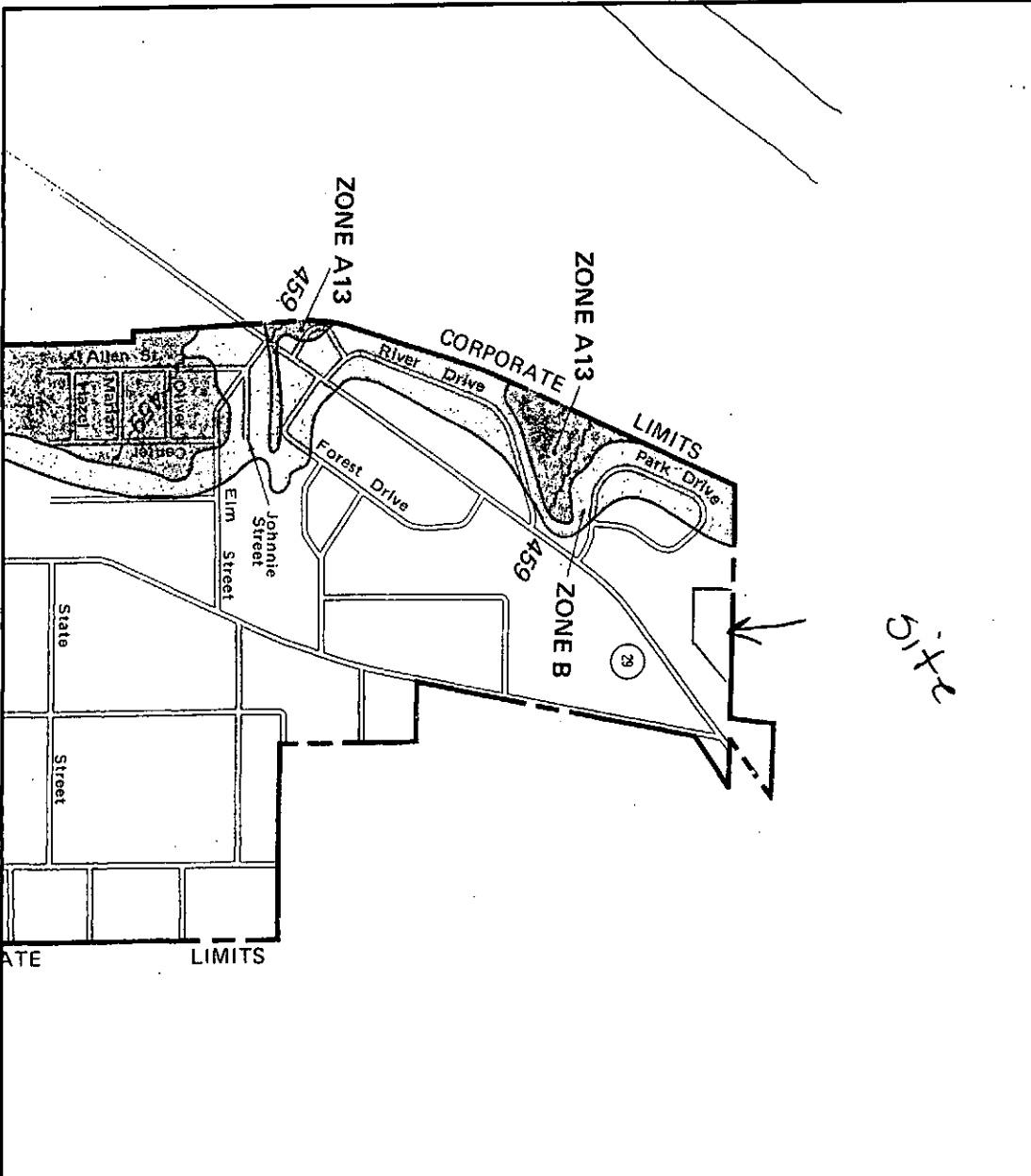
Fresenius Medical Care Holdings, Inc.

National Medical Care, Inc.

Fresenius Medical Care
of Illinois, LLC d/b/a
Fresenius Medical Care
North Pekin

Flood Plain Requirements

The proposed site for the establishment of Fresenius Medical Care Oak Forest complies with the requirements of Illinois Executive Order #2005-5. The site, 137 Radio City Drive, North Pekin, is not located in a flood plain as can be seen on the FEMA flood plain map on the following page.



APPROXIMATE SCALE
 1000 0 1000 FEET

NATIONAL FLOOD INSURANCE PROGRAM

FIRM
 FLOOD INSURANCE RATE MAP

VILLAGE OF
 NORTH PEKIN,
 ILLINOIS
 TAZEWELL COUNTY

ONLY PANEL PRINTED

COMMUNITY PANEL NUMBER
 170653 0005 B
 EFFECTIVE DATE:
 JUNE 4, 1980

U.S. DEPARTMENT OF HOUSING
 AND URBAN DEVELOPMENT
 FEDERAL INSURANCE ADMINISTRATION

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.nsc.fema.gov



Illinois Historic Preservation Agency

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

Tazewell County
North Pekin
137 North Radio City Drive
IHFSRB

PLEASE REFER TO: IHPA LOG #005010512

New construction, 9 station dialysis facility, Fresenius Medical Care

January 9, 2012

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

Dear Ms. Wright:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Anne E. Haaker
Deputy State Historic
Preservation Officer

SUMMARY OF PROJECT COSTS

Modernization

General Conditions	50,000
Temp Facilities, Controls, Cleaning, Waste Management	2,100
Concrete	13,000
Masonry	15,400
Metal Fabrications	7,400
Carpentry	90,000
Thermal, Moisture & Fire Protection	18,000
Doors, Frames, Hardware, Glass & Glazing	70,000
Walls, Ceilings, Floors, Painting	160,000
Specialities	12,500
Casework, FI Mats & Window Treatments	6,000
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	325,600
Wiring, Fire Alarm System, Lighting	200,000
Miscellaneous Construction Costs	50,000
Total	1,020,000

Contingencies

Contingencies	\$100,000
---------------	-----------

Architectural/Engineering

Architecture/Engineering Fees	\$112,000
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Movable or Other Equipment

Dialysis Chairs	14,000
Misc. Clinical Equipment	15,000
Clinical Furniture & Equipment	16,000
Office Equipment & Other Furniture	25,000
Water Treatment	90,000
TVs & Accessories	40,000
Telephones	12,000
Generator	30,000
Facility Automation	12,000
Other miscellaneous	2,500
Total	256,500

Fair Market Value Leased Space & Equipment

FMV Leased Space (6,800 GSF)	\$1,285,200
FMV Leased Dialysis Machines	135,000
FMV Leased Computers	6,000
Total	\$1,426,200

Project obligation will occur after permit issuance.

Cost Space Requirements

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

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
In-Center Hemodialysis	2,914,700		6,800				
Total Clinical	2,914,700		6,800				
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL	2,914,700		6,800				
APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

Fresenius Medical Care Holdings, Inc. In-center Clinics in Illinois

Clinic	Provider #	Address	City	Zip
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002
Aurora	14-2515	455 Mercy Lane	Aurora	60506
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406
Bolingbrook	14-2605	538 E. Boughton Road	Boilingbrook	60440
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609
Burbank	14-2641	4811 W. 77th Street	Burbank	60459
Carbondale	14-2514	725 South Lewis Lane	Carbondale	62901
Champaign	14-2588	1405 W. Park Street	Champaign	61801
Chatham		333 W. 87th Street	Chicago	60620
Chicago Dialysis	14-2506	820 West Jackson Blvd.	Chicago	60607
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624
Crestwood	14-2538	4861W. Cal Sag Road	Crestwood	60445
Decatur East	14-2503	1830 S. 44th St.	Decatur	62521
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015
Des Plaines		1625 Oakton Place	Des Plaines	60018
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185
DuQuoin	14-2595	#4 West Main Street	DuQuoin	62832
East Peoria	14-2562	3300 North Main Street	East Peoria	61611
Elgin	14-2726	2130 Point Boulevard	Elgin	60123
Elk Grove	14-2507	901 Biesterfield Road, Ste. 400	Elk Grove	60007
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609
Glendale Heights	14-2617	520 E. North Avenue	Glendale Heights	60139
Glenview	14-2551	4248 Commercial Way	Glenview	60025
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619
Gurnee	14-2549	101 Greenleaf	Gurnee	60031
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649
Joliet		721 E. Jackson Street	Joliet	60432
Kewanee	14-2578	230 W. South Street	Kewanee	61443
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613
Logan Square		2734 N. Milwaukee Avenue	Chicago	60647
Lombard	14-2722	1940 Springer Drive	Lombard	60148
Macomb	14-2591	523 E. Grant Street	Macomb	61455
Marquette Park	14-2566	6515 S. Western	Chicago	60636
McHenry	14-2672	4312 W. Elm St.	McHenry	60050
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704
Melrose Park	14-2554	1111 Superior St., Ste. 204	Melrose Park	60160
Merrionette Park	14-2667	11630 S. Kedzie Ave.	Merrionette Park	60803
Metropolis	14-2705	20 Hospital Drive	Metropolis	62960
Midway	14-2713	6201 W. 63rd Street	Chicago	60638
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448
Morris	14-2596	1401 Lakewood Dr., Ste. B	Morris	60450
Mundelein		1400 Townline Road	Mundelein	60060
Naperbrook		2451 S Washington	Naperville	60565
Naperville	14-2543	100 Spalding Drive Ste. 108	Naperville	60566
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714
Norridge	14-2521	4701 N. Cumberland	Norridge	60656
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630
Northcenter	14-2531	2620 W. Addison	Chicago	60618
Northfield		480 Central Avenue	Northfield	60093
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611

Facility List
ATTACHMENT - 11

Oak Park	14-2504	773 W. Madison Street	Oak Park	60302
Orland Park	14-2550	9160 W. 159th St.	Orland Park	60462
Oswego	14-2677	1051 Station Drive	Oswego	60543
Ottawa	14-2576	1601 Mercury Circle Drive, Ste. 3	Ottawa	61350
Palatine	14-2723	691 E. Dundee Road	Palatine	60074
Pekin	14-2571	600 S. 13th Street	Pekin	61554
Peoria Downtown	14-2574	410 W Romeo B. Garrett Ave.	Peoria	61605
Peoria North	14-2613	10405 N. Juliet Court	Peoria	61615
Plainfield	14-2707	2320 Michas Drive	Plainfield	60544
Polk	14-2502	557 W. Polk St.	Chicago	60607
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764
Prairie	14-2569	1717 S. Wabash	Chicago	60616
Randolph County	14-2589	102 Memorial Drive	Chester	62233
River Forest		103 Forest Avenue	River Forest	60305
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008
Roseland	14-2690	135 W. 111th Street	Chicago	60628
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621
Round Lake	14-2616	401 Nippersink	Round Lake	60073
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946
Sandwich	14-2700	1310 Main Street	Sandwich	60548
Skokie	14-2618	9801 Wood Dr.	Skokie	60077
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617
South Deering		10559 S. Torrence Ave.	Chicago	60617
South Holland	14-2542	17225 S. Paxton	South Holland	60473
South Shore	14-2572	2420 E. 79th Street	Chicago	60649
South Side	14-2508	3134 W. 76th St.	Chicago	60652
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461
Southwestern Illinois	14-2535	Illinois Rts 3&143, #7 Eastgate Plz.	East Alton	62024
Spoon River	14-2565	210 W. Walnut Street	Canton	61520
Spring Valley	14-2564	12 Wolfer Industrial Drive	Spring Valley	61362
Steger	14-2725	219 E. 34th Street	Steger	60475
Streator	14-2695	2356 N. Bloomington Street	Streator	61364
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640
Waukegan Harbor	14-2727	101 North West Street	Waukegan	60085
West Batavia		2580 W. Fabyan Parkway	Batavia	60510
West Belmont	14-2523	4943 W. Belmont	Chicago	60641
West Chicago	14-2702	1859 N. Nellnor	West Chicago	60185
West Metro	14-2536	1044 North Mozart Street	Chicago	60622
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302
West Willow		1444 W. Willow	Chicago	60620
Westchester	14-2520	2400 Wolf Road, Ste. 101A	Westchester	60154
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959
Willowbrook	14-2632	6300 S. Kingery Hwy, Ste. 408	Willowbrook	60527

Certification & Authorization

Fresenius Medical Care of Illinois, LLC

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

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

By: [Signature]

ITS: Mark Fawcett
Vice President & Treasurer

By: [Signature]

ITS: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011

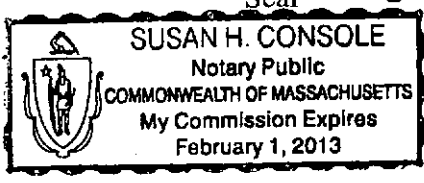
Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011

[Signature]
Signature of Notary

[Signature]
Signature of Notary

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Certification & Authorization

Fresenius Medical Care Holdings, Inc.

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

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

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

By: [Signature]
ITS: Bryan Mello
Assistant Treasurer

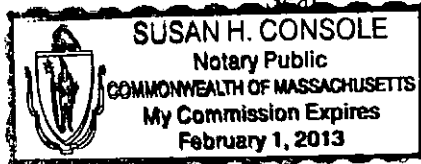
Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011

Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011

Signature of Notary Susan H Console Signature of Notary

Seal

Seal





Forbes 2011
THE WORLD'S
MOST
INNOVATIVE
COMPANIES

CORPORATE Responsibility & COMMUNITY Commitment



Fresenius Medical Care

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CREATING A FUTURE WORTH LIVING

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

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

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

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



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A PRIMER FOR YOUR KIDNEYS

KIDNEY DISEASE & DIALYSIS

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



WHAT HAPPENS WHEN KIDNEYS FAIL?

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

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

WHAT ARE THE SIGNS OF KIDNEY DISEASE?

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

Some signs of kidney disease are:

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

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

HOW IS KIDNEY DISEASE DIAGNOSED?

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

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

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

WHAT CAUSES KIDNEY DISEASE?

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

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

HOW CAN KIDNEY DISEASE BE PREVENTED?

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

WHAT IS DIALYSIS?

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

HEMODIALYSIS

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



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

PERITONEAL DIALYSIS

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

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

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





FRESENIUS MEDICAL CARE NORTH AMERICA

FRESENIUS MEDICAL CARE: A CORPORATE SNAPSHOT

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

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

214,648
PATIENTS WORLDWIDE

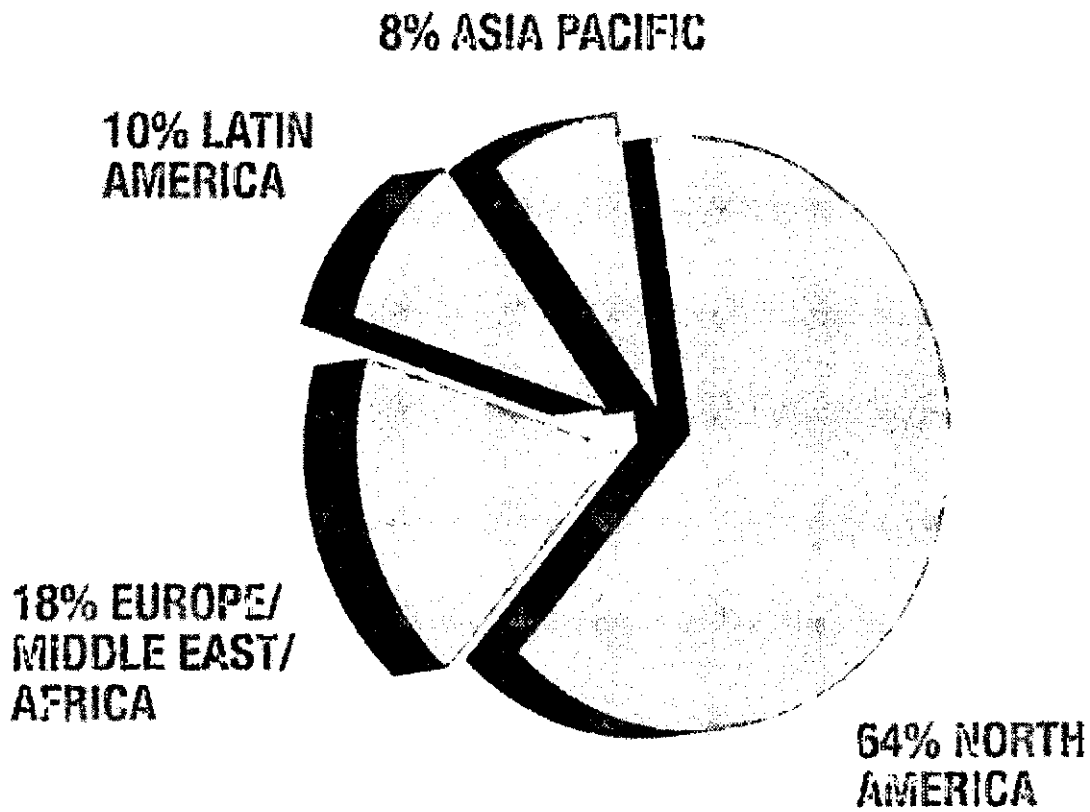
2,757
CLINICS WORLDWIDE

73,452
EMPLOYEES WORLDWIDE

Over 40
PRODUCTION SITES WORLDWIDE

about 31.7 million
DIALYSIS TREATMENTS WORLDWIDE

214,648 PATIENTS WORLDWIDE:



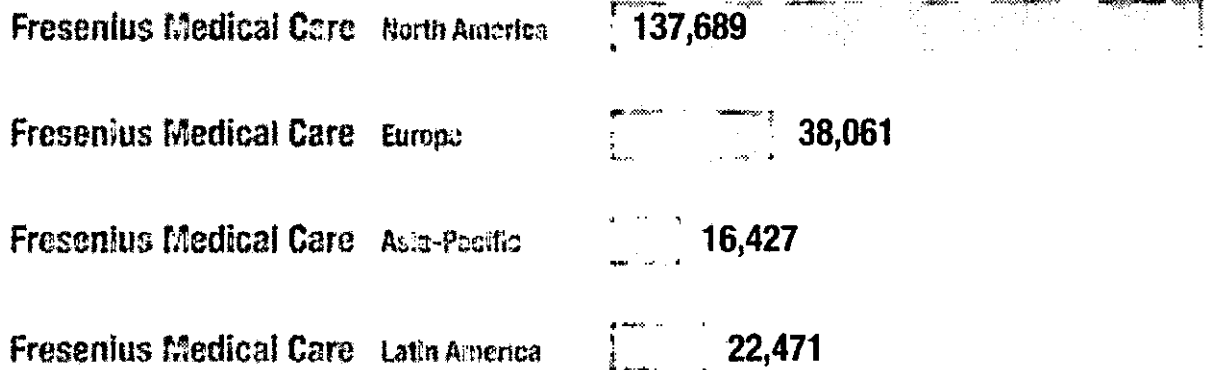
2,757

CLINICS WORLDWIDE:

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

2,029 M

DIALYSIS SERVICES WORLDWIDE (2010)



ADVANCING RENAL THERAPY:

DIALYSIS SERVICES & PRODUCTS SINCE 1968

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

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

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

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



QUALITY OF CARE & PATIENT SAFETY

1968:

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

1970:

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

1996:

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

1996:

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

1997:

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

1997:

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

1998:

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

1999:

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

2003:

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

2003:

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

UltraCare®

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

2004:

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

2004:

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



2010:

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

2011:

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

RESEARCH & INNOVATION

1966:

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

1984:

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

1999:

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

1997:

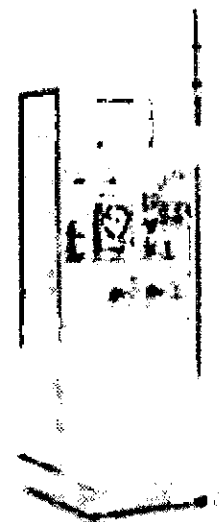
In a joint venture with Beth Israel Medical Center in New York, FMCNA establishes the Renal Research Institute, formed to combine the latest dialysis technology and research to advance end stage renal disease medical care, making it the first collaboration among a group of dialysis centers providing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

2000:

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

2000:

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



The 2008K

2000:

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

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

2000:

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

2000:

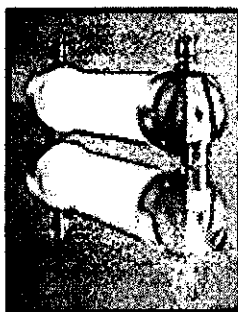
FMCNA introduces a compliance tracking system to its automated peritoneal dialysis (APD) system, the Freedom[™] Cyclor PD+. The IQcard[™] system allows the cyclor to record patient treatment information on a small credit-card sized card.

2001:

FMCNA introduces the Optiflux[®] dialyzer family with superior small and large molecular weight solute clearances for improved clearance rates and outstanding biocompatibility.

2001:

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



Optiflux Dialyzers

2004:

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

2004:

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

2005:

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

2008:

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

2010:

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

2011:

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

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

2011:

Fresenius Medical Care is certified as the first Patient Safety Organization (PSO) in the dialysis industry by the Secretary U.S.

Department of Health and Human Services with the objective of furthering the mission of continuously improving patient safety and health care quality. The purpose of a PSO is to establish a framework by which

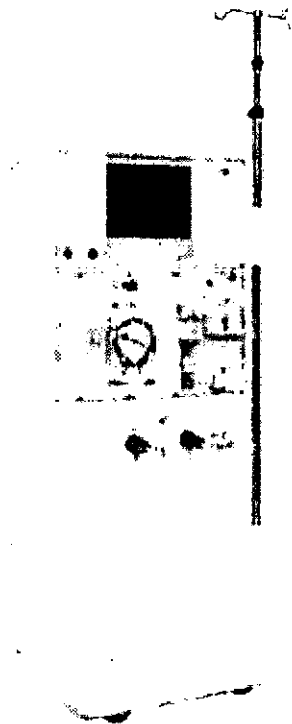


The 2008T

doctors and other health care providers may voluntarily report information to PSOs, on a privileged and confidential basis, to collect and analyze patient safety events.

2011:

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



The 2008K@home

ADVANCING RENAL THERAPY: INTEGRATED CARE

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

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



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

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

PATIENT SURVIVAL & HOSPITALIZATION

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

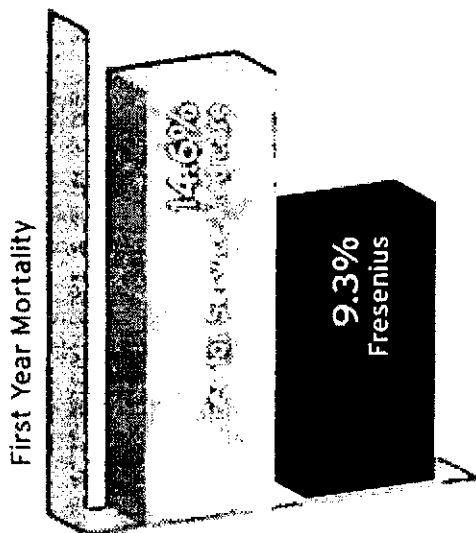
- One Year Mortality (36% reduction)
- Two Year Mortality (24% reduction)
- "All Cause" First Hospitalizations (reduced by 13% for One Year) and (reduced by 20% for Two Year)
- Cardiovascular Disease" First Hospitalizations (reduced by 14% for One Year) and (reduced by 21% for Two Year)

REDUCING COSTS

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

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

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



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

ADVANCING RENAL THERAPY: **TREATMENT OPTIONS PROGRAM (TOPS)**

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

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

TOPs, in its five years since launch...

- Educated 57,000 chronic kidney patients at no charge to them. Family members welcome to participate

- Offered nationwide in a variety of settings including dialysis facilities, libraries, hospitals, community centers

- Peer-reviewed paper published on TOPs participants in June 2011

- Showed a 40-50% lower risk of death during first 90 days of dialysis

- TOPs associated with more home dialysis choices

- TOPs associated with more fistula/graft choices



ADVANCING RENAL THERAPY: CLINICAL STUDIES

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

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

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

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



ADVANCING RENAL THERAPY: RENAL RESEARCH INSTITUTE

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

Key contributions to the body of renal care literature by RRI

The Frequent Hemodialysis Network Trials (2010-2011)

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

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

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

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Events before death (2009-ongoing)

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

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

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



OUR COMMUNITY COMMITMENT: **VOLUNTEERISM**

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

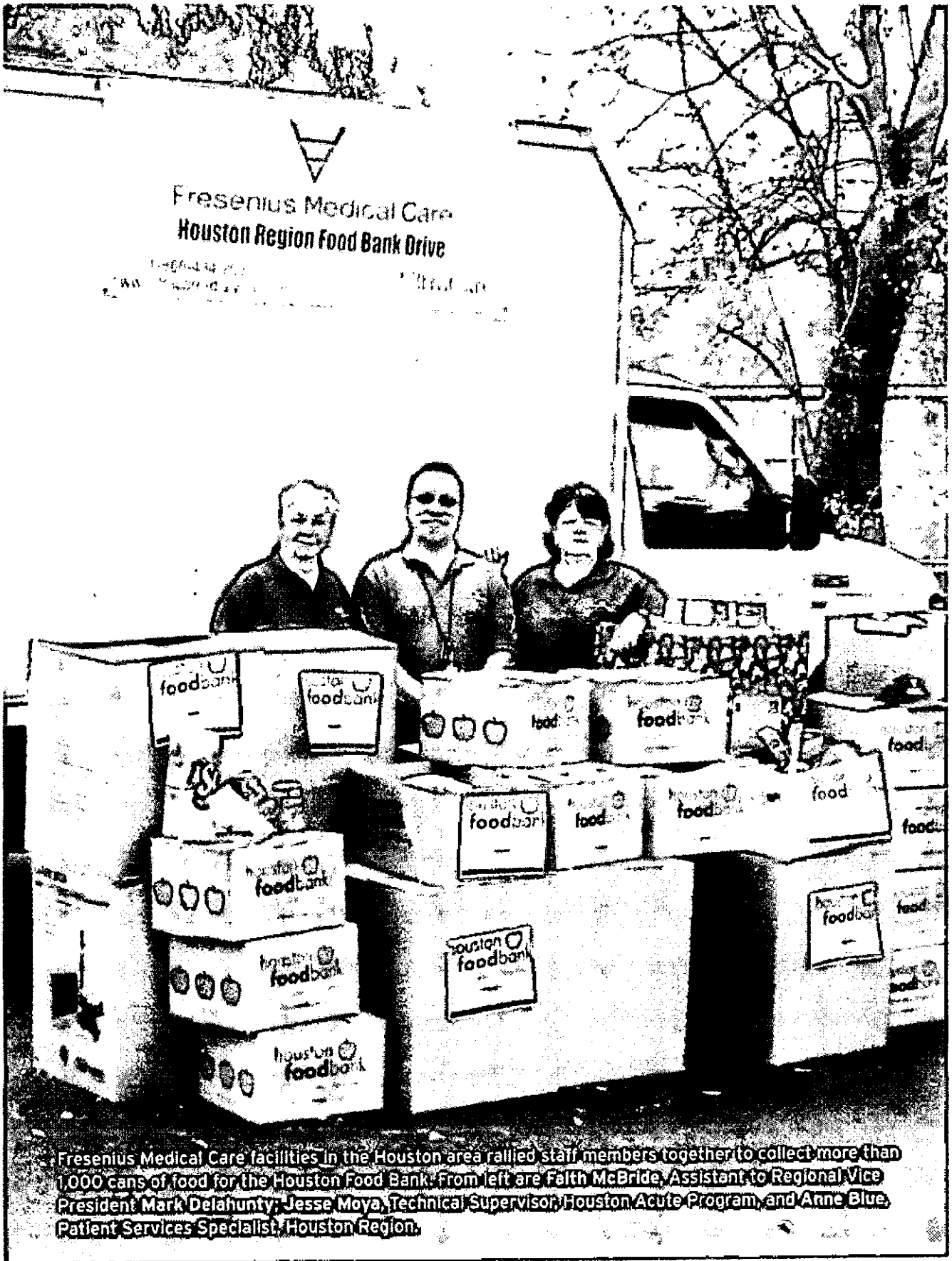
The South Greensboro, North Carolina Fresenius Medical Care Education Department provided area secondary institutions Page High School and Weaver Academy Allied Health Students with the opportunity to participate in a hemodialysis clinical experience. The students were shown an overview of hemodialysis,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

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

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



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



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



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

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



Ann Pridgen RN CDN volunteering in Haiti

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

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



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

OUR COMMUNITY COMMITMENT: **GLOBAL OUTREACH**

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

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

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





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OUR COMMUNITY COMMITMENT: EMERGENCY & DISASTER PREPAREDNESS

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

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



HOW PREPARED ARE WE?

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



OUR COMMUNITY COMMITMENT: **CONTRIBUTIONS**

NATIONAL KIDNEY FOUNDATION

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

RENAL SUPPORT NETWORK

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

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

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

- Questioning, allowing innovators to challenge the status quo and consider new possibilities;
- Observing helping innovators detect small details—in the activities of customers, suppliers and other companies—that suggest new ways of doing things;
- Networking permitting innovators to gain radically different perspectives from individuals with diverse backgrounds;
- Experimenting prompting innovators to relentlessly try out new experiences, take things apart and test new ideas;
- Associational thinking—drawing connections among questions, problems or ideas from unrelated fields—triggered by questioning, observing, networking and experimenting and is the catalyst for creative ideas.



CORPORATE
Responsibility
&
COMMUNITY
Commitment



Fresenius Medical Care

The World Leader in Renal Therapy

Fresenius Medical Care North America
920 Winter Street
Waltham, MA 02451
781-699-9000
www.fmcna.com

Criterion 1110.230 – Purpose of Project

1. The purpose of this project is to keep dialysis services accessible to rural Tazewell County in HSA 2, more specifically the Pekin market area.
2. The market area that Fresenius Medical Care North Pekin will serve is mainly Pekin, which includes North Pekin and rural areas of Tazewell County.
3. This North Pekin facility is needed because the current Pekin facility is operating at 85% and does not have the ability to expand to accommodate the additional patients of Renal Care Associates (RCA). The closest facilities are ten miles or more away in Peoria. A large number of the patients identified for the proposed facility reside in the rural areas of Tazewell County and making the trip to Peoria, especially for the evening shift where capacity would be available, would be an unnecessary hardship. Access is needed near where these patients reside.
4. Utilization of area facilities is obtained from the Renal Network for the 3rd Quarter 2011. Pre-ESRD patients for the market area were obtained from RCA.
5. The goal of Fresenius Medical Care is to keep dialysis access available to this patient population as we continue to monitor the growth and provide responsible healthcare planning for this area. There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications.
6. It is expected that this facility would have and maintain the same quality outcomes as Fresenius Medical Care Pekin as listed below.
 - o 91% of patients had a URR \geq 65%
 - o 93% of patients had a Kt/V \geq 1.2

Alternatives

1) All Alternatives

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

The current Pekin facility, which is operating at 85%, cannot expand, therefore there is only one alternative that would entail a lesser scope and cost than the project proposed and that would be doing nothing. This was determined not to be a feasible option. RCA serves a large patient population spread out across central Illinois. The Pekin facility of which is supported by RCA has been operating above target utilization for many years. If nothing is done, patients will be forced out of the area for treatment. There is no monetary cost associated with this alternative.

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

The preferred Fresenius model of ownership is for our facilities to be wholly owned, however we do enter into joint ventures on occasion. Fresenius Medical Care always maintains control of the governance, assets and operations of a facility it enters into a joint venture agreement with. Our healthy financial position and abundant liquidity indicate that that we have the ability to support the development of additional dialysis expected financial obligations and does not require any additional funds to meet expected project costs. This project was not desired to be a joint venture by either Fresenius Medical Care or the physicians group.

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

The option of sending RCA's pre-ESRD patients to underutilized facilities in the area as they require dialysis treatment is not a reasonable option for the patients who live in this market. The nearest and only facility that serves Pekin is operating at 85%. The closest facilities with capacity are ten miles or more away. This distance can be daunting on rural roads, particularly in bad weather or early morning or evening hours when it is dark out and when many patients are required to travel.

D. As discussed further in this application, the most desirable alternative to keep access to dialysis services available to the highly utilized Pekin area and to plan for future ESRD patients identified by RCA is to establish Fresenius Medical Care North Pekin. The cost of this project is \$2,914,700.

Alternatives

1) All Alternatives

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

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The option of sending RCA's pre-ESRD patients to underutilized facilities in the area as they require dialysis treatment is not a reasonable option for the patients who live in this market. The nearest and only facility that serves Pekin is operating at 85%. The closest facilities with capacity are ten miles or more away in Peoria. Due to the largely rural nature of Tazewell County, where the Pekin North facility will be, it creates travel hardships on patients requiring them to drive long distances for treatment.

D. As discussed further in this application, the most desirable alternative to keep access to dialysis services available to the highly utilized Pekin area and to plan for future ESRD patients identified by RCA is to establish Fresenius Medical Care North Pekin. The cost of this project is \$2,914,700.

3. Empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. It is expected that the North Pekin facility would maintain the same quality outcomes as the other Fresenius facilities the Pekin/Peoria area as listed below:

- 91% of patients had a URR \geq 65%
- 93% of patients had a Kt/V \geq 1.2

Criterion 1110.234, Size of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD IN-CENTER HEMODIALYSIS	6,800 (9 Stations)	360-520 DGSF	2,120	No

As seen in the chart above, the State Standard for ESRD is between 360-520 DGSF per station. This project is being accomplished in leased space with the interior to be built out by the applicant therefore the standard being applied is expressed in departmental gross square feet. The proposed 6,800 DGSF amounts to 755 DGSF per station and does not fall within the State Standard.

The additional space is needed for several reasons. The first is the inclusion of a home dialysis clinic at the facility. It is easier for patients and physician's alike to be at one location. This facility will also likely add nocturnal dialysis in the future which requires more room per station. The supporting physicians are also interested in having room to see patients at this site due to the fact that their practice is spread throughout central Illinois. Also, the support space needed for a smaller clinic is the same as is needed for a large clinic. These areas would include, break rooms, restrooms, staff offices, water treatment rooms and lobby space. These areas spread out over a fewer number of stations make it more difficult to meet square footage guidelines and have adequate space at the same time. Lastly, the majority of Fresenius dialysis clinics will expand stations and having this readily available space on the forefront is more cost effective than relocating or establishing a new facility.

Criterion 1110.234, Project Services Utilization

UTILIZATION					
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	IN-CENTER HEMODIALYSIS				
YEAR 1	IN-CENTER HEMODIALYSIS	N/A	39%	80%	No
YEAR 2	IN-CENTER HEMODIALYSIS	N/A	80%	80%	Yes

Renal Care Associates (RCA) has identified 61 pre-ESRD patients who will require dialysis services in the first two years of operation of the facility. It is expected that approximately 30% of these will not longer require dialysis services by the time the facility is in operation due to death, transplant or moving out of the area. Therefore approximately 43 patients will begin dialysis at the North Pekin facility in the first two years of operation. This does not include any patients who present in the emergency in kidney failure who might also be referred to the facility.

A. Planning Area Need - Formula Need Calculation:

Fresenius Medical Care North Pekin is located in North Pekin in Tazewell County in HSA 2. There is currently a need for 4 additional stations in this HSA.

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

- A. The primary purpose of this project is to provide in-center hemodialysis services to the residents of Tazewell County in HSA 2, more specifically the Pekin market area. 100% of the current ESRD patients and 100% of the pre-ESRD patients identified for this project reside in HSA 2.

Pre-ESRD Patients Who Will Be Referred To Fresenius North Pekin			
County	HSA	#Patients	% of Patients
Perry	2	5	2%
Tazewell	2	56	92



Illinois Kidney Disease & Hypertension Center

Nephrology Associates
 Frederick Horvath, Jr., M.D.
 Phillip J. Olsson, M.D., F.A.C.P.
 Robert T. Sparrow, M.D.
 Benjamin R. Pflederer, M.D.
 David C. Rosborough, M.D.
 Timothy A. Pflederer, M.D.
 Paul T. Dreyer, M.D.
 Gordon W. James, M.D.
 Andrew C. Bland, M.D., F.A.A.P., F.A.C.P.
 Robert Bruha, M.D.
 Samer B. Sader, M.D.
 Anthony R. Horinek, M.D.
 Robert A. Pflederer, M.D. - Emeritus
 R. Kent Bryan, M.D. - Emeritus

Surgery Associates
 Beverley L. Ketel, M.D.
 Timothy P. O'Connor, M.D., F.A.C.S.

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

Nurse Practitioners
 Tonya K. McDougall, M.S.N., F.N.P.
 Karen A. Helfers, M.S.N., F.N.P.
 Cheryl M. Wiemer, M.S.N., F.N.P.
 Judith A. Dansizen, A.P.R.N.-B.C.

Administrator
 Beth A. Shaw, MBA

200 E. Pennsylvania Ave., Suite 212
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2355 Broadway Rd.
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1100 E. Norris Drive
 Ottawa, IL 61350

501 E. Grant St.
 Macomb, IL 61455

920 West Street
 Medical Office Building, Suite 212
 Peru, IL 61354

530 Park Avenue East, Suite 306
 Princeton, IL 61356

107 Tremont Street
 Hopedale, IL 61741

210 W. Walnut
 3rd Floor, Outpatient Clinic
 Canton, IL 61520

1315 Memorial Drive
 Outpatient Clinic
 Mendota, IL 61342

205 South Park
 Streator, IL 61364

December 16, 2011

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

Dear Ms. Avery:

My name is Paul Dreyer, M.D. and I am a nephrologist practicing in central Illinois with Renal Care Associates (RCA), a group of ten nephrologists. I am also the medical director of the Fresenius Macomb dialysis center. I am writing to support the proposed Fresenius North Pekin dialysis clinic. The nearby Pekin facility has been operating over 80% utilization for many years which severely limits available treatment times to this largely rural patient population. Many of the patients that live in the rural areas travel long distances for treatment and are hesitant driving at night when the last shift of the day ends. Additional 1st and 2nd shift options are needed, which the North Pekin clinic will provide for these patients.

I along with my partners at Renal Care Associates have referred 200 new patients for hemodialysis services over the past twelve months. We were treating 610 hemodialysis patients at the end of 2008, 563 at the end of 2009, 635 at the end of 2010 and as of September 30, 2011 we were treating 639. We have a total of 922 patients in our practice in various stages of kidney failure. There are 61 patients living in the vicinity of the proposed North Pekin facility that I expect would begin dialysis at that facility (accounting for a 30% loss of patients prior to dialysis commencement approximately 43 will be referred in the first two years of operation of the clinic).

RCA also strongly encourages patients who to explore other treatment choices such as transplantation and home dialysis. We currently have over 100 patients dialyzing at home. The central Illinois clinics at which we serve as medical director have had a combined average of 37 transplants per year over the last four years.

Renal Care Associates respectfully ask the Board to approve the 9-station North Pekin facility to provide continued dialysis access to the rural patients of the North Pekin area. Thank you for your consideration.

Sincerely,

Paul Dreyer MD

Paul Dreyer, M.D.

Notarization:

Subscribed and sworn to before me
 this 20 day of Dec, 2011

Cynthia A. Hasty
 Signature of Notary
 (seal)



81
 RenalCare
 Associates, S.C.

Service Demand - Physician Referrals
 ATTACHMENT 26b - 3

**NEW HEMODIALYSIS REFERRALS OF RENAL CARE ASSOCIATES FOR
THE TIME PERIOD 11/01/10 - 10/31/11**

ZIP CODE	FRESenius MEDICAL CARE												Total
	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PEGIN	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	
60014							1						1
60929									1				1
61301		1									2		3
61319									1			1	2
61341					2								2
61342					2								2
61348										1			1
61350					10								10
61354										2			2
61356										5			5
61362										3			3
61364									1			5	6
61369									1			1	2
61370					1								1
61377												1	1
61401		1											1
61421			1										1
61422				1									1
61427									1				1
61443			8										8
61455				4									4
61484				1									1
61518					1								1
61520									6				6
61523								3					3
61524									1				1
61526								1					1
61528								1					1
61529									1				1
61531									1				1
61533						1							1
61584						1							1
61586								1					1
61542							1						1
61547						1							1
61548		2											2
61550		3					1						4
61554						11	1						12
61559			1					1					2
61560										1			1
61568						1							1
61569							2		1				3
61571		4											4
61572									1				1
61601							1						1
61602								1					1
61603		2					8						10
61604		1					10	2					13
61605							6						6
61607		3				1	3			1			8
61611		1											1
61614		2					1	5					8
61615		1						2					3
61616							1	3					4
61701	7												7
61702	2												2
61704	7												7
61705	1												1
61726									1				1
61727	1												1
61728									1				1
61734						1							1
61737	1												1
61738	1												1
61739									1				1
61740									1				1
61744										1			1
61745	1												1
61761	3												3
61764									1				1
61771	1												1
62644						1				1			2
62682						1							1
65259		1											1
TOTAL	25	22	10	6	16	19	36	20	8	14	16	8	200

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2008

ZIP CODE	TREMONT MEDICAL CARE												TOTAL
	BLOOMINGTON	DAYTON	KEWANAW	MACOMB	OTTAWA	PERON	PERON DOWNTOWN	PERON NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	
68123							1						1
68420									2				2
68468									1				1
68518					1								1
68521					1								1
68534												1	1
68921									9				9
68934									1				1
68936									1				1
61071								7					7
61281		1											1
61284		1											1
61282				1									1
61301					1						14		15
61312											1		1
61314				3									3
61317											2		2
61319									2				2
61822											5		5
61225												1	1
61327											1		1
61329											1		1
61330											1		1
61332											1		1
61396											2		2
61341						6							6
61342											4		4
61349											5		5
61350			1			15							16
61354											8		8
61356		1									6		7
61358		1											1
61360						3							3
61361				1				1					2
61362											11		11
61364		1				2						14	16
61368											1		1
61373						1							1
61377		1	1									2	4
61379				3									3
61420					1								1
61422					2								2
61434				1									1
61441					1								1
61443				15				1					16
61445					1								1
61450					1								1
61452					7								7
61458								1					1
61457								2					2
61482			1	2									3
61494					1								1
61491		1		1									2
61517								1					1
61520			2				1			13			16
61523			1					4					5
61524									1				1
61528								2					2
61529								1					1
61530			1										1
61533										2			2
61536			2							1			3
61537			1							2			3
61540			1					2					3
61542										1			1
61545			1										1
61546			1				4	1		2			8
61548			2										2
61550			7				1						8
61554			10	1			29			1			41
61555			1				1						2
61558								1					1
61563		1								1			1
61563													1
61568			2				1						3
61569								1		1			2
61571			8					1					9
61602								1		1			2
61603		1	6					21		1			29
61604			6					28		2			36
61605		1	6			1		43		1			52
61606								6		1			7
61607						1		2		1			4
61610			2					1					3
61611			11					1		3			15
61612								1					1
61614		2	6					5		10			23
61615			1					5		8			14
61616			2					3		2			7
61620								3					3
61650			1					1					2
61701		20						3					23
61702		3						8					11
61704		13											13
61721		2											2
61722								2					2
61723		2											2
61726		1											1
61727		1											1
61729		1											1
61737		2											2
61734						4							4
61730		2											2
61739		1								1			2
61740												1	1
61745		1						3					4
61747			1										1
61748		1								1			2
61752			5										5
61753		1						1		1			3
61754		1											1
61759			1					1					2
61760										1			1
61761		23						1					24
61764		1						1		13			15
61774		1											1
61777		1											1
61778		1											1
61852		1											1
61877								1					1
61842		2											2
61856		1											1
61882		1											1
61911				1									1
61644								1		3			4
89801										1			1
TOTAL	97	88	33	16	29	42	114	54	27	28	62	19	610

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2009

ZIP CODE	FRESHBURY MEDICAL CARE											TOTAL	
	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PEKIN	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY		STREATOR
60148							1						1
60420									3				3
60460									2				2
60470												1	1
60910							1						1
60918					1								1
60943					1								1
60971									3				3
60994									1				1
60996									1				1
61282				1									1
61301								2			11		13
61312										1			1
61314													1
61317											1		1
61319									2			1	3
61321	1												1
61322										5			5
61327										2			2
61329										2			2
61325										1			1
61326										1			1
61340						6							6
61342											4		4
61348											5		5
61350						13						1	14
61354											8		8
61356				1							9		10
61360						1							1
61361													2
61362											8		8
61364						4						12	16
61373						2							2
61377												2	2
61401													1
61420													1
61422													3
61434													1
61441													1
61443													15
61445													1
61450													1
61455													6
61483													2
61484													1
61491													1
61517													1
61520													8
61523													8
61524													1
61525													1
61528													1
61529													1
61531													1
61533													3
61534													1
61535													1
61537													1
61542													2
61546													5
61548													3
61550													6
61552													1
61554													3
61555													2
61559													2
61561													1
61562													2
61564													2
61568													2
61569													1
61571													12
61602													1
61603													6
61604													5
61605													4
61606													4
61607													1
61610													3
61611													10
61612													1
61614													6
61615													1
61616													1
61650													1
61655													1
61701													29
61702													2
61704													11
61705													1
61721													1
61722													1
61723													1
61724													1
61725													1
61726													1
61727													1
61728													1
61729													2
61734													3
61738													2
61741													1
61745													2
61747													1
61748													1
61752													7
61753													1
61755													1
61759													1
61761													20
61764													1
61769													1
61777													2
61822													1
61842													2
61911													1
62644													4
TOTAL	79	64	71	10	70	41	133	58	29	25	60	17	563

Service Demand - Physician Referrals
ATTACHMENT 26b - 3

HEMODIALYSIS PATIENTS AS OF SEPTEMBER 30, 2011

ZIP CODE	FREDONIS MEDICAL CARE											DUMFRIES	TOTAL	
	BLOOMINGTON	SPOON RIVER	FLOWA DOWNTOWN	EAST FORDA	NEWNAME	MACDARE	FORDA NORTH	OTTAWA	FORDA	PONTIAC	SERRIS VALLEY			STREATOR
60612			1										1	1
60409										1				1
60408										2				2
60518			1											1
60518								1				1		2
60671	1													1
60642						1					1			2
60787														1
60721										2				2
60729										2				2
60924										1				1
61011				3							8			9
61017											3			3
61319										2		1		3
61329										3				3
61321										1				1
61322										7				7
61376										1				1
61371										1				1
61329										2				2
61326										3				3
61341								5						5
61342								3			4			7
61340											8			8
61349											1			1
61350								13						13
61354											4			4
61361					1						13			13
61362														1
61364								4			12	19		25
61363										1				1
61371								7						7
61375											1			1
61379											3			3
61407		3												3
61408					3									3
61443					13									13
61453		1				8								9
61483					2									2
61484						1								1
61491					1		1							2
61502								1						1
61517							3							3
61520		15												15
61523			1				4							5
61524		1												1
61525								2						2
61526								1						1
61528				1				1						2
61529			3											3
61530					3									3
61531														2
61533														1
61534									7					7
61535														2
61537											2			2
61540				1				1						2
61541														2
61546										3				3
61547										1				1
61548					4									4
61550					3									3
61552								1						1
61554					7				35					39
61555									2					2
61559						3		1						2
61560											3			3
61561		1			1									2
61563							3							3
61564									2					2
61565				1						1				2
61569										1				1
61569														2
61569		1												1
61571					20									20
61572		2												2
61602					5			1						6
61603					18	3		4	4					29
61604					39	8		8						46
61605					42	4		2						48
61606					2									2
61607					5	1		3	3					9
61618					1	2								3
61611	1				1	8								10
61612														1
61614					5	3		21				1		20
61615					4	2		6						12
61616					2	2		3						7
61620														1
61653					1			1						2
61701	57													57
61702														3
61704														14
61705														1
61721														1
61723													1	1
61726									7					7
61727													2	2
61728										2				2
61729														1
61730														1
61731														1
61734									1					1
61738														2
61739										3				3
61740														1
61740										1				1
61740													1	1
61752														4
61753						1								1
61768										2				2
61761														20
61764										16				16
61765										1				1
61774														1
61776														1
61842														1
61954														1
61949														1
62067														1
62067														1
62069														1
62047									1					1
62056														1
62064														1
62062														1
TOTAL	93	36	27	74	24	7	64	34	46	95	67	27	7	629

PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE NORTH PEKIN FACILITY IN THE 1ST TWO YEARS OF OPERATION

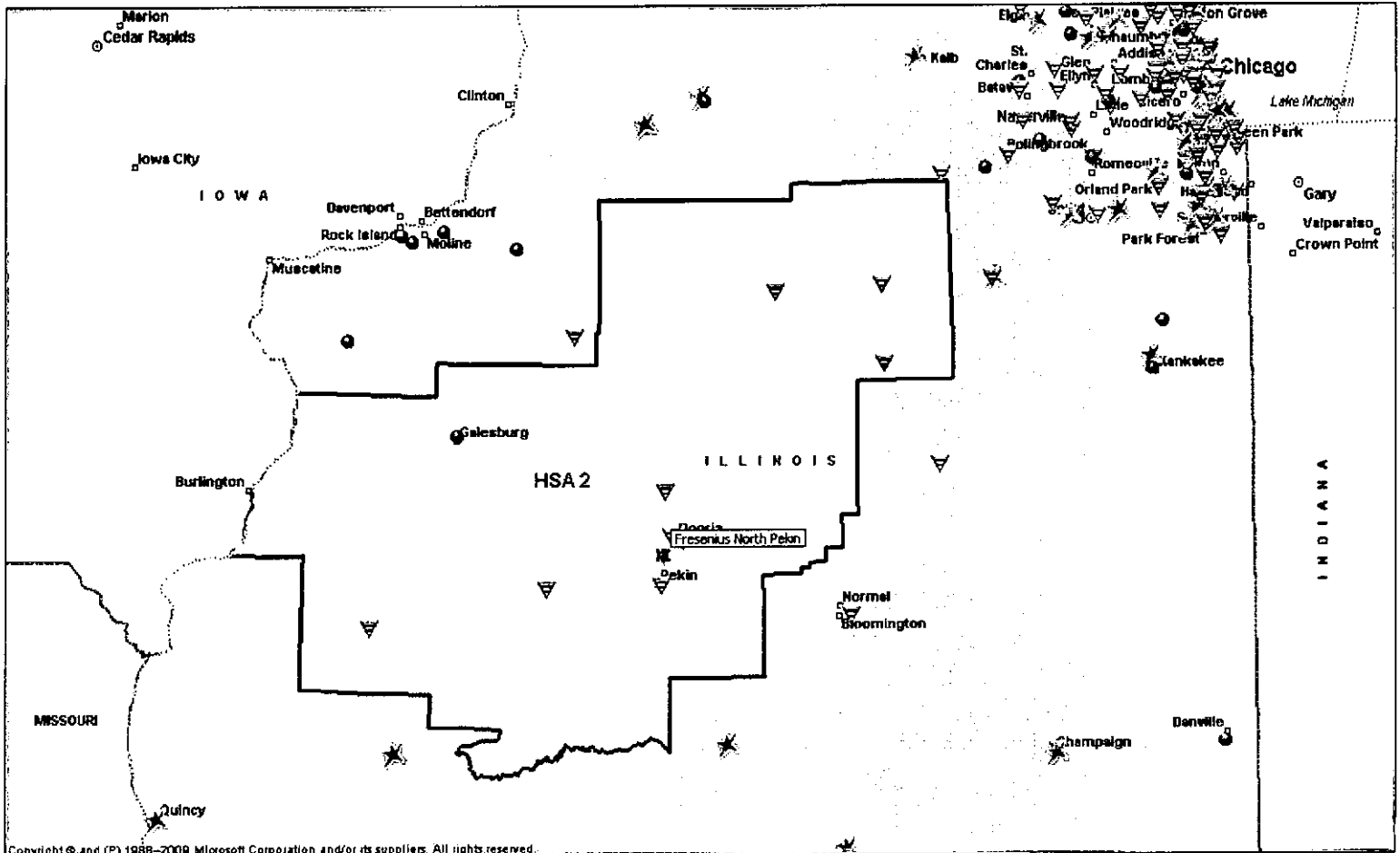
Zip Code	Town	County	Patients
61535	Groveland	Tazewell	3
61550	Morton	Tazewell	8
61554	Pekin/North Pekin	Tazewell	31
61607	Bartonville	Peoria	5
61610	Creve Coeur	Tazewell	14
Total			61

(It is expected that approximately 30% of the above patients will no longer require dialysis services by the time the facility is in operation due to death, transplant or moving out of the area. Therefore approximately 43 of the above patients will actually begin dialysis services at the North Pekin facility.)

Service Accessibility – Service Restrictions

Fresenius Medical Care North Pekin is being established to accommodate dialysis patients in the Pekin market area. Fresenius Medical Care Pekin North is located in HSA 2 which consists of Bureau, Fulton, Henderson, Knox, LaSalle, Marshall, McDonough, Peoria, Putnam, Stark, Tazewell, Warren and Woodford Counties.

HSA 2



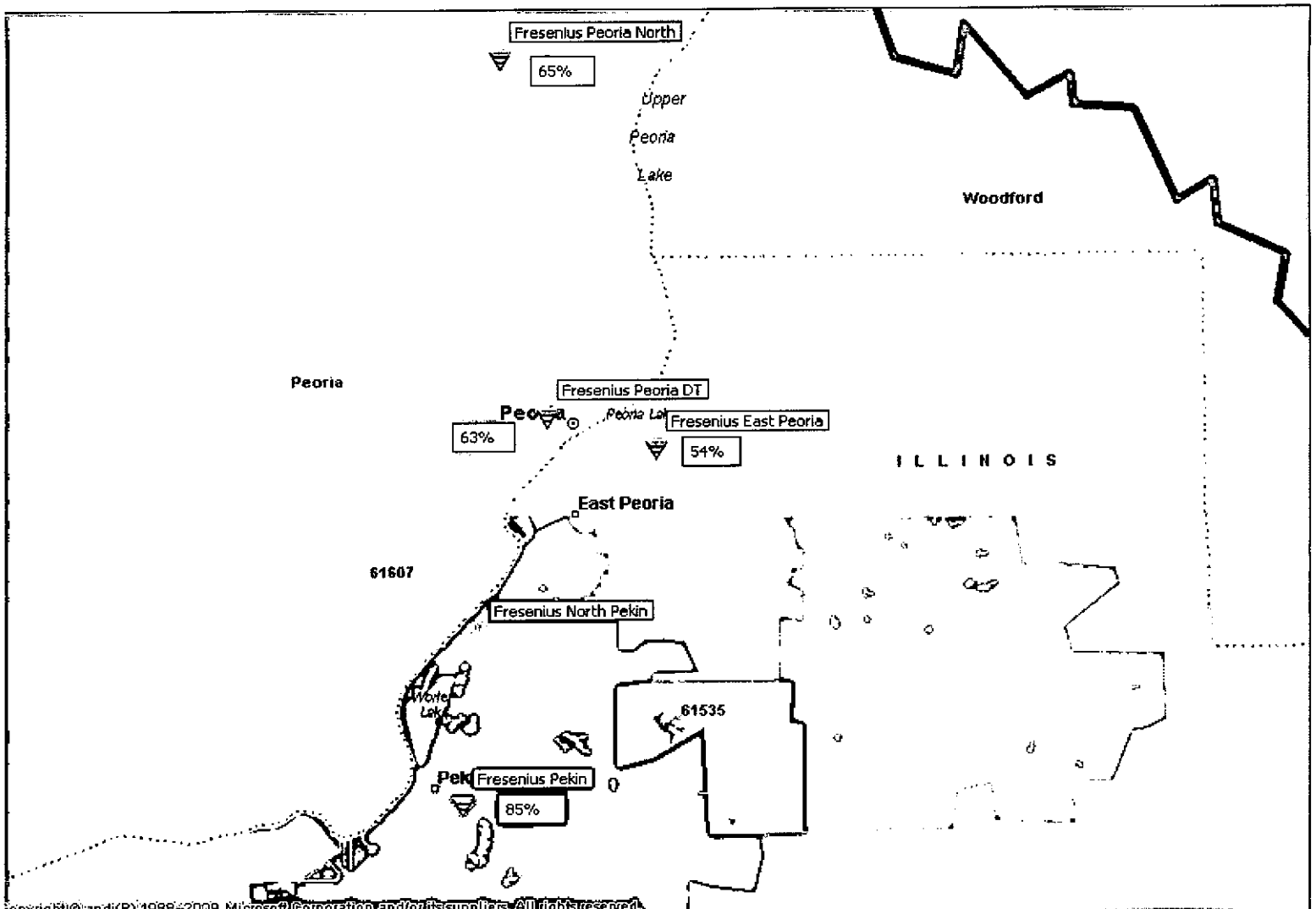
FACILITIES WITHIN 30 MINUTES TRAVEL TIME OF FRESENIUS NORTH PEKIN

Name	Address	City	County	ZIP Code	MapQuest Travel		Adjusted*	Stations	September 2011	
					Miles	Time			Patients	Utilization
Fresenius Pekin	600 S 13th St	Pekin	Tazewell	61554	3.77	9	10.35	9	46	85.19%
Fresenius Peoria DT	410 W Romeo B Garrett	Peoria	Peoria	61605	7.97	15	17.25	32	121	63.02%
Fresenius East Peoria	3300 N Main St	East Peoria	Tazewell	61611	9.69	16	18.4	24	78	54.17%
Fresenius Peoria North	10405 N Juliet Ct	Peoria	Peoria	61615	19.71	23	26.45	17	66	64.71%
Totals								82	311	66.77%

*Adjusted time does not apply to Tazewell County, however it does apply to Peoria County. North Pekin

*Board rules allowing the application of an adjustment factor to Peoria County have been applied for informational purposes only. The North Pekin facility lies one half mile outside of Peoria County and there are two facilities within 30 minutes that lie in Peoria County. It does however, lie in the Peoria Metropolitan Statistical Area.

FACILITIES WITHIN 30 MINUTES AND DEMOGRAPHICS OF IDENTIFIED PRE-ESRD PATIENTS TO BE REFERRED TO THE NORTH PEKIN FACILITY



As can be seen in the above chart and map the facility serving the Pekin area is operating at 85% utilization. The remaining 3 facilities are between 15 and 24 minutes away or between 8 and 20 miles away. The residents of Pekin would not choose to travel this distance on long country roads, especially at night and should not have to. Residents of rural Tazewell County should have access to treatment within reasonable travel distance.

With the Pekin facility operating at 85% utilization, shift choice for the patient can become non-existent. The "choice" shift is the mid-day shift and then the early morning shift. The last shift of the day, on average, begins between 3-4:30p.m. and ends between 7-8:30p.m. Dialyzing at this hour leaves these patients with fewer transportation choices since county/township medical car transportation services do not operate after 4p.m.

Transportation in itself is a major hurdle for the dialysis patient. These patients require treatment three times a week and if not able to drive themselves, have to rely on friends or family members for rides. If the friend or family member cannot stay and wait the 4-5 hours the patient is receiving treatment they then are required to make two round trips a day or six per week. If the facility is near 30 minutes away, this amounts to 2 hours travel time a day or 6 hours a week. This pattern continues not just occasionally like many other health services, but for the life of the patient. This can create hardships on the friends and family members who may have jobs/families of their own to consider. For these reasons, it is imperative for the dialysis patient to have treatment close to home.

Unnecessary Duplication/Maldistribution

1(A-B-C) The ratio of ESRD stations to population in the zip codes within a 30 minute radius of Fresenius North Pekin is 1 station per 4,472 residents according to the 2010 census (based on 366,779 residents and 82 stations. The State ratio is 1 station per 3,438 residents (based on US Census 2010 of 12,830,632 Illinois residents and November 2011 Board station inventory of 3,731).

Zip	Population	Stations	Facility
61517	3,259		
61520	17,839		
61523	11,204		
61525	9,021		
61526	1,088		
61528	2,668		
61529	2,880		
61530	6,713		
61533	2,427		
61534	1,737		
61535	1,629		
61536	2,919		
61546	4,276		
61547	3,779		
61548	12,085		
61550	17,721		
61554	43,810	9	Fresenius Pekin
61559	3,332		
61568	4,459		
61569	1,220		
61571	23,744		
61602	1,055		
61603	17,600		
61604	31,647		
61605	16,303	32	Fresenius Peoria Downtown
61606	8,051		
61607	10,941		
61610	5,476		
61611	25,268	24	Fresenius East Peoria
61614	27,628		
61615	22,432	17	Fresenius Peoria North
61616	6,116		
61625	385		
61635			
61729	1,073		
61732	2,096		
61733	1,124		
61734	2,867		
61742	1,144		
61747	1,560		
61755	4,669		
61759	1,534		
Totals	366,779	82	1/4,472

2. Fresenius Medical Care Pekin is operating at 85% utilization and does not have the ability to expand further and Pekin Community Hospital desires to keep the facility on their campus. The facilities north of the Pekin area in Peoria have available capacity, however these facilities are over thirty minutes drive for many of patients from central and south Tazewell County. Traveling long distances for treatment in rural areas is a hardship on the dialysis patient who is often elderly and often ill feeling after treatment. This travel is even more difficult in the evening when it is dark, especially in inclement weather. Patients who rely on township or county transportation services are left without rides home from treatment because these services do not operate after 4 p.m.
- 3A. Fresenius Medical Care North Pekin will not have an adverse effect on any other area ESRD provider in that the patients identified for this facility are pre-ESRD patients of Renal Care Associates (RCA) who would otherwise be referred to the current Pekin facility, which cannot accommodate all of them due to its high utilization. The establishment of this facility will instead provide additional access for residents of the Pekin area and access to preferred daytime treatment shifts.
- B. Not applicable – applicant is not a hospital; however the utilization will not be lowered below target utilization at any other ESRD facility due to the establishment of the facility.

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Dodhia is currently the Medical Director for Fresenius Medical Care Aurora and West Batavia. Attached is his curriculum vitae.

B. All Other Personnel

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

Upon opening we will also employ:

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

These positions will go to full time as the clinic census increases. As well, the patient care staff will increase to the following:

- One Clinic Manager – Registered Nurse
- Four Registered Nurses
- Ten Patient Care Technicians

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

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

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

CURRICULUM VITAE

Paul T. Dreyer, M.D.

PERSONAL INFORMATION

Date of Birth: June 18, 1965
Place of Birth: Elmhurst, Illinois

Work Address: RenalCare Associates, S.C.
200 E. Pennsylvania Ave. Suite 212
Peoria, Illinois, 61603

RenalCare Associates, S.C.
1404 Eastland Drive, Suite 103
Bloomington, Illinois 61701

Renal Intervention Center
430 Maxine Drive
Morton, Illinois 61550

Work Telephone: 309/676-8123
Work Fax: 309/676-8455

UNDERGRADUATE EDUCATION

B.A. Chemistry, University of Iowa, 1987

MEDICAL SCHOOL EDUCATION

M.D. University of Illinois, 1991

POST GRADUATE EDUCATION

Internal Medicine Internship, University of Illinois School of Medicine, Peoria, Illinois 1991-1992
Internal Medicine Residency, University of Illinois School of Medicine, Peoria, Illinois 1992-1994

Activities: Chief Medical Resident, 11/93-2/94
Vice President, House Staff
Resident Representative Blue Alert Committee
Physical Diagnosis Instructor, UICOMP M-2 Students

Nephrology Fellowship, University of Michigan Medical School, Ann Arbor, Michigan 1994-1996

Activities: Teaching house officers and medical students in Renal Clinics on
Nephrology Services
Instructor, Urinalysis Labs, Nephrology section of ICS Clinical Skills
Physical Diagnosis Instructor, M-2 Students

CERTIFICATION AND LICENSURE

1993 Illinois State License, #036-086961
1994 American Board of Internal Medicine, Certificate #155614
1996 American Board of Internal Medicine, Nephrology

HOSPITAL STAFF APPOINTMENTS

1998 - present St. Francis Medical Center, Peoria, Illinois, active staff
1998 - present Methodist Medical Center, Peoria, Illinois, courtesy staff
1998 - present Proctor Hospital, Peoria, Illinois, courtesy staff
1998 - present Graham Hospital, Canton, Illinois, courtesy staff
1998 - present Pekin Hospital, Pekin, Illinois, consulting staff
1998 - present BroMenn Health Care, Normal, Illinois, consulting staff
1998 - present St. Joseph's Medical Center, Bloomington, Illinois, consulting staff
1998 - present St. Margaret's Hospital, Spring Valley, Illinois, consulting staff
1998 - present Community Hospital of Ottawa, Ottawa, Illinois, consulting staff
1998 - present Kewanee Hospital, Kewanee, Illinois, consulting staff

PROFESSIONAL AFFILIATIONS

American College of Physicians
National Kidney Foundation

AWARDS AND HONORS

1991 Alpha Omega Alpha, University of Illinois
1991 Charles Spencer Williamson Excellence in Internal Medicine, University of Illinois
1991 Merck Manual "Doctor's Doctor" Award, UICOMP
1993 Resident of the Year, UICOMP
1994 Resident of the Year, UICOMP

PUBLICATIONS

Hoschek JC, Dreyer P, Dahal S, and Walker, PD. Rapidly Progressive Renal Failure in Childhood.
American Journal of Kidney Diseases, Vol 40, No 6, December 2002, 1342-1347.

RENALCARE ASSOCIATES, SC

515 N.E. Glen Oak Ave., #108

Peoria, IL 61603

T: 309/676-8123

F: 309/676-8455

Nephrologists

Horvath, Frederick, MD

Olsson, Phillip J., MD

Sparrow, Robert T., MD

Pflederer, Benjamin R., MD

Rosborough, David C., MD

Pflederer, Timothy A., MD

Dreyer, Paul T., MD

James, Gordon W., MD

Bland, Andrew C. MD

Bruha, Robert, MD

Sader, Samer B., MD

Horinek, Anthony R., MD

Physician Assistants

Miller, Richard A., PA-C

DeSutter, Julie A., PA-C

Walker, Holly A., PA-C

Nurse Practitioners

McDougall, Tonya K., APN

Helfers, Karen A., APN

Sarimento, Tammy C., APN

Wiemer, Cheryl M., APN

Clinical Nurse Specialist

Dansizen, Judith, CNS

Surgeons

Ketel, Beverley, MD

O'Connor, Timothy P., MD

PAUL T. DREYER, MD

OSF St. Francis Medical Center
530 NE Glen Oak Ave.
Peoria, IL 61637
Peoria County
T: 309/655-6769
F: 309/624-8933
Active - 7/98

OSF St. Joseph Medical Center
2200 E. Washington St.
Bloomington, IL 61701
McLean County
T: 309/662-3311
F: 309/662-0006
Courtesy - 8/98

Methodist Medical Center
221 NE Glen oak Ave.
Peoria, IL 61636
Peoria County
T: 309/672-4830
F: 309/672-4517
Courtesy - 4/98

BroMenn Healthcare
P.O. Box 2850
Bloomington, IL 61702
McLean County
T: 309/454-1400
F: 309/451-2949
Courtesy - 7/98

Proctor Hospital
5409 N. Knoxville Ave.
Peoria, IL 61614
Peoria County
T: 309/691-1037
F: 309/691-1631
Courtesy - 4/98

Graham Hospital
210 W. Walnut St.
Canton, IL 61520
Fulton County
T: 309/647-5240
F: 309/649-5101
Affiliate - 7/98

Pekin Memorial Hospital
600 S. First St.
Pekin, IL 61554
Tazewell County
T: 309/353-0560
F: 309/353-0561
Consulting - 5/98

St. Margaret's Hospital
600 E. First St.
Spring Valley, IL 61382
Bureau County
T: 815/664-1362
F: 815/664-1335
Consulting - 6/98

McDonough District Hospital
525 E. Grant Street
Macomb, IL 61455
McDonough County
T: 309/833-4101
F: 309/836-1610
Consulting - 12/04

Kewanee Hospital
PO Box 747
Kewanee, IL 61443
Henry County
T: 309/853-3361
F: 309/852-6857
Provisional - 12/06

PAUL T. DREYER, MD

▶ **FRESENIUS DIALYSIS GROUP**

Recert date: 1/1/05

For Verifications:

Carole Sekula, Area Manager

Fresenius

3300 N. Main Street

East Peoria, IL 61611

Bloomington
1505 Eastland Medical Plaza
Lower Level
Bloomington, IL 61701
T: 309/663-7165
F: 309/663-1031

Pekin
600 S. 13 St. – 3rd Floor
Pekin, IL 61554
T: 309/353-7629
F: 309/353-7997

Canton
210 W. Walnut
Canton, IL 61520
T: 309/647-0731
F: 309/647-1625

Peoria North
10405 N. Juliet Court
Peoria, IL 61615
T: 309/243-2200
F: 309/243-2240

Peoria Downtown
410 R.B. Garrett Ave.
Peoria, IL 61605
T: 309/637-4100
F: 309/637-3455

Pontiac
804 W. Madison St.
Pontiac, IL 61764
T: 815/844-4340
F: 815/844-2870

East Peoria
3300 N. Main St.
East Peoria, IL 61611
T: 309/698-8300
F: 309/698-8491

Spring Valley
12 Wolfer Industrial Dr.
Spring Valley, IL 61362
T: 815/664-4585
F: 815/663-1430

Kewanee
511 Pine St.
Kewanee, IL 61443
T: 309/854-0917
F: 309/854-9062


Macomb Dialysis - Managed
523 E. Grant Street
Macomb, IL 61455
T: 309/836-1662
F: 309/836-1661

Ottawa
1601 Mercury Cr., #3
Ottawa, IL 61350
T: 815/433-4039
F: 815/434-2527

Criterion 1110.1430 (e)(5) Medical Staff

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

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



Signature

Richard Stotz

Printed Name

Regional Vice President

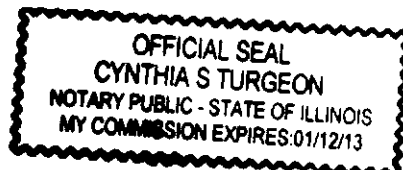
Title

Subscribed and sworn to before me
this 15th day of December 2011



Signature of Notary

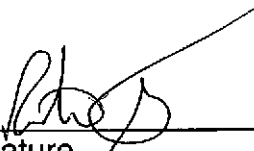
Seal



Criterion 1110.1430 (f) – Support Services

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

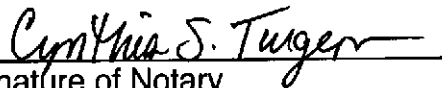
- Fresenius Medical Care utilizes the Proton patient data tracking system in all of its facilities.
- These support services are will be available at Fresenius Medical Care North Pekin during all six shifts:
 - Nutritional Counseling
 - Psychiatric/Social Services
 - Home/self training
 - Clinical Laboratory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



Signature

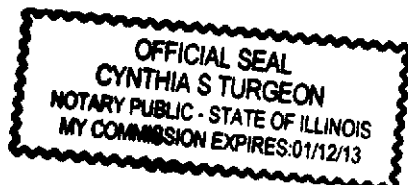
Richard Stotz/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 15th day of December, 2011



Signature of Notary

Seal



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Criterion 1110.1430 (g) – Minimum Number of Stations

Fresenius Medical Care North Pekin is located in the Peoria/Pekin Metropolitan Statistical Area (MSA). A minimum of eight dialysis stations is required to establish an in-center hemodialysis center in an MSA. Fresenius Medical Care North Pekin will have nine dialysis stations thereby meeting this requirement.

TRANSFER AGREEMENT
between
**OSF HEALTHCARE SYSTEM,
SAINT FRANCIS MEDICAL CENTER**
and
DIALYSIS CENTERS OF AMERICA - ILLINOIS

THIS TRANSFER AGREEMENT ("Agreement") is made and executed on the last date written below, by and between OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, having its Corporate Office in Peoria, Illinois, owner and operator of SAINT FRANCIS MEDICAL CENTER, located and doing business in Peoria, Illinois, (such System and Hospital are collectively referred to as "Receiving Hospital") and DIALYSIS CENTERS OF AMERICA - ILLINOIS, which owns and operates renal dialysis facilities, whose locations are set forth in Exhibit A, attached hereto and made a part hereof (all hereinafter referred to as "Transferring Facility").

RECITALS:

A. The Transferring Facility and the Receiving Hospital desire, by means of this Agreement, to assist physicians in the treatment of patients.

B. The parties hereto specifically wish to facilitate: (a) the timely transfer of patients and the medical records and other information necessary or useful for the care and treatment of patients transferred; (b) the determination as to whether such patients can be adequately cared for other than by either of the parties hereto; (c) the continuity of care and treatment appropriate to the needs of the transferred patient; and (d) the utilization of knowledge and other resources of both healthcare entities in a coordinated and cooperative manner to improve the professional healthcare of patients.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and in reliance upon the recitals, set forth above and incorporated by reference herein, the parties hereto agree as follows:

I. DUTIES AND RESPONSIBILITIES.

- 1.1 Joint Responsibilities. In accordance with the policies and procedures of the Transferring Facility and upon the recommendation of the patient's attending physician that such a transfer is medically appropriate, such patient shall be transferred from the Transferring Facility to the Receiving Hospital as long as the Receiving Hospital has bed availability, staff availability, is able to provide the services requested by the Transferring Facility, including on-call specialty physician availability, and pursuant to any other necessary criteria established by the Receiving Hospital. In such cases, the Receiving Hospital and the Transferring Facility agree to exercise best efforts to provide for prompt admission of the patient. If applicable, the parties shall comply with all EMTALA requirements with respect to such transfers. Receiving Hospital and Transferring Facility

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shall meet periodically to review the transfer process, of policies and procedures in order to improve the process, including efficiency, clinical care and patient safety.

- 1.2 Receiving Hospital. The Receiving Hospital shall accept patients in need of transfer from the Transferring Facility pursuant to the criteria set forth in Section 1.1. Further, Receiving Hospital shall designate a person to coordinate with Transferring Facility in order to establish acceptable and efficient transfer guidelines.
- 1.3 Transferring Facility. Transferring Facility shall request transfers of patients to Receiving Hospital pursuant to the criteria set forth in Section 1.1. Further, Transferring Facility shall:
 - a. Have responsibility for obtaining the patient's informed consent for the potential transfer to Receiving Hospital, if the patient is competent. If the patient is not competent, the consent of the legal guardian, agent with power of attorney for health care, or surrogate decision maker of the patient shall be obtained.
 - b. Notify Receiving Hospital as far in advance as possible of the impending transfer.
 - c. Transfer to Receiving Hospital the patient's personal effects, including money and valuables, and information related thereto. A standard form shall be adopted and used by both parties listing such personal effects and appropriate documentation and transfer procedure. Transferring Facility shall be responsible for such personal effects until such standard form has been signed by the Receiving Hospital and Receiving Hospital has received such personal effects.
 - d. Affect the transfer to Receiving Hospital through qualified personnel and appropriate transfer equipment and transportation, including the use of necessary and medically appropriate life support measures. Receiving Hospital's responsibility for the patient's care shall begin when the patient is admitted to Receiving Hospital.
 - e. Transfer, and supplement as necessary, all relevant medical records, or in the case of an emergency, as promptly as possible, transfer an abstract of the pertinent medical and other records necessary in order to continue the patient's treatment without interruption and to provide identifying and other information,

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including contact information for referring physician, name of physician(s) at Receiving Hospital contacted with regard to the patient (and to whom the patient is to be transferred), medical, social, nursing and other care plans. Such information shall also include, without limitation and if available, current medical and lab findings, history of the illness or injury, diagnoses, advanced medical directives, rehabilitation potential, brief summary of the course of treatment at the Transferring Facility, medications administered, known allergies, nursing, dietary information, ambulation status and pertinent administrative, third party billing and social information.

- 1.4 Non Discrimination. The parties hereto acknowledge that nothing in this Agreement shall be construed to permit discrimination by either party in the transfer process set forth herein based on race, color, national origin, handicap, religion, age, sex or any other characteristic protected by Illinois state laws, Title VI of the Civil Rights Act of 1964, as amended or any other applicable state or federal laws. Further, Section 504 of the Rehabilitation Act of 1973 and the American Disabilities Act require that no otherwise qualified individual with an handicap shall, solely by reason of the handicap, be excluded from participation in, or denied the benefits of, or be subjected to discrimination in a facility certified under the Medicare or Medicaid programs.
- 1.5 Name Use. Neither party shall use the name of the other party in any promotional or advertising material unless the other party has reviewed and approved in writing in advance such promotional or advertising material.
- 1.6 Standards. Receiving Hospital shall ensure that its staff provide care to patients in a manner that will ensure that all duties are performed and services provided in accordance with any standard, ruling or regulation of the Joint Commission on Accreditation of Healthcare Organizations, the Department of Health and Human Services or any other federal, state or local government agency, corporate entity or individual exercising authority with respect to or affecting Receiving Hospital. Receiving Hospital shall ensure that its professionals shall perform their duties hereunder in conformance with all requirements of the federal and state constitutions and all applicable federal and state statutes and regulations.
- 1.7 Exclusion/Debarment. Both parties certify that they have not been debarred, suspended, or excluded from participation in any state or federal healthcare program, including, but not limited to, Medicaid, Medicare and

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Tricare. In addition, each party agrees that it will notify the other party immediately if it subsequently becomes debarred, suspended or excluded or proposed for debarment, suspension or exclusion from participation in any state or federal healthcare program.

- 1.8 Confidentiality. Receiving Hospital agrees to maintain confidentiality. Receiving Hospital acknowledges that certain material, which will come into its possession or knowledge in connection with this Agreement, may include confidential information, disclosure of which to third parties may be damaging to Transferring Facility. Receiving Hospital agrees to hold all such material in confidence, to use it only in connection with performance under this Agreement and to release it only to those persons requiring access thereto for such performance or as may otherwise be required by law and to comply with the Health Insurance Portability and Accountability Act.
- 1.9 Access to Books and Records. Both parties will maintain records relating to their responsibilities under this Agreement for a period of one (1) year from the date of services. During normal working hours and upon prior written and reasonable notice, each party will allow the other party reasonable access to such records for audit purposes and also the right to make photocopies of such records (at requesting party's expense), subject to all applicable state and federal laws and regulations governing the confidentiality of such records.

II. FINANCIAL ARRANGEMENTS.

- 2.1 Billing and Collection. The patient is primarily responsible for payment for care provided by Transferring Facility or Receiving Hospital. Each party shall bill and collect for services rendered by each party pursuant to all state and federal guidelines and those set by third party payors. Neither the Transferring Facility nor the Receiving Hospital shall have any liability to the other for billing, collection or other financial matters relating to the transfer or transferred patient. Since this Agreement is not intended to induce referrals, there should be no compensation or anything of value, directly or indirectly, paid between the parties.
- 2.2 Insurance. Each party shall, at its expense, maintain through insurance policies, self-insurance or any combination thereof, such policies of comprehensive general liability and professional liability insurance with coverage limits of at least One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) annual aggregate to insure such party and its Board, officers, employees and agents acting

Transfer Agreement
OSF HEALTHCARE SYSTEM,
Saint Francis Medical Center
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within the scope of their duties and employment against any claim for damages arising by reason of injuries to property or personal injuries or death occasioned directly or indirectly in connection with services provided by such party and activities performed by such party in connection with this Agreement. Either party shall notify the other party thirty (30) days prior to the termination or modification of such policies.

III. TERM AND TERMINATION.

- 3.1 Term and Automatic Renewal. The promises and obligations contained herein shall commence as of March 1, 2005 for a term of one (1) year therefrom and shall automatically renew pursuant to like terms unless one party shall give the other party a notice of intent not to renew thirty (30) days prior to the expiration of the initial term, or the then-existing term, subject, however, to termination under Section 3.2 herein.
- 3.2 Termination. This Agreement may be sooner terminated on the first to occur of the following:
- a. Written agreement by both parties to terminate this Agreement.
 - b. In the event of breach of any of the terms or conditions of this Agreement by either party and the failure of the breaching party to correct such breach within ten (10) business days after written notice of such breach by either party, such other party may terminate this Agreement immediately with written notice of such termination to the breaching party.
 - c. In the event either party to this Agreement shall, without cause, at any time give to the other at least thirty (30) days advanced written notice, this Agreement shall terminate on the future date specified in such notice.
 - d. Debarment, suspension or exclusion, as set forth in Section 1.7.
- 3.3 Effects of Termination. Upon termination of this Agreement, as hereinabove provided, no party shall have any further obligations hereunder, except for obligations accruing prior to the date of termination.

IV. MISCELLANEOUS.

- 4.1 This Agreement constitutes the entire agreement between the parties and contains all of the terms and conditions between the parties with respect to the subject matter hereunder. Receiving Hospital and Transferring

Transfer Agreement
OSF HEALTHCARE SYSTEM,
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DIALYSIS CENTERS OF AMERICA - ILLINOIS

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Facility shall be entitled to no benefits or services other than those specified herein. This Agreement supersedes any and all other agreements, either written or oral, between the parties with respect to the subject matter hereof.

4.2 This Agreement shall be construed and interpreted in accordance with the laws of Illinois. It may only be amended, modified or terminated by an instrument signed by the parties. This Agreement shall inure to the benefit of and be binding upon the parties, their successors, legal representatives and assigns, and neither this Agreement nor any right or interest of Receiving Hospital or Transferring Facility arising herein shall be voluntarily or involuntarily sold, transferred or assigned without written consent of the other party, and any attempt at assignment is void.

4.3 The parties are independent contractors under this Agreement. Nothing in this Agreement is intended nor shall be construed to create an employer/employee relationship or a joint venture relationship between the parties, or to allow any party to exercise control or direction over the manner or method by which any of the parties perform services herein. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provisions hereof. Notices required herein shall be considered effective when delivered in person, or when sent by United States certified mail, postage prepaid, return receipt requested and addressed to:

Receiving Hospital:

Keith Steffen
CEO
Saint Francis Medical Center
530 N.E. Glen Oak Avenue
Peoria, Illinois 61637

Transferring Facility:

David G. Carter
Regional Vice President
Dialysis Centers of America - Illinois
Central Illinois Region
3300 North Main Street
East Peoria, Illinois 61611

or to other such address, and to the attention of such other person(s) or officer(s) as a party may designate by written notice.

4.4 It is understood and agreed that neither party to this Agreement shall be legally liable for any negligent nor wrongful act, either by commission or omission, chargeable to the other, unless such liability is imposed by law and that this Agreement shall not be construed as seeking to either enlarge or diminish any obligations or duty owed by one party against the other or

Transfer Agreement
OSF HEALTHCARE SYSTEM,
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against a third party. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted. The section titles and other headings contained in this Agreement are for reference only and shall not affect in any way the meaning or interpretation of this Agreement.

4.5 This Agreement is a result of negotiations between the parties, none of whom have acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the parties hereby waive the application of any rule of law that otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed Agreement or any earlier draft of the same.

IN WITNESS WHEREOF, the parties have hereto executed this Agreement in multiple originals as of the last date written below.

RECEIVING HOSPITAL:

TRANSFERRING FACILITY:

OSF HEALTHCARE SYSTEM,
an Illinois not-for-profit
corporation, owner and operator of
Saint Francis Medical Center

DIALYSIS CENTERS OF AMERICA -
ILLINOIS

By: [Signature]
Title: CFO

By: [Signature]
Title: _____

Dated: 4/18/05

Dated: _____

XX 3/08/05

Transfer Agreement
OSF HEALTHCARE SYSTEM,
Saint Francis Medical Center
DIALYSIS CENTERS OF AMERICA - ILLINOIS
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389-655-2000

EXHIBIT A
FACILITY LOCATIONS

RCG Macomb
523 E. Grant Street
Macomb, IL 61455

RCG Pekin
600 S. 13th Street - 3rd Floor
Pekin, IL 61554

RCG Kewanee
511 Pine Street
Kewanee, IL 61443

RCG Peoria Downtown
410 R.B. Garrett Avenue
Peoria, IL 61605

RCG Spring Valley
12 Wolfcr Industrial Park Drive
Spring Valley, IL 61362

RCG Ottawa
1000 E. Norris Drive
Ottawa, IL 61350

RCG Peoria North
3300 N. Main Street
Peoria, IL 61615

RCG East Peoria
3300 N. Main Street
East Peoria, IL 61611

RCG Canton
210 W. Walnut
Canton, IL 61520

RCG East Peoria Home Dialysis
3300 N. Main Street
East Peoria, IL 61611

RCG Peoria North Home Dialysis
10405 N. Juliet Court
Peoria, IL 61615

AMENDMENT TO TRANSFER AGREEMENT
between
OSF HEALTHCARE SYSTEM,
SAINT FRANCIS MEDICAL CENTER
and
DIALYSIS CENTERS OF AMERICA - ILLINOIS

THIS AMENDMENT TO TRANSFER AGREEMENT ("Amendment") is made and entered into as of the date last written below, by and between OSF HEALTHCARE SYSTEM, an Illinois not for profit corporation, having its corporate office in Peoria, Illinois, owner and operator of Saint Francis Medical Center, located and doing business in Peoria, Illinois (such System and Medical Center are hereinafter referred to as "Receiving Hospital") and DIALYSIS CENTERS OF AMERICA - ILLINOIS (hereinafter referred to as "Transferring Facility").

RECITALS:

A. Receiving Hospital and Transferring Facility have entered into a Transfer Agreement ("Agreement") dated as of March 1, 2005.

B. Receiving Hospital and Transferring Facility have agreed to amend the provisions of the Agreement, and by this Amendment intend to set forth in writing all changes and modifications to the Agreement which have been agreed upon, pursuant to Section 4.2 of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and in reliance upon the recitals set forth above and incorporated herein by reference, the parties hereto agree as follows:

1. The first paragraph in the Agreement is hereby amended by adding the following sentence to the end of the paragraph:

Receiving Hospital and Transferring Facility may from time to time be referred to individually as "Party" and collectively as the "Parties."

2. The Agreement is hereby amended by adding new Sections 1.10 and 1.11 as follows:

1.10 Non-Exclusivity. This Agreement does not establish an exclusive arrangement between the Parties, and both the Transferring Facility and the Receiving Facility may enter into similar agreements with other healthcare facilities. In addition, Transferring Facility's patients are not restricted in any way in their choice of emergency care providers.

1.11 Regulatory Compliance. The Parties hereto agree that nothing contained in this Agreement shall require either Party to refer patients to the other Party for emergency care services or to

purchase goods and services. Neither Party will knowingly and intentionally conduct its behavior in such a manner as to violate the prohibition against fraud and abuse in connection with Medicare and Medicaid programs.

3. Exhibit A of the Agreement is hereby amended by adding the following "Facility Location:"

Fresenius Medical Care North Pekin
401 Radio City Drive
North Pekin, IL 61554

4. The parties agree that this Amendment shall be effective as of the later of January 1, 2012 or the date on which the Illinois Health Facilities Planning Board grants the Certificate of Need application for the Facility Location and such location becomes operational.

5. All other terms and provisions as contained within the Agreement are restated herein and incorporated by reference, to the extent not inconsistent herewith.

IN WITNESS WHEREOF, the parties have hereto executed this Amendment in multiple originals as the date last written below.

Receiving Hospital:

OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, owner and operator of Saint Francis Medical Center, Peoria, Illinois

By: [Signature]
Its: CEO

Dated: 12/13/11

Transferring Facility:

DIALYSIS CENTERS OF AMERICA - ILLINOIS

By: [Signature]
Its: Regional Vice President

Dated: 12/9/11

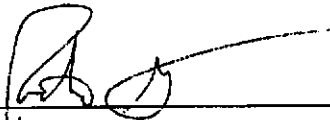
RRRR 12/9/11

Criterion 1110.1430 (j) – Assurances

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

1. As supported in this application through expected referrals to Fresenius Medical Care North Pekin in the first two years of operation, the facility is expected to achieve and maintain the utilization standard, specified in 77 Ill. Adm. Code 1100, of 80% and;
2. Fresenius Medical Care hemodialysis patients in the Peoria/Pekin area have achieved adequacy outcomes of:
 - o 91% of patients had a URR \geq 65%
 - o 93% of patients had a Kt/V \geq 1.2

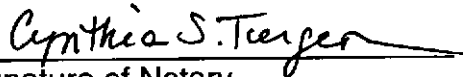
and same is expected for Fresenius Medical Care North Pekin.



Signature

Richard Stotz/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 21st day of DECEMBER, 2018



Signature of Notary

Seal





Cushman & Wakefield of Illinois, Inc.
455 N. Cityfront Plaza Drive
Suite 2800
Chicago, IL 60611-5555
(312) 470-1800 Tel
(312) 470-3800 Fax
www.cushwake.com

January 10, 2012

Chad Middendorf
10531 Timberwood Circle, Suite D
Louisville, KY 40223

RE: Fresenius Medical Care of Illinois, Inc.
Letter of Intent – Pekin, IL

Dear Chad,

Cushman & Wakefield has been exclusively authorized by FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, to present the following letter of intent to lease space from your company.

Fresenius Medical Care Of Illinois is the world's leading provider of dialysis products and services. The company manages in excess of 1,800 kidney dialysis clinics and 50 billing centers and regional offices throughout North America.

LANDLORD: Pekin 250 LLC
10531 Timberwood Circle, Suite D
Louisville, KY 4022

TENANT: Fresenius Medical Care of Illinois, LLC.

LOCATION: 137 Radio City Dr.
North Pekin, IL 61554
(Subject to change when property is subdivided)

PIN: 04-04-13-104-019

INITIAL SPACE REQUIREMENTS: Approximately 6,800 contiguous usable square feet.

Fresenius Medical Care of Illinois, LLC may have the need and therefore must have the option to increase or decrease the area by up to ten percent (10%) until approval of final construction drawings.

PRIMARY TERM: An initial lease term of fifteen (15) years. The Lease and rent would commence on the date that the facility starts treating patients. For purposes of establishing an actual occupancy date, both parties will execute an amendment after occupancy has occurred, setting forth dates for purposes of calculations, notices, or other events in the Lease that may be tied to a commencement date.

DELIVERY OF PREMISES: Landlord shall deliver the Premises to Fresenius Medical Care of Illinois, LLC for completion of the Tenant Improvements upon substantial completion of the shell.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

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OPTIONS TO RENEW: Three (3), five (5) year options to renew the Lease. Option rental rates shall be based upon the lower of Fair Market Value or the increase in the Consumer Price Index over the previous five years, capped at 2.5% per year. Fresenius Medical Care of Illinois, LLC shall provide sixty (60) days' prior written notification of its desire to exercise the option.

RENTAL RATE: \$18.00 per usable square foot

ESCALATION: 10% increase in years 6 and 11.

TENANT ALLOWANCE: Please see Building Shell Exhibit. *(See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)*

CONCESSIONS: A rent free period of 3 months upon commencement.

USE: Fresenius Medical Care of Illinois, LLC shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes except those authorized in writing by Landlord, which shall not be unreasonably withheld, conditioned or delayed. Fresenius Medical Care of Illinois, LLC may operate on the Premises, at Fresenius Medical Care of Illinois, LLC's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

DEMISED PREMISES

SHELL: Landlord is responsible for delivery a shell building in conformance with Fresenius Medical Care of Illinois, LLC's specifications attached as *(See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)*

CONTRACTOR FOR TENANT IMPROVEMENTS:

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FRESENIUS MEDICAL CARE OF ILLINOIS, LLC shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any.

HVAC:

Landlord will provide HVAC service to the space to meet FRESENIUS MEDICAL CARE OF ILLINOIS, LLC's requirements as outlined in Exhibit A. FRESENIUS MEDICAL CARE OF ILLINOIS, LLC requires HVAC service 24 hours per day, 7 days per week. *(See attached file: Building Shell Exhibit (Existing Space) 09-15-2011.pdf)*

DELIVERIES:

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC requires delivery access to the Premises 24 hours per day, 7 days per week.

EMERGENCY GENERATOR:

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.

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

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

**PRELIMINARY
IMPROVEMENT PLAN:**

At this time, please provide AutoCAD files that include one-eighth inch scale architectural drawings of the proposed demised premises and detailed building specifications.

PARKING:

Landlord will provide a parking ratio of 5 per 1,000 RSF with as many of those spaces as possible to be directly in front of the building for patient use. FRESENIUS MEDICAL CARE OF ILLINOIS, LLC shall require that 10% of the parking (**specify number**) be designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at Landlord's sole cost and expense).

BUILDING CODES:

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC requires that the site, shell and all interior structures constructed or provided by the Landlord to meet all local, State, and Federal building code requirements, including all provisions of ADA.

**CORPORATE
IDENTIFICATION:**

Tenant shall have signage rights in accordance with local code.

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

Tenant shall be responsible for all Real Estate Taxes and Operating Expenses associate with the building.

**ASSIGNMENT/
SUBLETTING:**

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

MAINTENANCE:

Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the exterior portions and structural portions of the Building to keep the building weather and water tight and structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, doors and windows, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, footings as well as any elevators, water mains, gas and sewer lines, sidewalks, private roadways, landscape, parking areas, common areas, and loading docks, if any, on or appurtenant to the Building or the Premises.

With respect to the parking and other exterior areas of the Building and subject to reasonable reimbursement by Tenant, Landlord shall perform the following, pursuant to good and accepted business practices throughout the term: repainting the exterior surfaces of the building when necessary,

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repairing, resurfacing, repaving, re-striping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

Tenant shall maintain and keep the interior of the Premises in good repair, free of refuse and rubbish and shall return the same at the expiration or termination of the Lease in as good condition as received by Tenant, ordinary wear and tear, and damage or destruction by fire, flood, storm, civil commotion or other unavoidable causes excepted. Tenant shall be responsible for maintenance and repair of Tenant's equipment in the Premises.

UTILITIES:

Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of any of Tenant's utility specifications in the Premises. Landlord agrees to bring water, electricity, gas and sanitary sewer to the Premises in sizes and to the location specified by Tenant and pay for the cost of meters to meter their use. Landlord shall pay for all impact fees and tapping fees associated with such utilities.

SURRENDER:

At any time prior to the expiration or earlier termination of the Lease, Tenant may remove any or all the alterations, additions or installations, installed by or on behalf of Tenant, in such a manner as will not substantially injure the Premises. Tenant agrees to restore the portion of the Premises affected by Tenant's removal of such alterations, additions or installations to the same condition as existed prior to the making of such alterations, additions, or installations. Upon the expiration or earlier termination of the Lease, Tenant shall turn over the Premises to Landlord in good condition, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commotion, or other unavoidable cause excepted. All alterations, additions, or installations not so removed by Tenant shall become the property of Landlord without liability on Landlord's part to pay for the same.

ZONING AND RESTRICTIVE COVENANTS:

Landlord confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no restrictive covenants imposed by the development, owner, and/or municipality that would in any way limit or restrict the operation of FRESSENIUS MEDICAL CARE OF ILLINOIS, LLC's dialysis clinic

FLOOD PLAIN:

Landlord confirms that the property and premises is not in a Flood Plain.

CAPITALIZATION TEST:

Landlord will complete the attached Accounting Classification Form to ensure FRESSENIUS MEDICAL CARE OF ILLINOIS, LLC is not entering into a capitalized lease arrangement.

FINANCING:

Landlord will provide a non-disturbance agreement.

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EXCLUSIVITY

Landlord will not, during the term of the Lease and any option terms, lease space in a 5 mile radius to any other provider of hemodialysis services.

ENVIRONMENTAL:

Landlord confirms that there is no asbestos present in the building and that there are no contaminants or environmental hazards in or on the property. A Phase One Environmental Study has been conducted and has been made available for FRESANIUS MEDICAL CARE OF ILLINOIS, LLC's review. Landlord also confirms that no other tenants or their activities present issues as to the generation of hazardous materials.

DRAFT LEASE:

FRESANIUS MEDICAL CARE OF ILLINOIS, LLC requires the use of its Standard Form Lease, which is attached.

BROKERAGE FEE:

Cushman & Wakefield of Illinois, is the exclusive real estate services provider to FMCNA, its subsidiaries and affiliates. The Landlord will pay a market commission to Cushman & Wakefield of Illinois. The real estate commission shall be payable 50% upon lease execution and 50% upon occupancy. FRESANIUS MEDICAL CARE OF ILLINOIS, LLC and FMCNA shall retain the right to offset rent for failure to pay the real estate commission.

LEASE EXECUTION:

Both parties agree that they will make best efforts to reach a fully executed lease document within thirty days of the execution of this letter of intent.

LEASE SECURITY:

Fresenius Medical Holdings Corp shall fully guarantee the lease.

CONFIDENTIAL:

The material contained herein is confidential. It is intended for use of Landlord and Tenant solely in determining whether they desire to enter into a Lease, and it is not to be copied or discussed with any other person.

EXCLUSIVE NEGOTIATING PERIOD:

The parties agree that they will negotiate on an exclusive basis for a period of thirty (30) days from the execution of this document.

NON-BINDING NATURE:

This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive Lease agreement has been fully executed and delivered by the parties. The parties agree that this proposal is not intended to create any agreement or obligation by either party to negotiate a definitive Lease agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive, fully executed agreement, and without any liability to the other party, either party may (i) propose different terms from those summarized

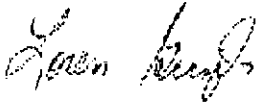
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herein, (ii) enter into negotiations with other parties and/or (iii) unilaterally terminate all negotiations with the other party hereto.

If you are in agreement with these terms, please execute the document below and return a copy for our records.

You may email the proposal to loren.guzik@cushwake.com. Thank you for your time and cooperation in this matter, should you have any questions please call me at 312.470.1897.

Sincerely,



Loren Guzik
Senior Director
Office Group
Phone: 312-470-1897
Fax: 312-470-3800
e-mail: loren_guzik@cushwake.com

CC: Mr. Bill Popken

AGREED AND ACCEPTED this 17 day of 1/17, 2012

By: Chad Mulder

Title: General Manager

AGREED AND ACCEPTED this ___ day of _____, 2012

By: _____

Title: _____

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DELL**QUOTATION**

QUOTE #: 485293558

Customer #: 84405601

Contract #: 70137

Customer Agreement #: Dell Std Terms

Quote Date: 4/22/09

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

Customer Name: FRESENIUS MEDICAL CARE N A

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

GROUP: 1	QUANTITY: 1	SYSTEM PRICE: \$584.51	GROUP TOTAL: \$584.51
Base Unit:	OptiPlex 760 Small Form Factor Base Standard PSU (224-2219)		
Processor:	OptiPlex 760, Core 2 Duo E7300/2.66GHz, 3M, 1066FSB (311-9514)		
Memory:	2GB, Non-ECC, 800MHz DDR2, 2X1GB OptiPlex (311-7374)		
Keyboard:	Dell USB Keyboard, No Hot Keys English, Black, OptiPlex (330-1987)		
Monitor:	Dell UltraSharp 1708FP BLK w/AdjStn, 17 inch, 1x08FPBLK OptiPlex, Precision and Latitude (320-7682)		
Video Card:	Integrated Video, GMA 4500, Dell OptiPlex 760 and 960 (320-7407)		
Hard Drive:	80GB SATA 3.0Gb/s and 8MB DataBurst Cache, Dell OptiPlex (341-8006)		
Floppy Disk Drive:	No Floppy Drive with Optical Filler Panel, Dell OptiPlex Small Form Factor (341-4609)		
Operating System:	Windows XP PRO SP3 with Windows Vista Business License English, Dell OptiPlex (420-9570)		
Mouse:	Dell USB 2 Button Optical Mouse with Scroll, Black OptiPlex (330-2733)		
NIC:	ASF Basic Hardware Enabled Systems Management (330-2901)		
CD-ROM or DVD-ROM Drive:	24X24 CDRW/DVD Combo, with Cyberlink Power DVD, No Media Media, Dell OptiPlex 960 Small Form Factor (313-7071)		
CD-ROM or DVD-ROM Drive:	Cyberlink Power DVD 8.1, with Media, Dell OptiPlex/Precision (420-9179)		
Sound Card:	Heat Sink, Mainstream, Dell OptiPlex Small Form Factor (311-9520)		
Speakers:	Dell AX510 black Sound Bar for UltraSharp Flat Panel Displays Dell OptiPlex/Precision/ Latitude (313-6414)		
Cable:	OptiPlex 760 Small Form Factor Standard Power Supply (330-1984)		
Documentation Diskette:	Documentation, English, Dell OptiPlex (330-1710)		
Documentation Diskette:	Power Cord, 125V, 2M, C13, Dell OptiPlex (330-1711)		
Factory installed Software:	No Dell Energy Smart Power Management Settings, OptiPlex (467-3564)		
Feature:	Resource DVD contains Diagnostics and Drivers for Dell OptiPlex 760 Vista (330-2019)		
Service:	ProSupport for IT: Next Business Day Parts and Labor Onsite Response Initial Year (991-6370)		
Service:	ProSupport for IT: Next Business Day Parts and Labor Onsite Response 2 Year Extended (991-3642)		
Service:	Dell Hardware Limited Warranty Plus Onsite Service Initial Year (992-6507)		
Service:	Dell Hardware Limited Warranty Plus Onsite Service Extended Year(s) (992-6508)		
Service:	ProSupport for IT: 7x24 Technical Support for certified IT Staff, Initial (984-6640)		
Service:	ProSupport for IT: 7x24 Technical Support for certified IT Staff, 2 Year Extended (984-0002)		
Thank you choosing Dell ProSupport. For tech support, visit http://support.dell.com/ProSupport			

Service:	or call 1-866-516-31 (989-3449)
Installation:	Standard On-Site Installation Declined (900-9987)
Installation:	Standard On-Site Installation Declined (900-9987)
Misc:	Shipping Material for System Cypher Small Form Factor, Dell OptiPlex (330-2193)
	Vista Premium Downgrade Relationship Desktop (310-9161)
	CFI Routing SKU (366-0257)
	CFI, Rollup, Integration Service, Image Load (366-1416)
	CFI, Rollup, Custom Project, Fee for ESLH (366-1551)
	CFI, Rollup, Integration Services, BIOS Setting (366-1656)
	CFI, Information, Vista To WXP ONLY, Factory Install (372-6272)
	CFI, Software, Image, Quick Image, Titan, Factory Install (372-9740)
	CFI, BIOS, Across Line Of Business, Wakeup-on-lan, Enable, Factory Install (374-4658)
	CFI, Information, Optiplex 760 Only, Factory Install (374-8402)

SOFTWARE & ACCESSORIES			
Product	Quantity	Unit Price	Total
Office 2007 Sngl C 021-07777 (A0748670)	1	\$259.68	\$259.68
Windows Server CAL 2008 Sngl MVL Device CAL C R18-02830 (A1511502)	1	\$20.40	\$20.40
Number of S & A Items: 2		S&A Total Amount: \$280.08	

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

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

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

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

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

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

LCD panels in Dell products contain mercury, please dispose properly. Please contact Dell Financial Services' Asset Recovery Services group for EPA compliant disposal options at US_Dell_ARS_Requests@dell.com. Minimum quantities may apply.

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

EXHIBIT 1

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

LESSOR: SIEMENS FINANCIAL SERVICES, INC.
(“Lessor”)

Address: 170 Wood Ave South
Iselin, NJ 08830

LESSEE: NATIONAL MEDICAL CARE, INC.
a Delaware corporation
(“Lessee”)
Address: 020 Winter Street
Waltham, MA 02451

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

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

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

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

5. RENT: (a) Payable in monthly installments on the 26th day of each month during the Initial Lease Term as follows:

Rental Payment Numbers	Number of Rental Payments	Amount of Each Rental Payment
1-72	72	\$53,954.37

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

6. OTHER PAYMENTS:

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

015 Exhibit 12.doc

7. **EARLY TERMINATION OPTION:** So long as no Event of Default under the Lease, nor any event which upon notice or lapse of time or both would constitute such an Event of Default has occurred and is continuing, Lessee shall have the option to terminate the Lease for all, but not less than all, of the Equipment on the rental payment date for the twenty-fourth (24th) monthly rental payment (the "Early Termination Date"). Lessee shall notify Lessor in writing of Lessee's intention to exercise such termination option at least ninety (90) days prior to the Early Termination Date of such Lease. Lessee shall pay to Lessor on the Early Termination Date an aggregate amount (the "Termination Amount") equal to: (i) all rental payments, late charges and other amounts due and owing under the Lease, including the rental payment due on the Early Termination Date; plus (ii) any and all taxes, assessments and other charges due in connection with the termination of the Lease; plus (iii) 54% of the original Acquisition Cost of the Equipment as set forth herein.

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

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

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

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

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

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

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

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

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

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

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

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

10. STIPULATED LOSS VALUES:

Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
1	101.47	37	60.22
2	100.61	38	58.94
3	99.55	39	57.66
4	98.56	40	56.37
5	97.55	41	55.08
6	96.53	42	53.78
7	95.48	43	52.47
8	94.41	44	51.16
9	93.33	45	49.84
10	92.25	46	48.51
11	91.15	47	47.18
12	90.05	48	45.84
13	88.95	49	44.50
14	87.83	50	43.15
15	86.71	51	41.79
16	85.58	52	40.43
17	84.44	53	39.06
18	83.29	54	37.69
19	82.14	55	36.31

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Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
20	80.97	56	34.92
21	79.81	57	33.53
22	78.63	58	32.13
23	77.45	59	30.72
24	76.26	60	29.31
25	75.06	61	27.89
26	73.88	62	26.47
27	72.65	63	25.04
28	71.44	64	23.61
29	70.22	65	22.17
30	68.99	66	20.72
31	67.76	67	19.27
32	66.52	68	17.82
33	65.27	69	16.35
34	64.01	70	14.88
35	62.75	71	13.40
36	61.49	72	11.92

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

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

Dated: 3/20/09

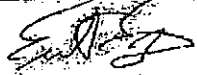
LESSOR:

Siemens Financial Services, Inc.

By: Carol Walters

Name: CAROL WALTERS

Title: VICE PRESIDENT DOCUMENTATION



Ernest Erigo
Sr. Transaction Coordinator

LESSEE:

National Medical Care, Inc.

By: [Signature]

Name: MARK FAWCETT

Title: TREASURER

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Criterion 1120.310 Financial Viability

Financial Viability Waiver

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

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



Fresenius Medical Care

To: Illinois CON

August 31, 2011

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

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

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

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

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

Mark Fawcett
 Vice President, Treasurer
 Fresenius Medical Care NA

Fresenius Medical Care North America

Corporate Headquarters: 920 Winter St Waltham, MA 02451 (781) 699-2668

ATTACHMENT - 40

Criterion 1120.310 (c) Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD		\$150.00			6,800			\$1,020,000	\$1,020,000
Contingency		14.75			6,800			100,000	100,000
TOTALS		164.75			6,800			1,120,000	1,120,000

* Include the percentage (%) of space for circulation

Criterion 1120.310 (d) – Projected Operating Costs

Year 2015

Salaries \$307,872
 Benefits 76,968
 Supplies 79,605
 Total \$464,445

Annual Treatments 6,739

Cost Per Treatment \$68.92

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

Year 2015

Depreciation/Amortization \$90,206
 Interest 0
CAPITAL COSTS \$90,206

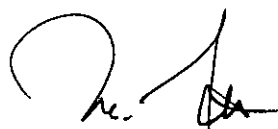
Treatments: 6,739

Capital Cost per treatment \$13.39

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care of Illinois, LLC

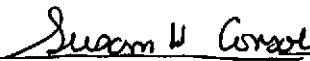
The applicant is paying for the project with cash on hand, and not borrowing any funds for the project. However, per the Board's rules the entering of a lease is treated as borrowing. As such, we are attesting that the entering into of a lease (borrowing) is less costly than the liquidation of existing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

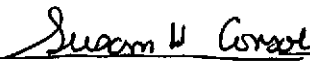
By: 
Title: Mark Fawcett
Vice President & Treasurer

By: 
Title: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011

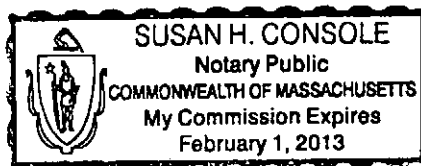
Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011


Signature of Notary


Signature of Notary

Seal

Seal



Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Holdings, Inc.

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

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

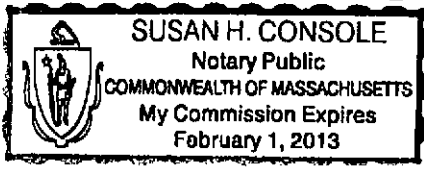
By: [Signature]
ITS: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011
[Signature]
Signature of Notary

Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011
[Signature]
Signature of Notary

Seal

Seal




Criterion 1120.310(b) Conditions of Debt Financing


Fresenius Medical Care of Illinois, LLC

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

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

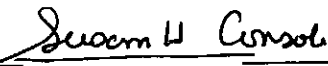
The expenses incurred with leasing the proposed facility and cost of leasing the equipment is less costly than constructing a new facility or purchasing new equipment.

By: 
Mark Fawcett
ITS: Vice President & Treasurer

By: 
Bryan Mello
ITS: Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011

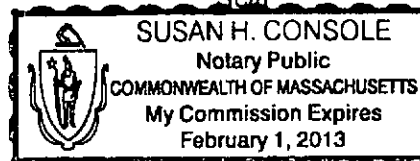
Notarization:
Subscribed and sworn to before me
this 7 day of Dec, 2011


Signature of Notary

Signature of Notary

Seal

Seal




Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Holdings, Inc.

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

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

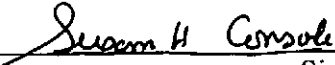
The expenses incurred with leasing the proposed facility and cost of leasing the equipment is less costly than constructing a new facility or purchasing new equipment.

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

By: 
ITS: Bryan Mello
Assistant Treasurer

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

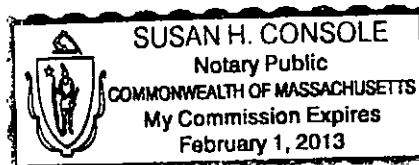
Notarization:
Subscribed and sworn to before me
this 7 day of Dec , 2011


Signature of Notary

Signature of Notary

Seal

Seal



Safety Net Impact Statement

The establishment of the Fresenius Medical Care North Pekin dialysis facility will not have any impact on safety net services in the Pekin area. Outpatient dialysis services are not typically considered "safety net" services, to the best of our knowledge. However, we do provide care for patients in the community who are economically challenged and/or who are undocumented aliens, who do not qualify for Medicare/Medicaid. We assist patients who do not have insurance in enrolling when possible in Medicaid and/or Medicaid as applicable, and also our social services department assists patients who have issues regarding transportation and/or who are wheel chair bound or have other disabilities which require assistance with respect to dialysis services and transport to and from the unit.

This particular application will not have an impact on any other safety net provider in the area, as no hospital within the area provides dialysis services on an outpatient basis.

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

The table below shows the amount of "self-pay" care provided for the 3 fiscal years prior to submission of the application for all Fresenius Medical Care facilities in Illinois and the amount of care provided to Medicaid patients for the three fiscal years prior to submission of the application for all Fresenius Medical Care facilities in Illinois.

SAFETY NET INFORMATION			
CHARITY CARE (Uncompensated Care)			
	2008	2009	2010
Charity (# Uncomp patients)	282	243	143
Charity (# Uncomp treatments)	14,557	15,457	7,047
Charity (Uncomp) Cost	3,402,665	3,489,213	1,307,433
MEDICAID			
	2008	2009	2010
Medicaid (Patients)	1,561	1,723	1,809
Medicaid (Treatments)	122,615	132,658	154,591
Medicaid (Revenue)	36,159,588	39,748,886	43,795,183

There is no other information directly relevant to safety net services.

(See attachment 44 for Uncompensated and Medicaid Care by facility)

Charity Care Information

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

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

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

Uncompensated Care By Facility

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

Continued...

Continued Uncompensated Care by Facility

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

Medicaid Treatments/Costs By Facility

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

Continued...

Continued Medicaid Treatments/Costs By Facility

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

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

Fresenius Medical Care North America Community Care

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

American Kidney Fund

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

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

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

Indigent Waiver Program

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

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

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

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

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

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

IL Medicaid and Undocumented patients

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

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

FMCNA Collection policy

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

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

Medicare and Medicaid Eligibility

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

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

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

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

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

Self-Pay

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

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



Illinois Kidney Disease & Hypertension Center

Nephrology Associates
 Frederick Horvath, Jr., M.D.
 Phillip J. Olson, M.D., F.A.C.P.
 Robert T. Sparrow, M.D.
 Benjamin R. Pfelelerer, M.D.
 David C. Rosborough, M.D.
 Timothy A. Pfelelerer, M.D.
 Paul T. Dreyer, M.D.
 Gordon W. James, M.D.
 Andrew C. Bland, M.D., F.A.A.P., F.A.C.P.
 Robert Bruha, M.D.
 Samer B. Sader, M.D.
 Anthony R. Horinek, M.D.
 Robert A Pfelelerer, M.D. - Emeritus
 R. Kent Bryant, M.D. - Emeritus

Surgery Associates
 Beverley L. Kettel, M.D.
 Timothy P. O'Connor, M.D., F.A.C.S.

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

Nurse Practitioners
 Tonya K. McDougal, M.S.N., F.N.P.
 Karen A. Helfers, M.S.N., F.N.P.
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107 Tremont Street
 Hopedale, IL 61741

210 W. Walnut
 3rd Floor, Outpatient Clinic
 Canton, IL 61520

1315 Memorial Drive
 Outpatient Clinic
 Mendota, IL 61342

205 South Park
 Sreator, IL 61364

December 16, 2011

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

Dear Ms. Avery:

My name is Paul Dreyer, M.D. and I am a nephrologist practicing in central Illinois with Renal Care Associates (RCA), a group of ten nephrologists. I am also the medical director of the Fresenius Macomb dialysis center. I am writing to support the proposed Fresenius North Pekin dialysis clinic. The nearby Pekin facility has been operating over 80% utilization for many years which severely limits available treatment times to this largely rural patient population. Many of the patients that live in the rural areas travel long distances for treatment and are hesitant driving at night when the last shift of the day ends. Additional 1st and 2nd shift options are needed, which the North Pekin clinic will provide for these patients.

I along with my partners at Renal Care Associates have referred 200 new patients for hemodialysis services over the past twelve months. We were treating 610 hemodialysis patients at the end of 2008, 563 at the end of 2009, 635 at the end of 2010 and as of September 30, 2011 we were treating 639. We have a total of 922 patients in our practice in various stages of kidney failure. There are 61 patients living in the vicinity of the proposed North Pekin facility that I expect would begin dialysis at that facility (accounting for a 30% loss of patients prior to dialysis commencement approximately 43 will be referred in the first two years of operation of the clinic).

RCA also strongly encourages patients who to explore other treatment choices such as transplantation and home dialysis. We currently have over 100 patients dialyzing at home. The central Illinois clinics at which we serve as medical director have had a combined average of 37 transplants per year over the last four years.

Renal Care Associates respectfully ask the Board to approve the 9-station North Pekin facility to provide continued dialysis access to the rural patients of the North Pekin area. Thank you for your consideration.

Sincerely,

Paul Dreyer MD

Paul Dreyer, M.D.

Notarization:

Subscribed and sworn to before me
 this 20 day of Dec 2011

Cynthia A. Hasty
 Signature of Notary
 (seal)



142
 RenalCare
 Associates, S.C.

Physician Referrals
 APPENDIX - 1

**NEW HEMODIALYSIS REFERRALS OF RENAL CARE ASSOCIATES FOR
THE TIME PERIOD 11/01/10 - 10/31/11**

ZIP CODE	FRESenius MEDICAL CARE												Total
	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PEKIN	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	
60014							1						1
60929									1				1
61301		1								2			3
61319									1			1	2
61341					2								2
61342					2								2
61348										1			1
61350					10								10
61354										2			2
61356										5			5
61362										3			3
61364									1			5	6
61369									1			1	2
61370					1								1
61377												1	1
61401		1											1
61421			1										1
61422				1									1
61427									1				1
61443			8										8
61455				4									4
61484				1									1
61518					1								1
61520									6				6
61523								3					3
61524									1				1
61526								1					1
61528								1					1
61529									1				1
61531									1				1
61533					1								1
61534					1								1
61536								1					1
61542								1					1
61547						1							1
61548		2											2
61550		3					1						4
61554						11	1						12
61559			1					1					2
61560										1			1
61568						1							1
61569							2		1				3
61571		4											4
61572									1				1
61601							1						1
61602								1					1
61603		2					8						10
61604		1					10	2					13
61605							6						6
61607		3				1	3			1			8
61611		1											1
61614		2					1	5					8
61615		1						2					3
61616							1	3					4
61701	7												7
61702	2												2
61704	7												7
61705	1												1
61726									1				1
61727	1												1
61728									1				1
61734						1							1
61737	1												1
61738	1												1
61739									1				1
61740									1				1
61744										1			1
61745	1												1
61761	3												3
61764									1				1
61771	1												1
61771						1			1				2
62602						1							1
62602						1							1
65259		1											1
TOTAL	25	22	10	6	16	19	36	20	8	14	16	8	200

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2009

FRESenius MEDICAL CARE													
ZIP CODE	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PEKIN	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	TOTAL
60148							1						1
60418									3				3
60468									2				2
60470												1	1
60510							1						1
60518					1								1
60543					2								2
60921									1				1
60934									1				1
60936									1				1
61282				1									1
61301								2			12		14
61332											1		1
61314			1										1
61317											1		1
61319									2			1	3
61321	1												1
61323											5		5
61327											2		2
61328											2		2
61329											1		1
61376										1			1
61341					6								6
61342											4		4
61345											5		5
61350					13							1	14
61354											8		8
61356			1								9		10
61360					1								1
61361			1					1					2
61367											8		8
61368					4							12	16
61375					2								2
61377												2	2
61401								1					1
61420				1									1
61427				3									3
61434			1										1
61441				1									1
61447			15										15
61447				1									1
61447				1									1
61450				1									1
61455				8									8
61483			2										2
61484				2									2
61491								1					1
61517								1					1
61520									4				4
61523							1	6		1			8
61524										1			1
61525							1						1
61528							1						1
61528									1				1
61531										1			1
61533										3			3
61534							1						1
61536										1			1
61537		1									2		3
61547									2				2
61546						3							3
61548		3											3
61550		6					1	1					8
61552								1					1
61554		3				24	1		2				30
61555						2							2
61559								1					1
61561	1	1						1					2
61562								1					1
61564						2							2
61568						2							2
61569									1				1
61571		12					1						13
61602							1						1
61603		6					15	2					21
61604		5					22	4					31
61605		4					42	3					49
61606							4						4
61607						1	5	1					7
61610							1						1
61611		18						1					19
61612							1						1
61614		6					7	13					26
61615		1					6	8					15
61616							4	3					7
61620							1						1
61653		1											1
61701	23						1	1					25
61702	2												2
61704	11												11
61705	1												1
61721	1												1
61722	1												1
61730	1												1
61737	1												1
61738						3							3
61739	2								1				3
61741										1			1
61745	7												7
61747						1							1
61748	1								1				2
61752	7												7
61753									1				1
61755			1										1
61759						1							1
61761	20							1					21
61764									19				19
61769									1				1
61777	7												7
61822								1					1
61847	7												7
62311				1									1
62644									4				4
TOTAL	79	64	21	18	28	41	123	28	29	25	60	17	563

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HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2010

ZIP CODE	FREDERICKS MEDICAL CARE													TOTAL
	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PERU	PEORIA DOWNTOWN	PEORIA NORTH	POHNSAC	SPRING RIVER	SPRING VALLEY	STreator	UNION	
6082	1													1
60420	1													1
60908	2													2
60518	1													1
60518	4													4
60641	1													1
60921	1													1
60925	2													2
60936	1													1
61021	1													1
61025	1													1
61244	1													1
61251	1													1
61301	8													8
61312	1													1
61319	7													7
61318	7													7
61325	1													1
61372	4													4
61375	1													1
61377	1													1
61329	1													1
61336	2													2
61341	4													4
61342	5													5
61348	2													2
61345	1													1
61350	12													12
61354	3													3
61356	11													11
61358	1													1
61361	1													1
61363	2													2
61364										18				18
61369										2				2
61375										2				2
61377										2				2
61379										1				1
61401										9				9
61416										1				1
61417										2				2
61424										1				1
61441										1				1
61443										14				14
61453										4				4
61458										1				1
61453										1				1
61473										1				1
61481										4				4
61484										1				1
61491										7				7
61501										1				1
61512										2				2
61518										16				16
61523										5				5
61529										2				2
61526										1				1
61528										2				2
61529										1				1
61538										4				4
61531										2				2
61533										1				1
61536										3				3
61537										2				2
61540										2				2
61542										3				3
61546										4				4
61547										2				2
61548										5				5
61550										13				13
61552										1				1
61554		15								15				30
61555		1								1				2
61556		1								1				2
61548		1								1				2
61541		2								1				3
61563		1								1				2
61564		2								2				4
61562		1								1				2
61568		2								2				4
61557		6								6				12
61571		15								15				30
61572		2								2				4
61602		4								4				8
61603		21	7							14				42
61604			19	7						20				46
61605										2				2
61606										7				7
61607										8				8
61610										3				3
61611										7				7
61612										5				5
61614										1				1
61615										24				24
61617										12				12
61618										4				4
61620										1				1
61623										2				2
61625										1				1
61629										2				2
61631										11	28			39
61632										2				2
61634										6				6
61635										1				1
61636										1				1
61637										1				1
61638										2				2
61639										2				2
61640										1				1
61641										1				1
61642										1				1
61643										1				1
61644										1				1
61645										1				1
61646										1				1
61647										1				1
61648										1				1
61649										1				1
61650										1				1
61651										1				1
61652										1				1
61653										1				1
61654										1				1
61655										1				1
61656										1				1
61657										1				1
61658										1				1
61659										1				1
61660										1				1
61661										1				1
61662										1				1
61663										1				1
61664										1				1
61665										1				1
61666										1				1
61667										1				1
61668										1				1
61669										1				1
61670										1				1
61671										1				1
61672										1				1
61673										1				1
61674										1				1
61675										1				1
61676										1				1
61677										1				1
61678										1				1
61679										1				1
61680										1				1
61681										1				1
61682										1				1
61683										1				1
61684										1				1
61685										1				1
61686										1				1
61687										1				1
61688										1				1
61689										1				1
61690										1				1
61691										1				1
61692														











Trip to:
600 S 13th St
Pekin, IL 61554-4936
3.77 miles / 9 minutes

Notes

TO FRESENIUS MEDICAL CARE PEKIN

A 137 Radio City Dr, North Pekin, IL 61554-1569

-  1. Start out going **south** on **Radio City Dr / IL-29 S** toward **IL-98 / Edgewater Dr.** Continue to follow **IL-29 S.** [Map](#) **2.7 Mi**
2.7 Mi Total
-  2. **IL-29 S** becomes **N 5th St.** [Map](#) **0.05 Mi**
2.7 Mi Total
-   3. Turn **left** onto **Margaret St / IL-29 N / IL-9 E.** Continue to follow **IL-9 E.** [Map](#) **0.9 Mi**
3.6 Mi Total
-  4. Turn **right** onto **S 14th St.** [Map](#) **0.06 Mi**
3.6 Mi Total
-  5. Take the **1st right** onto **Park Ave.** [Map](#) **0.09 Mi**
3.7 Mi Total
-  6. Take the **1st right** onto **S 13th St.** [Map](#) **0.03 Mi**
3.8 Mi Total
-  7. **600 S 13TH ST** is on the **right.** [Map](#)

B 600 S 13th St, Pekin, IL 61554-4936

Total Travel Estimate: **3.77 miles - about 9 minutes**

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Trip to:
410 W Romeo B Garrett Ave
 Peoria, IL 61605-2401
 7.97 miles / 15 minutes

Notes

TO FRESENIUS MEDICAL CARE PEORIA
 DOWNTOWN

A 137 Radio City Dr, North Pekin, IL 61554-1569

- | | | |
|--|---|--------------------------------------|
| | 1. Start out going south on Radio City Dr / IL-29 S toward N 8th St. Map | 0.2 Mi
<i>0.2 Mi Total</i> |
| | 2. Make a U-turn at IL-98 onto IL-29 N. Map | 5.2 Mi
<i>5.4 Mi Total</i> |
| | 3. Merge onto IL-29 N / IL-116 W toward IL-8 W / Peoria. Map | 0.5 Mi
<i>6.0 Mi Total</i> |
| | 4. Take the Edmund St. ramp. Map | 0.2 Mi
<i>6.1 Mi Total</i> |
| | 5. Turn right onto IL-8 S / Edmund St. Map | 0.1 Mi
<i>6.2 Mi Total</i> |
| | 6. Stay straight to go onto W Washington St. Map | 0.9 Mi
<i>7.1 Mi Total</i> |
| | 7. W Washington St becomes IL-40 N. Map | 0.7 Mi
<i>7.8 Mi Total</i> |
| | 8. Turn left onto W Romeo B Garrett Ave. Map | 0.1 Mi
<i>8.0 Mi Total</i> |
| | 9. 410 W ROMEO B GARRETT AVE is on the left. Map | |

B 410 W Romeo B Garrett Ave, Peoria, IL 61605-2401

Total Travel Estimate: 7.97 miles - about 15 minutes

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Trip to:
3300 N Main St
East Peoria, IL 61611-1562
9.69 miles / 16 minutes


Notes


TO FRESENIUS MEDICAL CARE EAST PEORIA


A 137 Radio City Dr, North Pekin, IL 61554-1569


-  1. Start out going **south** on **Radio City Dr / IL-29 S** toward **N 8th St**. [Map](#) **0.2 Mi**
0.2 Mi Total

-   2. Make a **U-turn** at **IL-98** onto **IL-29 N**. [Map](#) **5.2 Mi**
5.4 Mi Total

-  3. Stay **straight** to go onto **S Main St**. [Map](#) **4.1 Mi**
9.5 Mi Total

-  4. Turn **right** onto **Centennial Dr**. [Map](#) **0.05 Mi**
9.6 Mi Total

-  5. Take the 1st **left** onto **N Main St / Access Road 7 / IL-116**. [Map](#) **0.09 Mi**
9.7 Mi Total

-  6. **3300 N MAIN ST** is on the **right**. [Map](#)

B 3300 N Main St, East Peoria, IL 61611-1562

Total Travel Estimate: **9.69 miles - about 16 minutes**

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Trip to:
10405 N Juliet Ct
 Peoria, IL 61615-1152
 19.71 miles / 23 minutes

Notes

TO FRESENIUS MEDICAL CARE PEORIA NORTH

A 137 Radio City Dr, North Pekin, IL 61554-1569

- | | | |
|--|---|--|
| | 1. Start out going south on Radio City Dr / IL-29 S toward N 8th St. Map | 0.2 Mi
<i>0.2 Mi Total</i> |
| | 2. Make a U-turn at IL-98 onto IL-29 N. Map | 2.2 Mi
<i>2.5 Mi Total</i> |
| | 3. Merge onto I-474 W toward Galesburg / US-24 / Bartonville. Map | 9.7 Mi
<i>12.1 Mi Total</i> |
| | 4. I-474 W becomes IL-6 N. Map | 6.1 Mi
<i>18.2 Mi Total</i> |
| | 5. Merge onto IL-40 N / N Knoxville Ave via EXIT 6 toward Bradford / Mossville Rd. Map | 1.1 Mi
<i>19.4 Mi Total</i> |
| | 6. Turn left onto W Alta Rd. Map | 0.3 Mi
<i>19.6 Mi Total</i> |
| | 7. Take the 1st right onto N Juliet Ct. Map | 0.10 Mi
<i>19.7 Mi Total</i> |
| | 8. 10405 N JULIET CT is on the left. Map | |

B 10405 N Juliet Ct, Peoria, IL 61615-1152

Total Travel Estimate: 19.71 miles - about 23 minutes

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