

Original

12-029

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**RECEIVED**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION **MAR 21 2012**

This Section must be completed for all projects.

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

Facility Name: <i>BMA Southwestern Illinois*</i>			
Street Address: <i>5-9 Professional Drive</i>			
City and Zip Code: <i>Alton 62002</i>			
County: <i>Madison</i>	Health Service Area: <i>11</i>	Health Planning Area:	

*Clinic name will be changed to Fresenius Medical Care Southwestern Illinois after relocation***Applicant /Co-Applicant Identification**

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

Exact Legal Name: <i>Bio-Medical Applications of Illinois, Inc. d/b/a BMA Southwestern Illinois</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

- | | |
|--|---|
| ☐ Non-profit Corporation | ☐ Partnership |
| ☐ For-profit Corporation | ☐ Governmental |
| ☐ Limited Liability Company | ☐ Sole Proprietorship ☐ Other |
- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
 - Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

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

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

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

Additional Contact

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

Name: <i>Richard Alderson</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>One Cityplace Drive, Suite 160, St. Louis, MO 63141</i>
Telephone Number: <i>314-872-1714 Ext. 11</i>
E-mail Address: <i>richard.alderson@fmc-na.com</i>
Fax Number: <i>314-872-7012</i>

Post Permit Contact

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

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

Additional Contact

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

Name: <i>Clare Ranalli</i>
Title: <i>Attorney</i>
Company Name: <i>Holland & 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@hklaw.com</i>
Fax Number: <i>312-578-6666</i>

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>MCB Development Group</i>
Address of Site Owner: <i>3010 LBJ Freeway, Suite 1400, Dallas, Texas 75234</i>
Street Address or Legal Description of Site: <i>5-9 Professional Drive, Alton, IL 62002</i>
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: <i>Bio-Medical Applications of Illinois, Inc. d/b/a BMA Southwestern Illinois</i>			
Address: <i>920 Winter Street, Waltham, MA 02451</i>			
☐ Non-profit Corporation	☐ Partnership		
☐ For-profit Corporation	☐ Governmental		
☐ Limited Liability Company	☐ Sole Proprietorship	☐ Other	
- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.			
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.

Bio-Medical Applications of Illinois, Inc. proposes to discontinue its 19-station ESRD facility located at #7 Eastgate Plaza, East Alton, IL. In conjunction with this discontinuation we will establish a replacement 19-station ESRD facility at 5-9 Professional Drive, Alton. This is essentially a relocation of the existing facility. The new facility will be in leased space with the interior to be built out by the applicant.

Both locations are in HSA 11. According to the February station inventory there is a need for 5 additional stations in this HSA.

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

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	1,207,000	N/A	1,207,000
Contingencies	132,685	N/A	132,685
Architectural/Engineering Fees	133,000	N/A	133,000
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	500,000	N/A	500,000
Bond Issuance Expense (project related)	N/A	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	1,590,084 289,125	N/A	1,879,209
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	3,851,894		3,851,894
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	1,972,685	N/A	1,972,685
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)	1,879,209	N/A	1,879,209
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	3,851,894	N/A	3,851,894

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	☐ Yes	☒ No
Purchase Price: \$		
Fair Market Value: \$		
The project involves the establishment of a new facility or a new category of service		
☒ Yes ☐ 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>148,844</u> .		

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:	
☒ None or not applicable	☐ Preliminary
☐ Schematics	☐ Final Working
Anticipated project completion date (refer to Part 1130.140): <u>08/01/2014</u>	
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):	
☐ Purchase orders, leases or contracts pertaining to the project have been executed.	
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies	
☒ 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:	
☐ Cancer Registry	
☐ APORS	
☐ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted	
☒ 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							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							
APPEND DOCUMENTATION AS <u>ATTACHMENT-9</u> , 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 manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

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

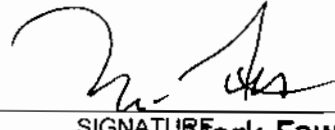

SIGNATURE

Bryan Mello
PRINTED NAME
Assistant Treasurer

PRINTED TITLE

Notarization:
Subscribed and sworn to before me

this 15 day of Dec 2011


SIGNATURE

Mark Fawcett
Vice President & Treasurer
PRINTED NAME

PRINTED TITLE

Notarization:
Subscribed and sworn to before me

this 15 day of Dec 2011

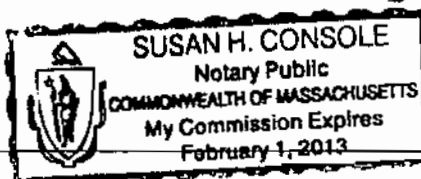
Signature of Notary

Seal

*Insert EXACT legal name of the applicant

Signature of Notary

Seal



CERTIFICATION

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

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

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


SIGNATURE

Bryan Mello
PRINTED NAME
Assistant Treasurer

PRINTED TITLE


SIGNATURE

Mark Fawcett
Vice President & Asst. Treasurer

PRINTED NAME

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 15 day of Dec 2011

Notarization:
Subscribed and sworn to before me
this 15 day of Dec 2011

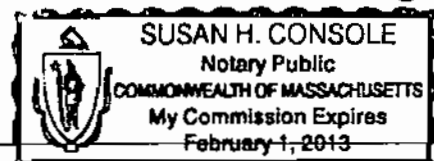
Signature of Notary

Seal

*Insert EXACT legal name of the applicant

Signature of Notary

Seal



SECTION II. DISCONTINUATION

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

Criterion 1110.130 - Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

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

REASONS FOR DISCONTINUATION

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

IMPACT ON ACCESS

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

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

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

PURPOSE OF PROJECT

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

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

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

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

ALTERNATIVES

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

Alternative options **must** include:

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

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

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

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

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

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

Provide the following information:

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

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

ASSURANCES: 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

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

Category of Service	# Existing Stations	# Proposed Stations
☒ In-Center Hemodialysis	19	19

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

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

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

- 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:**

1,972,685	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
	1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
	2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
N/A	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.
N/A	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
1,879,209	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
	1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
	2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
	3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
	4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
	5) For any option to lease, a copy of the option, including all terms and conditions.
N/A	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;
N/A	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
N/A	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
3,851,894	TOTAL FUNDS AVAILABLE

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

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				
Current Ratio	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.

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

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

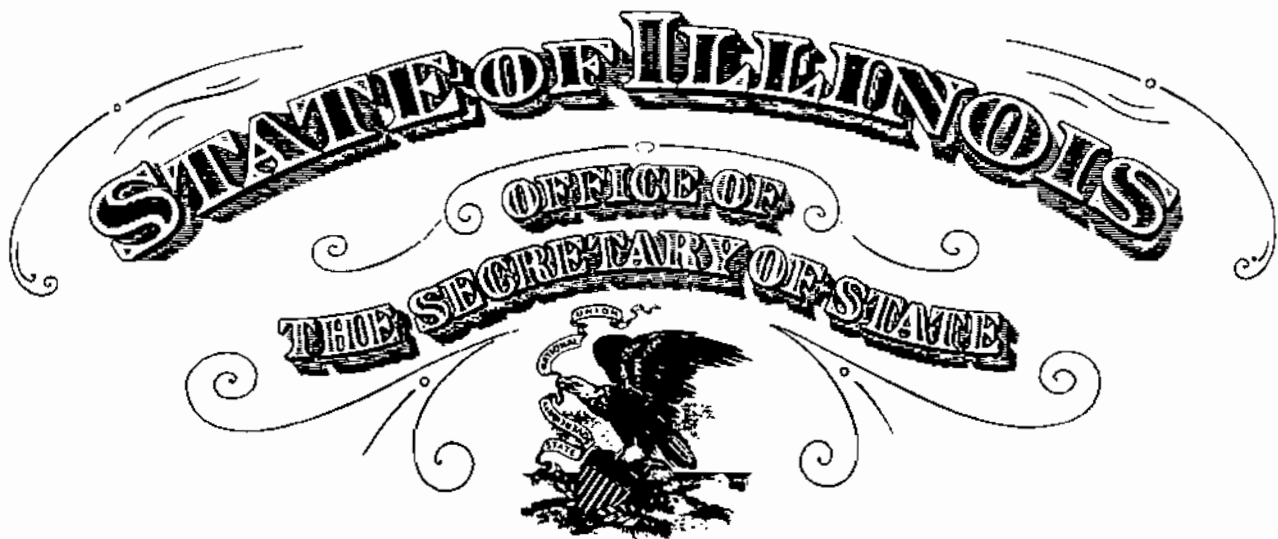
A table in the following format must be provided for all facilities as part of Attachment 44.

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	22-23
2	Site Ownership	24-27
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	28
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	29
5	Flood Plain Requirements	30-31
6	Historic Preservation Act Requirements	32
7	Project and Sources of Funds Itemization	33
8	Obligation Document if required	35
9	Cost Space Requirements	36
10	Discontinuation	37-53
11	Background of the Applicant	54-100
12	Purpose of the Project	101
13	Alternatives to the Project	102-104
14	Size of the Project	105
15	Project Service Utilization	106
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	107-132
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	133-142
40	Financial Waiver	143-145
41	Financial Viability	
42	Economic Feasibility	146-150
43	Safety Net Impact Statement	151-152
44	Charity Care Information	153-160
Appendix 1	MapQuest Travel Times	161-169
Appendix 2	Physician Referral Letters & Patient Referrals	170-173



To all to whom these Presents Shall Come, Greeting:

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

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



Authentication #: 1121601990

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

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

Jesse White

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**

- | | | |
|--|--|--------------------------------|
| ☐ Non-profit Corporation | ☐ Partnership | |
| ☐ For-profit Corporation | ☐ Governmental | |
| ☐ Limited Liability Company | ☐ Sole Proprietorship | ☐ 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: *MCB Development Group*

Address of Site Owner: *3010 LBJ Freeway, Suite 1400, Dallas, Texas 75234*

Street Address or Legal Description of Site: *5-9 Professional Drive, Alton, IL 62002*

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.

5-9

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



November 14, 2011

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

Re: **Letter of Intent to Lease the Property located at approximately 100 Professional Drive, Alton, IL 62002.**

Dear Charles,

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

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

Property: The Property to be constructed consists of +/-8,500 square feet on +/-1.91 acres located at approximately 100 Professional Drive, Alton, IL 62002; the land site is as shown on **Exhibit "A"** attached hereto.

Primary Lease Term: 15 years

Options to Renew Three (5) five year options

Rental Rate: The rental rate is estimated at \$17.32/sf for 8,500 sf, to be adjusted based on final project costs. Rental Rate shall increase 1.7% per year.

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

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

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

Tenant

Responsibilities:

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

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

Contingency:

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

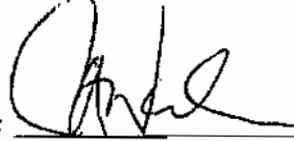
This letter is non-binding but is intended to provide an outline for drafting the formal lease agreement between the Parties.

Best Regards,

Paul Brown

Paul Brown
Partner
MGB Development Group

ACCEPTED, AGREED AND
APPROVED:

By: 

Name: CHARLES NENTH
(Please print)

Title: Sr. R.E. MANAGER

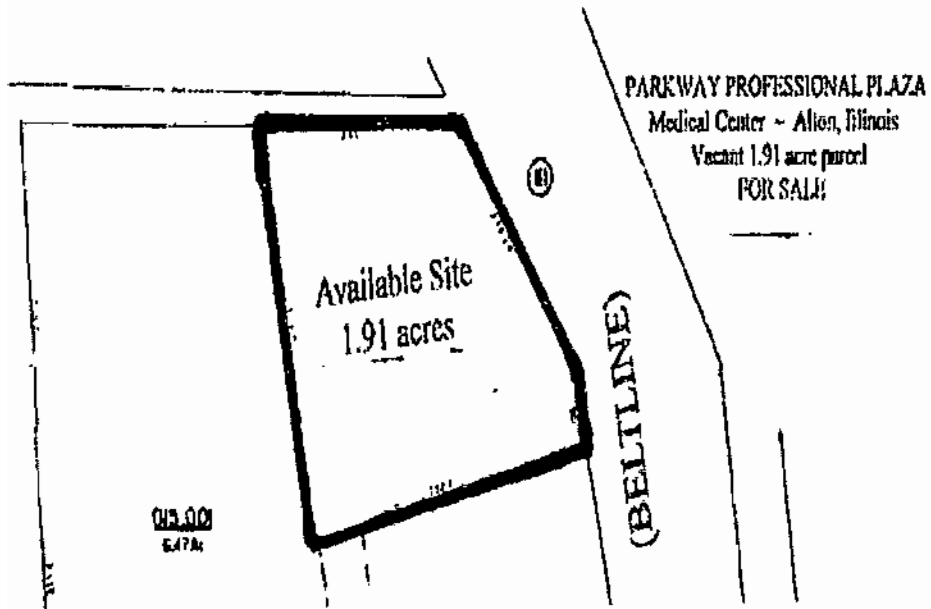
Date: 11/15/11

Address: _____

Telephone/Email: _____

Exhibit "A"

Property

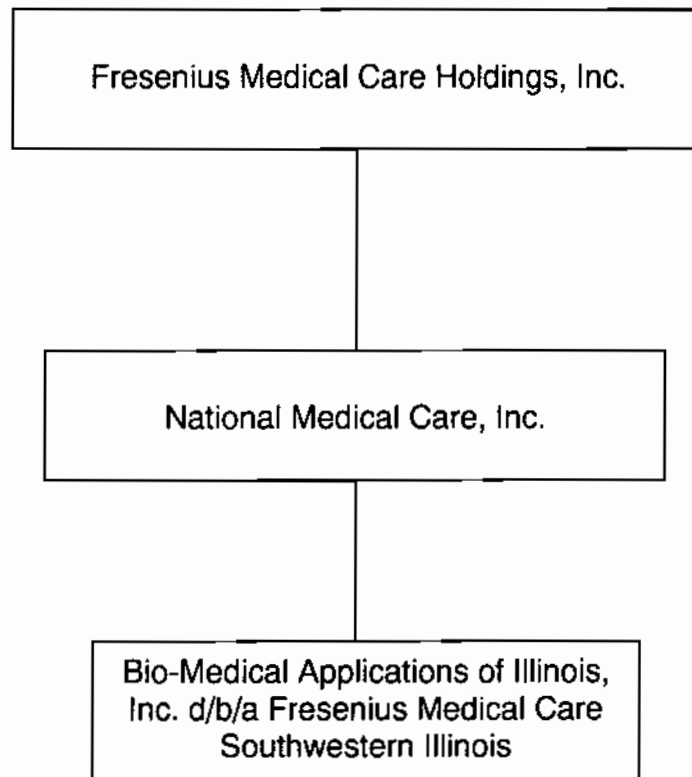


Operating Identity/Licensee

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

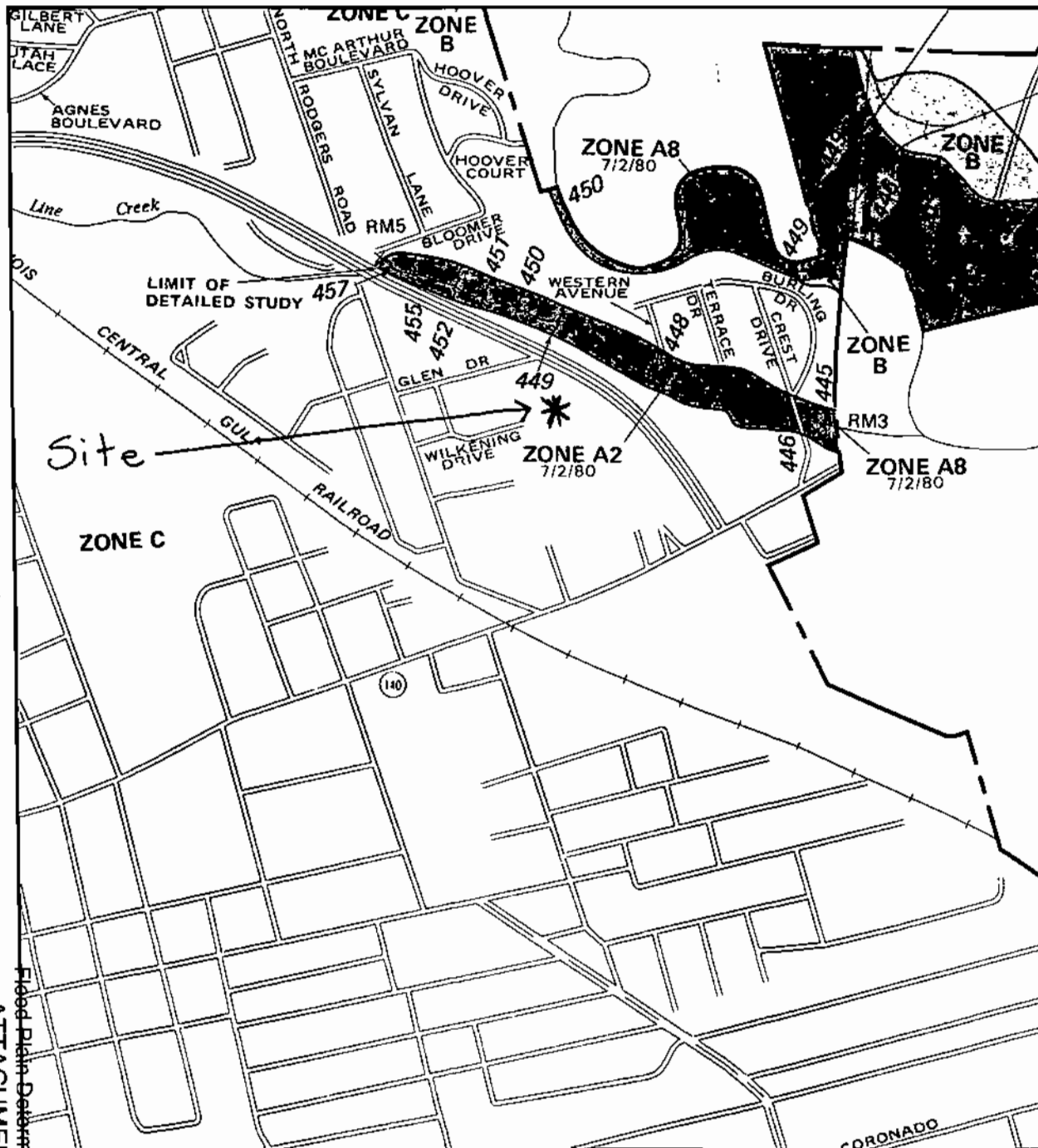
Exact Legal Name: <i>Bio-Medical Applications of Illinois, Inc, d/b/a Fresenius Medical Care Southwestern Illinois</i>			
Address: <i>920 Winter Street, Waltham, MA 02451</i>			
☐	Non-profit Corporation	☐	Partnership
☐	For-profit Corporation	☐	Governmental
☐	Limited Liability Company	☐	Sole Proprietorship
		☐	Other
- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.			

Certificate of Good Standing at Attachment – 1.



Flood Plain Requirements

The proposed site for the establishment (relocation) of Fresenius Medical Care Southwestern Illinois complies with the requirements of Illinois Executive Order #2005-5. The site, 5-9 Professional Drive, Alton 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

CITY OF
ALTON,
ILLINOIS
MADISON COUNTY

ONLY PANEL PRINTED

COMMUNITY-PANEL NUMBER
170437 0005 C

MAP REVISED:
MAY 1, 1984



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.msc.fema.gov

31



Illinois Historic Preservation Agency

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

Madison County
East Alton
SE of Professional Drive and SR 111
New construction, dialysis facility

PLEASE REFER TO: IHPA LOG #003112811

December 1, 2011

Lori Wright
Fresenius Medical Care
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 Contracts

General Conditions	60,000
Temp Facilities, Controls, Cleaning, Waste Management	2,500
Concrete	16,500
Masonry	20,000
Metal Fabrications	10,000
Carpentry	115,000
Thermal, Moisture & Fire Protection	22,000
Doors, Frames, Hardware, Glass & Glazing	90,000
Walls, Ceilings, Floors, Painting	190,000
Specialties	16,000
Casework, FI Mats & Window Treatments	7,000
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	373,000
Wiring, Fire Alarm System, Lighting	230,000
Miscellaneous Construction Costs	55,000
Total	1,207,000

Contingencies

Contingencies	\$132,685
---------------	------------------

Architectural/Engineering

Architecture/Engineering Fees	\$133,000
-------------------------------	------------------

Movable or Other Equipment

Dialysis Chairs	35,000
Misc. Clinical Equipment	32,500
Clinical Furniture & Equipment	37,000
Office Equipment & Other Furniture	38,000
Water Treatment	150,000
TVs & Accessories	95,000
Telephones	22,500
Generator	41,000
Facility Automation	33,000
Other miscellaneous	16,000
Total	500,000

Fair Market Value Leased Space & Equipment

FMV Leased Space (8,500 GSF)	\$1,590,084
FMV Leased Dialysis Machines	281,925
FMV Leased Computers	7,200
Total	\$1,879,209

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	3,851,894		8,500		8,500		
Total Clinical	3,851,894		8,500		8,500		
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL	3,851,894		8,500		8,500		
APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

1110.130 – DISCONTINUATION

General Information Requirements

Bio-Medical Applications of Illinois, Inc. proposes to discontinue its 19-station ESRD facility located at #7 Eastgate Plaza, East Alton, currently operating at 52% utilization according to the 4th Quarter Renal Network data with 57 patients. This is essentially a relocation of the existing facility. In conjunction with this discontinuation we will establish a 19-station replacement ESRD facility at 5-9 Professional Drive in Alton. Both facilities are in HSA 11. All patients are expected to transfer to the new facility and therefore all medical records will be transferred to the new site as well.

The discontinuation is expected to occur simultaneously with the opening of the new facility. This is expected to occur by June 30, 2014. There will be no break in service to the patients involved. The evacuated building at #7 Eastgate Plaza is leased space so will be released back to the landlord.

Reasons for Discontinuation

The current leased space for the BMA Southwestern Illinois facility is in need of extensive structural repair and the lease will expire in March 2012. A one year extension has already been granted. This facility has been in a continual run-down state with a leaking roof, moisture in the floor cracking floor tiles and rotting outdoor framework. The clinic is in an industrial area with little traffic which lends it to constant vandalism to the rear of the building. The windows in the front of the building are not placed appropriately to offer natural daylight while also offering patient privacy at the same time. There is currently no covered drop-off area outside for patients which makes accessing the building difficult in inclement weather. Home therapies is currently offered at the clinic, however due to limited space there is not enough training rooms to grow this program.

Impact On Access

It is determined that the "relocation" of the Southwestern Illinois facility to a site two miles away will not have any impact on any area ESRD providers. There is only one other dialysis provider that serves Alton (DaVita Alton). All facilities within 45 minutes travel time were sent a written request for an impact statement. There was no response. However, we note that the Southwestern Illinois facility only operates 2 shifts a day and its actual utilization is 78%. Facilities in more rural areas rarely operate the third shift of the day.

IMPACT ON ACCESS STATEMENT PER PART 1110.130

The proposed discontinuation of the BMA Southwestern Illinois 19-station end stage renal disease (ESRD) facility will not have an adverse effect upon access to care for the residents of the healthcare market area in which it is situated. Along with this discontinuation, a replacement 19-station ESRD facility will be established at 5-9 Professional Drive in Alton. The Southwestern Illinois facility is essentially being relocated approximately 2 miles away and closer to where a majority of the patients live. All patients are expected to transfer to the replacement facility. There will be no break in service to patients.

There will be no adverse impact to any facilities within a 45-minute travel time. A written request for an impact statement was sent to each and no response was received. Attached is a copy of the letter sent to the clinics and the returned certified mail card.

Richard Alderson

Date: 3-13-12

SUBSCRIBED AND SWORN TO
BEFORE ME THIS 13 DAY
OF March, 2012.

Marica Katambwa
NOTARY PUBLIC





Fresenius Medical Care

October 27, 2011

Facility Manager
DaVita Sauget Dialysis
2061 Goose Lake Road
East St. Louis, IL 62206

Dear Facility Manager:

The purpose of this letter is to inform you that Fresenius Medical Care – North America is in the process of compiling a Certificate of Need application to be submitted to the Illinois Health Facilities & Services Review Board to discontinue our 19-station Southwest Illinois Dialysis Center located at 7 Eastgate Plaza, East Alton, IL. In conjunction with this discontinuation we will be establishing a replacement 20-station dialysis facility within the same service area.

The estimated date that this discontinuation/establishment will occur is January 2014. Over the past two years the Southwest Illinois dialysis facility has provided 18,195 dialysis treatments to 114 end stage renal disease (ESRD) patients. While this is a substantial amount we do not foresee any break in service to the ESRD patients in this market area during the closure of the current facility and subsequent opening of the replacement facility. All current patients are expected to transfer to the new location. We do not expect that there will be any adverse impact to care for patients in this market area, nor do we expect there to be any burden of care placed on other area dialysis providers.

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

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

Sincerely,

Lori Wright
Senior CON Specialist



Fresenius Medical Care

October 27, 2011

Facility Manager
DaVita Metro East
5105 W. Main Street
Belleville, IL 62226

Dear Facility Manager:

The purpose of this letter is to inform you that Fresenius Medical Care – North America is in the process of compiling a Certificate of Need application to be submitted to the Illinois Health Facilities & Services Review Board to discontinue our 19-station Southwest Illinois Dialysis Center located at 7 Eastgate Plaza, East Alton, IL. In conjunction with this discontinuation we will be establishing a replacement 20-station dialysis facility within the same service area.

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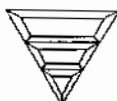
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Sincerely,

Lori Wright
Senior CON Specialist

Fresenius Medical Services ♦ Dialysis Services

One Westbrook Corporate Center, Suite 1000 Westchester, IL 60154 708-562-0371 Fax 708-498-9285



Fresenius Medical Care

October 27, 2011

Facility Manager
DaVita Granite City
9 American Village
Granite City, IL 62040

Dear Facility Manager:

The purpose of this letter is to inform you that Fresenius Medical Care – North America is in the process of compiling a Certificate of Need application to be submitted to the Illinois Health Facilities & Services Review Board to discontinue our 19-station Southwest Illinois Dialysis Center located at 7 Eastgate Plaza, East Alton, IL. In conjunction with this discontinuation we will be establishing a replacement 20-station dialysis facility within the same service area.

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Sincerely,

Lori Wright
Senior CON Specialist



Fresenius Medical Care

October 27, 2011

Facility Manager
DaVita Alton
3511 College Avenue
Alton, IL 62002

Dear Facility Manager:

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Sincerely,

Lori Wright
Senior CON Specialist

Fresenius Medical Services ♦ Dialysis Services

One Westbrook Corporate Center, Suite 1000 Westchester, IL 60154 708-562-0371 Fax: 708-498-9263

ATTACHMENT - 10



Fresenius Medical Care

October 27, 2011

Facility Manager
DaVita Jerseyville
917 S. State Street
Jerseyville, IL 62052

Dear Facility Manager:

The purpose of this letter is to inform you that Fresenius Medical Care – North America is in the process of compiling a Certificate of Need application to be submitted to the Illinois Health Facilities & Services Review Board to discontinue our 19-station Southwest Illinois Dialysis Center located at 7 Eastgate Plaza, East Alton, IL. In conjunction with this discontinuation we will be establishing a replacement 20-station dialysis facility within the same service area.

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Sincerely,

Lori Wright
Senior CON Specialist



Fresenius Medical Care

October 27, 2011

Facility Manager
DaVita Maryville
2130 Vadalabene Dr.
Maryville, IL 62062

Dear Facility Manager:

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Sincerely,

Lori Wright
Senior CON Specialist



Fresenius Medical Care

October 27, 2011

Facility Manager
DaVita Edwardsville
235 S. Buchanan St.
Edwardsville, IL 62025

Dear Facility Manager:

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Sincerely,

Lori Wright
Senior CON Specialist



Fresenius Medical Care

October 27, 2011

Facility Manager
Liberty/RAI Fairview Heights
821 Lincoln Highway
Fairview Heights, IL 62208

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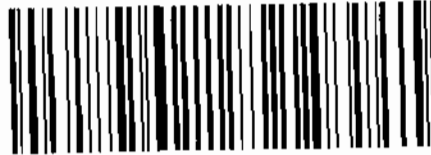
Lori Wright
Senior CON Specialist



Fresenius Medical Care

Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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MAILED FROM ZIP CODE 60154

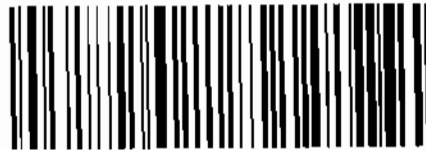
Facility Manager
DaVita Edwardsville
235 S. Buchanan St.
Edwardsville, IL 62025



Fresenius Medical Care

Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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\$ 05.59⁰
MAILED FROM ZIP CODE 60154

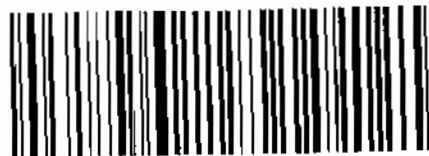
Facility Manager
DaVita Sauget Dialysis
2061 Goose Lake Road
East St. Louis, IL 62206

47


Fresenius Medical Care

Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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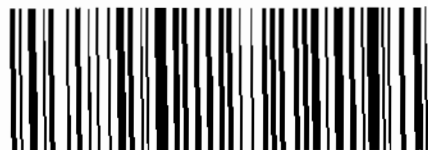
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02 1M \$ 05.59⁰
0004252356 OCT 27 2011
MAILED FROM ZIP CODE 60154

Facility Manager
DaVita Jerseyville
917 S. State Street
Jerseyville, IL 62052


Fresenius Medical Care

Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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UNITED STATES POSTAGE

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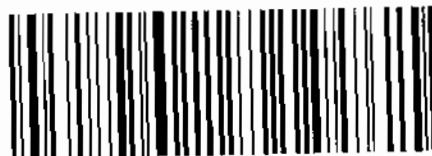
Facility Manager
DaVita Granite City
9 American Village
Granite City, IL 62040

48

Discontinuation - Request for Impact Letter
ATTACHMENT - 10

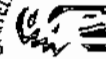

Fresenius Medical Care
Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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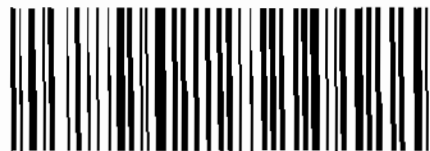


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 **PRIMEY BOWLES**
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Facility Manager
DaVita Alton
3511 College Avenue
Alton, IL 62002


Fresenius Medical Care
Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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MAILED FROM ZIP CODE 60154

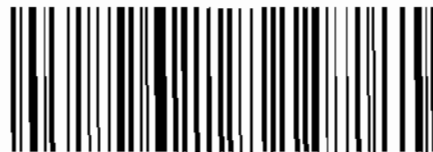
Facility Manager,
DaVita Metro East
5105 W. Main Street
Belleville, IL 62226

49

Discontinuation - Request for Impact Letter
ATTACHMENT - 10


Fresenius Medical Care
Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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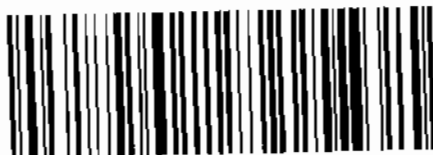
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Facility Manager
DaVita Maryville
2130 Vadalabene Dr.
Maryville, IL 62062


Fresenius Medical Care
Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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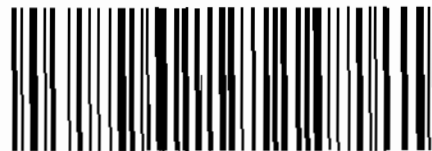
Facility Manager
Liberty/RAI Fairview Heights
821 Lincoln Highway
Fairview Heights, IL 62208

50

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Fresenius Medical Care
Dialysis Services
One Westbrook Corporate Center
Suite 1000
Westchester, IL 60154

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Facility Manager
Covita Maryville
2130 Vadalabene Fr
Maryville, IL 6

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OCT 27 2011

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Restricted Delivery Fee (Endorsement Required)	
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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To	
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City, State, ZIP+4	
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Postmark Here
OCT 27 2011

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

Clinic	Provider #	Address	City	Zip	Fac >10% Medicaid Treatments*
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803	
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002	10.2%
Aurora	14-2515	455 Mercy Lane	Aurora	60506	
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651	26.5%
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402	16.7%
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406	11.6%
Bolingbrook	14-2605	538 E. Boughton Road	Bolingbrook	60440	
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609	30.4%
Burbank	14-2641	4811 W. 77th Street	Burbank	60459	13.3%
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	45.2%
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608	45.1%
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624	29.9%
Crestwood	14-2538	4861 W. Cal Sag Road	Crestwood	60445	
Decatur East	14-2503	1830 S. 44th St.	Decatur	62521	
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015	
Des Plaines		1625 Oakton Place	Des Plaines	60018	
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515	
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185	17.4%
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 Biesterfeld Road, Ste. 400	Elk Grove	60007	10.4%
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126	
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201	16.4%
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805	
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609	20.8%
Glendale Heights	14-2617	520 E. North Avenue	Glendale Heights	60139	17.6%
Glenview	14-2551	4248 Commercial Way	Glenview	60025	
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619	16.7%
Gurnee	14-2549	101 Greenleaf	Gurnee	60031	20.9%
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429	
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195	18.8%
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649	29.8%
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	11.6%
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613	22.0%
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	18.1%
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	16.7%
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	10.8%
Norridge	14-2521	4701 N. Cumberland	Norridge	60656	11.2%
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160	
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630	20.8%
Northcenter	14-2531	2620 W. Addison	Chicago	60618	19.6%
Northfield		480 Central Avenue	Northfield	60093	

Facility List

ATTACHMENT - 11

Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611	11.6%
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	19.9%
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764	
Prairie	14-2569	1717 S. Wabash	Chicago	60616	13.1%
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	19.2%
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008	11.3%
Roseland	14-2690	135 W. 111th Street	Chicago	60628	19.1%
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621	17.6%
Round Lake	14-2616	401 Nippersink	Round Lake	60073	16.8%
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	20.4%
South Deering		10559 S. Torrence Ave.	Chicago	60617	
South Holland	14-2542	17225 S. Paxton	South Holland	60473	12.2%
South Shore	14-2572	2420 E. 79th Street	Chicago	60649	16.8%
South Side	14-2508	3134 W. 76th St.	Chicago	60652	21.8%
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	16.9%
Waukegan Harbor	14-2727	101 North West Street	Waukegan	60085	
West Batavia	14-2729	2580 W. Fabyan Parkway	Batavia	60510	
West Belmont	14-2523	4943 W. Belmont	Chicago	60641	42.3%
West Chicago	14-2702	1859 N. Neltor	West Chicago	60185	13.1%
West Metro	14-2536	1044 North Mozart Street	Chicago	60622	24.6%
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302	15.6%
West Willow	14-2730	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	

*Medicaid percentages are reflected in treatments, not patients. Any patient can have more than one type of coverage in any given year, therefore treatment numbers reflects more accurately the clinic's % of coverage. Only clinics above 10% Medicaid are reported here to show those facilities with significant Medicaid numbers.

All Illinois Clinics are Medicare certified, and do not discriminate against patients based on their ability to pay or payor source.

All clinics are open to all physicians who meet credentialing requirements.

Certification & Authorization

Bio-Medical Applications of Illinois, Inc.

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

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

Notarization:
Subscribed and sworn to before me
this 15 day of Dec, 2011

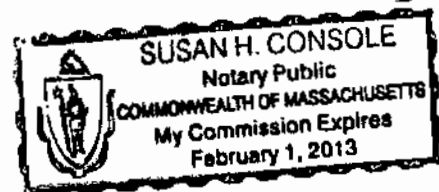
Susan H. Console
Signature of Notary

Seal

Notarization:
Subscribed and sworn to before me
this 15 day of Dec, 2011

Susan H. Console
Signature of Notary

Seal



Certification & Authorization

Fresenius Medical Care of Holdings, Inc.

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

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

By: *Bryan Mello*
ITS: **Bryan Mello**
Assistant Treasurer

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

Notarization:
Subscribed and sworn to before me
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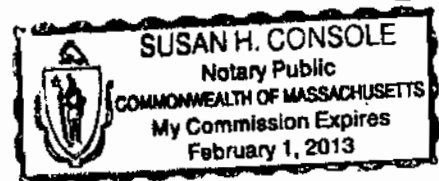
Notarization:
Subscribed and sworn to before me
this 15 day of Dec, 2011

Susan H Console
Signature of Notary

Signature of Notary

Seal

Seal



Fresenius Medical Care is a strong supporter of home dialysis. It offers patients several different types of home dialysis therapies at over 50 home dialysis programs throughout Illinois. Home dialysis leads to improved clinical outcomes, higher quality of life and lower healthcare costs (see Ultra Care at home pamphlet on following pages).



Fresenius Medical Care

ABOUT ULTRACARE®

What is UltraCare®?

UltraCare® is the name used to describe the commitment of the entire Fresenius Medical Care organization to providing patients with excellent medical care through innovative and efficient programs, cutting-edge technology, continuous quality improvement and a focus on superior customer service. Each Fresenius staff member lives the UltraCare mission every day, which is to *Improve the Quality of Life of Every Patient, Every Treatment!*

Fresenius is the exclusive provider of UltraCare, which is delivered nationwide by our highly trained staff and consistently demonstrated on a daily basis through the dedication, leadership and compassion of each and every team member. It is based on our core values – quality, honesty and integrity, innovation and improvement, respect and dignity, and teamwork – backed by the uncompromising belief that *People Make The Difference!*

The key elements of UltraCare are clinical leadership, continuous quality improvement, superior customer service, a team approach to care, patient-centered care and innovative technology. The intended results are better outcomes and more satisfied patients.

We believe that the high-quality, comprehensive care we deliver to patients is a result of our association with some of the dialysis industry's leading nephrologists and the extraordinary skills and efforts of our dialysis healthcare providers and staff. Patients benefit from their wealth of experience and expertise, which is freely shared within our extensive clinical network.

For more information about UltraCare services, visit www.ultracare-dialysis.com (in English and Spanish).

Updated December 2010, Page 1 of 1

Fresenius Medical Care North America

Corporate Headquarters: 920 Winter Street Waltham, MA 02451 (781) 699-9000

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Background of Applicant
ATTACHMENT - 11

Shift your perspective on home dialysis
Give your patients
UltraCare *at home*[®]

Improved clinical outcomes • Higher quality of life • Lower healthcare costs

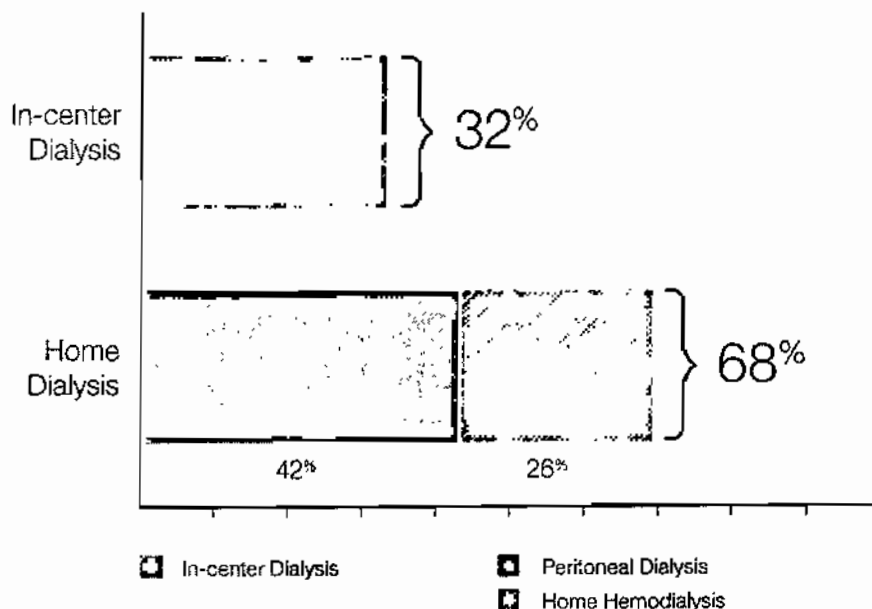


Fresenius Medical Care

A growing number of physicians, patients and payors agree

Home dialysis is the option of 1st choice whenever possible

In a recent survey including over 500 dialysis facility medical directors, 68% of all respondents chose home dialysis when asked to vote for their initial treatment modality of choice if they were personally to need dialysis.¹



¹ J. Pulliam, et al. Fresenius Medical Services, Medical Directors Meeting 2007.

The advantages of performing dialysis at home are compelling

As the number of people on dialysis increases every year, and the financial burden on our healthcare system continues to grow, home dialysis offers a new paradigm for meeting the needs of physicians, patients and payors:

- Physicians want improved outcomes
- Patients want a higher quality of life
- Payors want lower additional costs

Despite evidence suggesting that up to 93% of incident patients do not have any medical contraindications for home dialysis, less than 8% of dialysis patients receive care at home.²



² Rajnish Mehrotra, et al. Chronic Peritoneal Dialysis in the United States: Declining Utilization Despite Improving Outcomes. JASN. 2007;18:2781-2788.



Fresenius Medical Care

A long-term commitment

ATTACHMENT - 11

Home dialysis improves outcomes

The growing evidence of improved outcomes with home dialysis is convincing more physicians to shift perspectives. Lower mortality rates for both peritoneal dialysis³ and home hemodialysis⁴ are commanding serious consideration. Along with lower mortality comes a host of other benefits.

Improved Outcomes	Peritoneal Dialysis	Home Hemodialysis
1. Reduced Dietary Restrictions	✓	✓
2. Improved B/P Control	✓	✓
3. Improved Nutritional Status	✓	✓
4. Reduced B/P Medication	✓	✓
5. Preservation of Residual Kidney Function	✓	
6. Reduced Hemodynamic Stress	✓	✓
7. Improved Functional Status	✓	✓

"Until daily [hemo-] dialysis becomes widely available, we believe that hemodialysis patients would benefit enormously from every-other-day dialysis (EODD)... Benefits of EODD...would include decreased mortality after the weekend interval without dialysis; increased weekly dose of dialysis, resulting in better rehabilitation; and improved blood pressure control."⁴

- Belding H. Scribner, University of Washington - Zbylut J. Twardowski, University of Missouri

"The residual kidney function in patients on dialysis, particularly in those on peritoneal dialysis (PD), has proven to be a consistent and powerful predictor of mortality.

One way to maximize survival of renal function is to place the patient on PD. This has been the basis for the advocacy of integrated care, or 'PD first'. This philosophy is for a patient...where the placement on PD may prolong the RRF (and limit lifetime demands on vascular access) with consideration of intentional modality switch if the patient loses RRF and encounters problems such as hypervolaemia. Using this approach, patients starting on PD and changing to HD have had improved survival compared with those starting, and remaining, on HD."⁵

- Joanne M. Bargman, University of Toronto - Thomas A. Golper, Vanderbilt University



³Osman Khawar, Kamyar Kalantar-Zadeh, Wai Kai Lo, David Johnson, Rajnish Mahotra. Is the Declining Use of Long-Term Peritoneal Dialysis Justified by Outcome Data? Published ahead of print on October 17, 2007. *Clin J Am Soc Nephrol*. 2007;2:1317-1328.

⁴Belding H. Scribner and Zbylut J. Twardowski. The Case for Every-Other-Day Dialysis. *Hemodial Int*. 2000;4:5-7.

⁵Joanne M. Bargman and Thomas A. Golper. The Importance of residual renal function for patients on dialysis. *Nephrology Dialysis Transplantation*. 2005 20:671-673.

Home dialysis improves quality of life

Home dialysis improves the quality of life (QOL) for patients by eliminating the weekend interval without dialysis and the cycle of trips to and from the clinic. Improvements in QOL begin with the alleviation of multiple symptoms related to a feeling of well-being. Working patients, for example, not only need a treatment plan that accommodates their schedules, but also must feel well enough to do their jobs.

The number of dialysis patients of working age that are actually working is nearly 30%.²



Home dialysis reduces multiple symptoms to improve patient functionality

Symptoms	Home Dialysis
Reduced Fatigue	✓
Reduced Muscle Cramps	✓
Reduced Pruritus	✓
Reduced Chest Pain	✓
Reduced Shortness of Breath	✓
Reduced Dizziness	✓
Reduced Numbness	✓
Reduced Pain	✓

²Louise M. Moist, et. al. Travel Time to Dialysis as Predictor of Health-Related QOL, Adherence and Mortality: The Dialysis Outcomes and Practice Pattern Studies (DOPPS). AJKD. 2008;51:641-650.

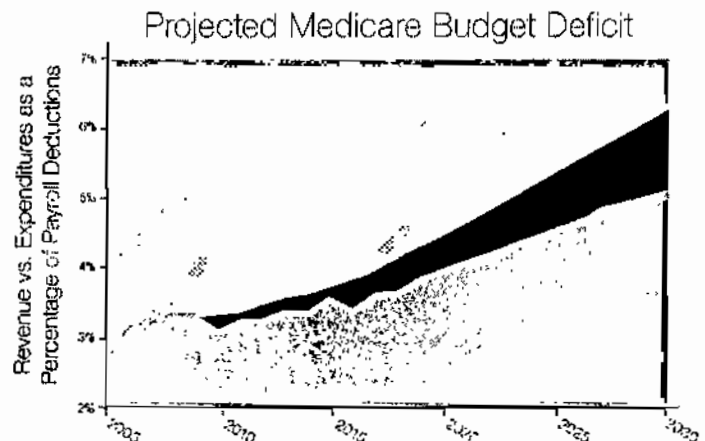


Fresenius Medical Care

Home dialysis lowers healthcare costs

In addition to improved outcomes and higher quality of life, lower additional patient costs are winning payor support for the "paradigm shift" to home as well.²

Lower hospitalization and transportation costs for home patients are easily recognized by payors as having a cost savings potential. In order to optimize these cost savings, however, they would need to encourage an increase in home dialysis utilization. The cost savings realized from this shift to home dialysis could then be better spent to help balance the budget as the chronic kidney disease population continues to grow.³



The new 2008 Medicare Conditions for Coverage require patient education and participation in choice of modalities.⁴ These changes and others will help realize the above benefits as more patients choose to dialyze at home.

UltraCare *at home*[®]

A new future in dialysis is on the horizon. We are committed to supporting physicians as the primary agents of this change.

UltraCare *at home* aims to facilitate this change by meeting the needs of physicians and their patients.

At Fresenius Medical Care, returning a patient to being a participating member of society is the ultimate measure of outcome success.



²The USRDS Dialysis Morbidity and Mortality Study (Wave 2). USRDS Annual Data Report Chapter IV. 1997; 49-67d.

³Federal Register Part II, Dept. of Health and Human Services, Centers for Medicare & Medicaid Services. Conditions for Coverage for ESRD Facilities, Final Rule. 2009

⁴Status of the Social Security and Medical Programs: A Summary of the 2008 Annual Reports. Accessed at www.ssa.gov.

FRESENIUS MEDICAL CARE

Give your patients UltraCare *at home*®

At Fresenius Medical Care our mission is to deliver UltraCare®: Improving the Quality of Life of Every Patient, Every Treatment. UltraCare is patient-centered care achieved through our focus on continuous quality improvement and superior customer service. It is demonstrated every day through dedication, leadership and compassion by 35,000+ caregivers throughout our nationwide network.

UltraCare *at home* is our commitment to deliver the same level of care and service to the growing population of home dialysis patients, so they too will experience excellence with every treatment.



Fresenius Medical Care

North America
920 Winter Street
Waltham, MA 02451-1457

Toll Free: (866) 4DIALYSIS, (866) 434-2597

www.UltraCare-Dialysis.com

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UCAH008

A SOLID BUSINESS RELATIONSHIP. A STRONG COMMITMENT TO SAFETY.

Congratulations Fresenius, on your record
12th Safety in Excellence Award.

Fresenius Medical Care
awarded by
CNA Insurance Company



Larry Park, Vice President, Corporate Health, Safety, Environmental Affairs, Engineering, Security and Risk Management, Fresenius Medical Care North America, and Tom Motamed, Chairman and Chief Executive Officer, CNA.

Fresenius Medical Care North America's dedication to improving the safety of its employees has once again resulted in significant year-on-year reductions in lost time injury rates. That's why CNA could not be more proud to distinguish this recognized world leader in dialysis services and products as the only CNA insured to be honored a record 12 times as a Safety in Excellence Award winner.




Fresenius Medical Care
North America

To learn more about Fresenius Medical Care North America,
visit www.fmca.com or for more information about CNA,
visit www.cna.com.

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Fresenius Medical Care

Fresenius Medical Care Achieves Statistically Significant Improvement in Patient Survival and Hospitalization in Centers for Medicaid and Medicare Services End-Stage Renal Disease Management Demonstration Project

WALTHAM, Mass. – Jan. 17, 2011 - Results from the Centers for Medicaid and Medicare Services (CMS) End Stage Renal Disease (ESRD) Disease Management Demonstration Project have been 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 to test the impact of expanded integrated care approaches applied to the Medicare ESRD patient population.

The first three years of the demonstration (2006 through 2008) were evaluated and the case-mix adjusted results indicate the following for Fresenius Medical Care (FMCNA) patients enrolled in the demonstration:

A significantly larger percentage of patients in the FMCNA program survived to the one year and two year time points.

Patient survival at the one year time point for FMCNA was 90.7% vs 85.4 % for the comparison group. Patient survival at the two year time point for FMCNA was 80.1% vs 73.9% for the comparison group. This equates to mortality improvement for FMCNA versus the comparison group of 36.3% at the one year time point (9.3% vs 14.6%) and 23.8% at the two year time point (19.9% vs 26.1%).

A significantly lower percentage of patients in the FMCNA program were hospitalized for the first time by one year and two years.

Improvement for FMCNA versus the comparison group in first hospitalizations for "all causes" at one year of 13.6% (51.1% vs 59.1%) and at two years 20.5% (60.5% vs 76.1%).

A significantly lower percentage of patients in the FMCNA program were hospitalized for cardiovascular disease for the first time by one year and two years.

Improvement for FMCNA versus the comparison group in first hospitalizations for "cardiovascular disease" at one year of 14.1% (50.0% vs 58.2%) and at two years 20.7% (59.7% vs 75.2%).

"Our main objective in the ESRD DM Demonstration Project was to implement a model of care that was patient-centered, one that could improve the more comprehensive patient quality outcomes of improved survival and reduced hospitalization. We are very pleased to have achieved our objectives in this Demonstration Project to advance care models for the benefit of people with kidney disease," commented Robert Farrell, President, Fresenius Health Partners, Integrated Care Management Division, Fresenius Medical Care North America.

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 holistic 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.

Fresenius Medical Care collaborated and partnered with several innovative and leading Nephrology Physician Groups across the United States including: Balboa Nephrology Medical Group, San Diego CA – Dr. Steven Steinberg, CEO; Dallas Nephrology Associates, Dallas TX – Dr. Ruben Velez, President & CEO; Renal Associates, PA, San Antonio TX – Dr. Ronald Hamner, CEO; Western New England Renal and Transplant Associates, Springfield MA – Dr. Stephen Sweet, President; Nephrology Consultants, Huntsville AL – Dr. Todd Broome, Managing Partner; Renal Specialists of Houston, Houston TX – Dr. Whitson (Pete) Etheridge, Vice-President; Southwest Nephrology Associates, Houston TX – Dr. Robert Porter, President; Metabolism Associates, New Haven CT – Dr. Fredric Finkelstein, President; Clinical Nephrology Associates, Philadelphia PA – Dr. Joseph Brezin, President; Delaware Valley Nephrology and Hypertension Associates, Philadelphia PA – Dr. Edward Jones, President; and the Renal Research Institute, NYC NY – Dr. Nathan W. Levin, Chairman, Research Board.

"The demonstration project yielded important data and results regarding approaches that the kidney provider community can apply to improve the care and outcomes for kidney patients," said Rice Powell, Fresenius Medical Care North America Chief Executive Officer, Deputy

Chairman Management Board. "We applaud CMS for its foresight in conducting this initiative. We look forward to working with our nephrologist partners and the CMS Innovation Center to build upon an expanded care approach for kidney patients. We believe that Accountable Care Organizations and patient-centered medical/health homes are very well-suited models for improving care and outcomes for patients with kidney disease."

The Arbor Research Collaborative for Health abstracts and the evaluation report of the ESRD DM Demonstration Project and additional information on our integrated care program can be viewed at our Fresenius Health Partners company website www.kidneytel.com.

About Fresenius Medical Care

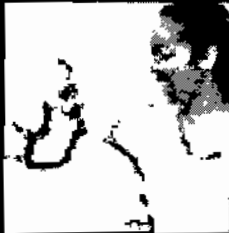
Fresenius Medical Care (NYSE: FMS) is the world's leading company devoted to patient-oriented renal therapy. Through more than 2,700 clinics in North America, Europe, Latin America, Asia-Pacific and Africa, we provide kidney dialysis treatments to approximately 210,000 patients worldwide. We are also the world's leading maker of dialysis products such as hemodialysis machines, dialyzers and related disposable products. Chronic kidney failure is a condition that affects about 1.9 million individuals worldwide. For more information about the company's more than 1,800 U.S. dialysis facilities, visit www.ultracare-dialysis.com (in English and Spanish). For more information about Fresenius Medical Care, visit www.fmc-ag.com or www.fmcna.com.

Disclaimer

This release contains forward-looking statements that are subject to various risks and uncertainties. Actual results could differ materially from those described in these forward-looking statements due to certain factors, including changes in business, economic and competitive conditions, regulatory reforms, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing. These and other risks and uncertainties are detailed in Fresenius Medical Care AG & Co. KGaA's reports filed with the U.S. Securities and Exchange Commission. Fresenius Medical Care AG & Co. KGaA does not undertake any responsibility to update the forward-looking statements in this release.

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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.



FRESENIUS MEDICAL CARE NORTH AMERICA

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.



FRESENIUS MEDICAL CARE NORTH AMERICA

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

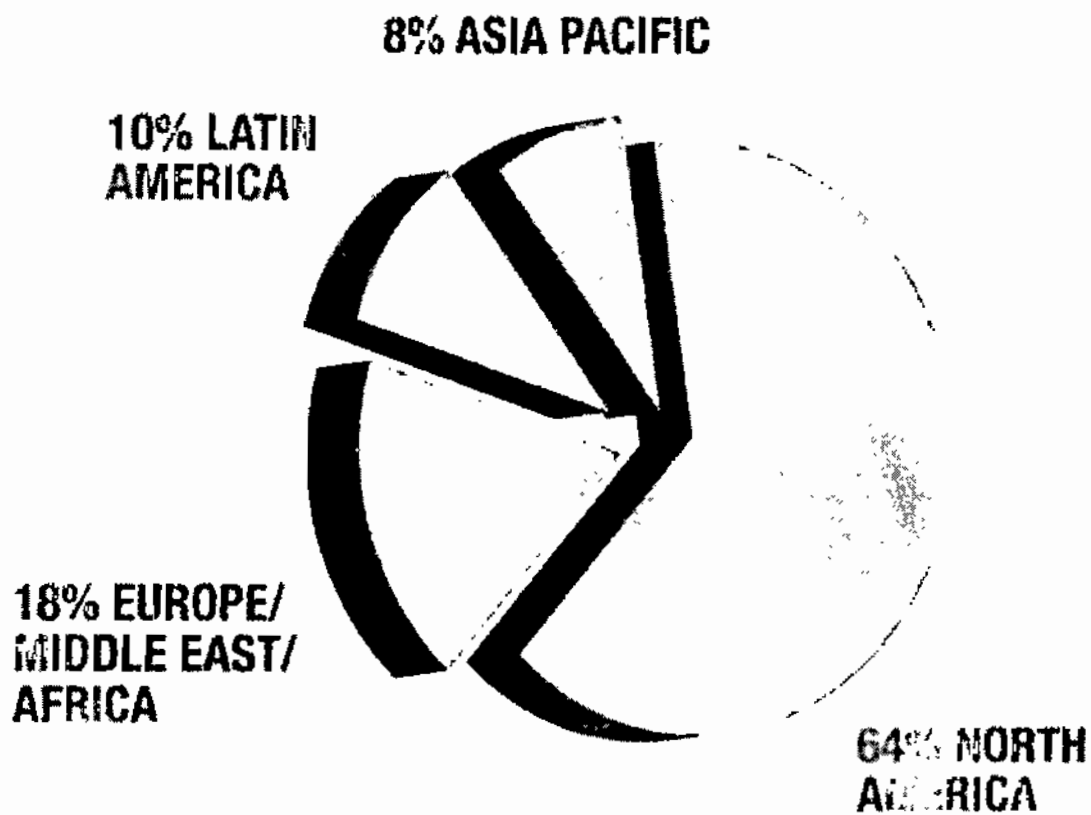
2,757
CLINICS WORLDWIDE

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)

Fresenius Medical Care	North America	137,689
Fresenius Medical Care	Europe	38,061
Fresenius Medical Care	Asia-Pacific	16,427
Fresenius Medical Care	Latin America	22,471

ADVANCING RENAL THERAPY:

DIALYSIS SERVICES & PRODUCTS SINCE 1968

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

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

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

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



QUALITY OF CARE & PATIENT SAFETY

1968:

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

1970:

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

1996:

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

1996:

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

1997:

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

1997:

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

1998:

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

1999:

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

2003:

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

2003:

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

UltraCare®

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

2004:

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

2004:

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



2010:

Fresenius Medical Care Renal Pharmaceuticals is established to provide a range of drugs for treating patients with chronic and acute renal failure. Venofer® 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.

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:

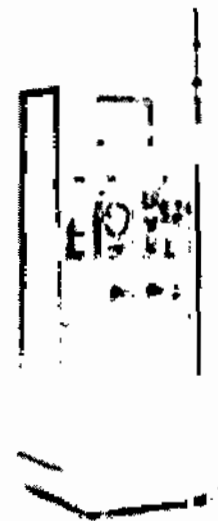
FMCNA introduces Premier Plus™ Double Bag for CAPD patients. The incorporated Safe-Lock Connectology and Snap disconnect features result in fewer connections for the patient and a commensurate lower risk of infection.

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:

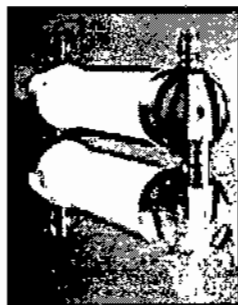
FMCNA introduces the Optiflux® dialyzer family with superior small and large molecular weight solute clearances for improved clearance rates and outstanding biocompatibility.



The 2008K

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 Cycler 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

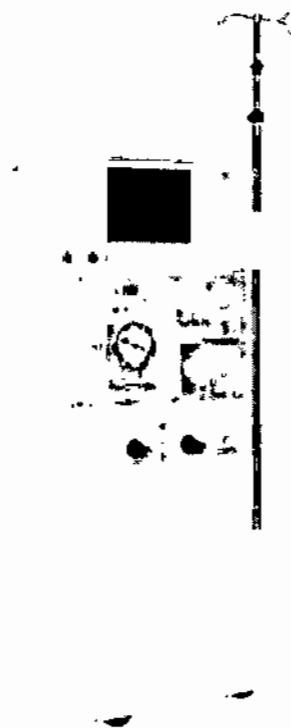


The 2008T

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:

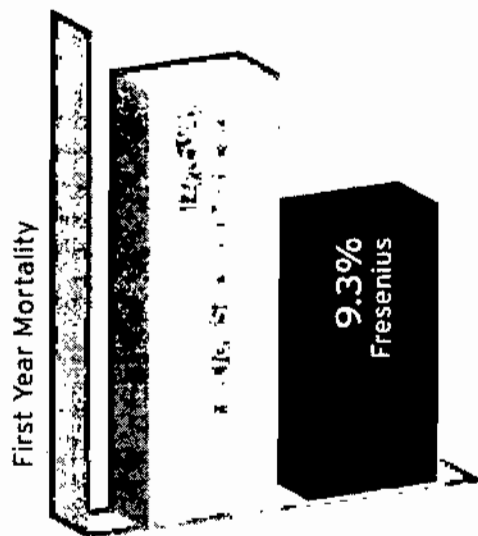
- One Year Mortality (36% reduction)
- Two Year Mortality (24% reduction)
- "All Cause" First Hospitalizations (reduced by 13% for One Year) and (reduced by 20% for Two Year)
- Cardiovascular Disease" First Hospitalizations (reduced by 14% for One Year) and (reduced by 21% for Two Year)

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.

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

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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.

FRESENIUS MEDICAL CARE NORTH AMERICA



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

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

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

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



Ann Pridgen RN CDN volunteering in Haiti



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

OUR COMMUNITY COMMITMENT: **GLOBAL OUTREACH**

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

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

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





1-800-441-8000 FAX: 1-800-441-8000 FRESENIUS MEDICAL CARE NORTH AMERICA

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. Gergesen 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 access available to life-sustaining dialysis services in the Alton market area of Madison County, along the Mississippi River, by relocating the current Fresenius Southwestern Illinois dialysis facility two miles away in a new more modern building. The facility is operating at 78% utilization calculated on 2 patient shifts daily. The 3rd shift is not in operation due to its rural market area.
2. The current Southwestern Illinois facility and the proposed relocation site are both located in Alton in HSA 11, which is made up of Clinton, Madison, Monroe and St. Clair counties. The facility serves a small river town in northeast Madison County.
3. The current Southwestern Illinois facility's lease will expire in March 2012, however we have obtained a one year extension. There are some extensive physical plant problems at the existing site which prohibit remaining there indefinitely. The building has a leaking roof, moisture in the floor and rotting exterior framework. Parking and drop-off of patients is difficult with no covered drop-off area. The part of town where the current site is located has become highly industrial and is not suitable for a healthcare facility. The home therapies department at the clinic is minimal in size making it difficult to grow the home dialysis treatment options.

While the State Board rules consider this project a discontinuation/establishment of an ESRD facility, it is essentially a relocation of the Southwestern Illinois facility. The relocated facility will be in a new more modern building in a more commercial/residential area of town, which will offer patients a more comfortable and safe environment to dialyze in and will also allow for easier patient access to the building. The home therapies department will be expanded and nocturnal dialysis will be offered, which has been proven to improve dialysis outcomes.

4. Not Applicable
5. Relocating the 19-station Southwestern Illinois facility will offer patients a new, more modern facility that meets CMS guidelines along with easier access. Its location will also make it easier to access since it is near where a majority of the patients live. There will be no interruption in service to the current patients of Southwestern Illinois since the "relocation" of the facility will occur on a Sunday when there are no patient treatments scheduled.
6. The goal of Fresenius Medical Care is to keep dialysis access available to this patient population. There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. It is expected that this facility would continue to have similar quality outcomes after the relocation. Currently the Southwestern Illinois patients have the quality values below:
 - 98% of patients had a URR $\geq$ 65%
 - 97% of patients had a Kt/V $\geq$ 1.2

Alternatives

1) All Alternatives

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

The only alternative that would entail a lesser scope and cost than the project proposed in this application would be to do nothing. This alternative was rejected because the physical state of the current building requires extensive repair and the lease is expiring in March 2012, with a one year extension granted. The building is not in an area of town conducive to a healthcare facility and is limited on interior space for home dialysis programs. There is not cost to 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 centers. Fresenius Medical Care has more than adequate capability to meet all of its expected financial obligations and does not require any additional funds to meet expected project costs. This facility is currently not a joint venture and we see no need to turn it into one for relocation purposes.

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

Discontinuing the Southwestern Illinois facility and sending all 57 patients to other area providers is not an option. There is only one other facility serving Alton (DaVita Alton) operating at 65% utilization and it cannot accommodate all of these patients. Dr. Daniels currently admits patients to the DaVita Alton facility. There is no monetary cost to this alternative.

- As discussed further in this application, the most desirable alternative to keep access to dialysis services available in the Alton area is to relocate the facility to a more modern building in a more suitable area of town. This alternative will address the problems of the current poor physical plant conditions and parking conditions. The cost of this project is \$3,851,894. While this is the most costly alternative, it is the only feasible alternative and the expense is to Fresenius Medical Care only, while the patients will benefit from improved access, a more modern facility to dialyze in and additional treatment options such as home dialysis and nocturnal dialysis.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Do Nothing	No Cost	Maintaining the status quo, would also maintain the current inadequate access at the current Fresenius Southwestern Illinois site.	Patient clinical quality would remain above standards	No additional costs.
Utilize Area Providers	\$0	Would create transportation problems Complete loss of access for dialysis treatment for newly diagnosed patients. Would create ripple effect of raising utilization of area providers to or above capacity	Patient clinical quality would remain the same.	No financial cost to Fresenius Medical Care Cost of patient's transportation would increase with higher travel times
Relocate Fresenius Medical Care Southwestern Illinois	\$3,851,894	Improved access with safe and ample parking and handicap patient drop off area.	Patient clinical quality would remain above standards Patient satisfaction would improve with easier access and more modern facilities	The new site will not require ongoing structural maintenance.

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

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. Fresenius Southwestern Illinois has had above standard quality outcomes as listed below.

- 98% of patients had a URR $\geq$ 65%
- 97% 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	8,500 (19 Stations)	360-520 DGSF	NONE	Yes

As seen in the chart above, the State Standard for ESRD is between 360-520 DGSF per station. This project is being accomplished in leased space with the interior to be built out by the applicant therefore the standard being applied is expressed in departmental gross square feet. The proposed 8,500 DGSF amounts to 447 DGSF per station and falls within the State Standard.

Criterion 1110.234, Project Services Utilization

UTILIZATION					
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
Dec 31, 2011	IN-CENTER HEMODIALYSIS	52%		80%	No
YEAR 1	IN-CENTER HEMODIALYSIS	N/A	61%	80%	No
YEAR 2	IN-CENTER HEMODIALYSIS	N/A	68%	80%	No

Dr. Daniels has identified 83 pre-ESRD patients living in the Alton area who will require dialysis services in the first two years after the relocation of the facility. It is expected that approximately 30% of these will no longer require dialysis services by the time this occurs due to death, transplant or moving out of the area. Therefore approximately 58 patients will begin dialysis at the Southwestern Illinois facility in the first two years after relocation. This does not include any patients who present in the emergency room in kidney failure who might also be referred to the facility.

It appears that the facility may not reach target utilization two years after beginning operations, however this project is a relocation. This facility was established 26 years ago at its current site and has expanded during this time to keep treatment schedule times on the 1st and 2nd shifts of the day open for the majority of the patients from this rural area.

A. Planning Area Need - Formula Need Calculation:

The current BMA Southwestern Illinois 19-station in-center hemodialysis facility is located in Alton in HSA 11. The chosen relocation site, two miles away, is also located in Alton in HSA 11. There is a need for 5 additional ESRD stations in this HSA. This is essentially a relocation of the 19-station facility.

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 Madison County in HSA 11, more specifically the Alton market area. 94% of the current ESRD patients and 100% of the pre-ESRD patients identified for this project reside in HSA 11.

Pre-ESRD Patients Who Will Be Referred To Fresenius SW Illinois			
County	HSA	#Patients	% of Patients
Madison	11	83	100%

Current SW Illinois Patients Who Will Transfer to the Relocated Fresenius Southwestern Illinois Facility			
County	HSA	#Patients	% of Patients
Madison	11	53	92%
St. Clair	11	1	2%
Jersey	3	1	2%
Macoupin	3	1	2%
St. Louis County, MO	N/A	1	2%

March 8, 2012

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 Erik Daniels, M.D. and I am a nephrologist practicing in the St. Louis area with Gateway Nephrology. I am the medical director of the Fresenius Southwestern Illinois dialysis center in Alton, Illinois. I am writing to support the proposed relocation of the Southwestern Illinois dialysis facility. The building the facility is housed in has been in a state of continued decline over the years with inadequate upkeep by the landlord. The area of town that the clinic is located in has become an industrial area and is no longer suitable for a medical facility.

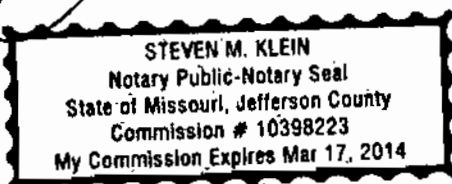
My partners and I have referred 28 new patients to Illinois clinics for hemodialysis services over the past twelve months. We were treating 77 hemodialysis patients in Illinois at the end of 2009, 79 at the end of 2010 and 76 at the end of 2011 which is also the most recent quarter. We have a total of 202 patients in our practice in Illinois in various stages of kidney failure. There are 83 patients living in the vicinity of the proposed relocation site for Southwestern Illinois that I expect would begin dialysis at that facility (accounting for a 30% loss of patients prior to dialysis commencement approximately 57 will be referred in the first two years of operation of the clinic). I also expect the current 57 hemodialysis patients at the Southwestern Illinois clinic to transfer to the relocation site upon opening.

Gateway Nephrology also strongly encourages patients who qualify to explore other treatment choices such as transplantation and home dialysis. The home dialysis program at the current site is limited in regards to the number of patients it can accommodate. The relocation site will be able to offer additional home training rooms and will also offer nocturnal dialysis, which has been shown to improve dialysis outcomes.

I respectfully ask the Board to approve the relocation of the Fresenius Southwestern Illinois 19 station dialysis clinic to provide a more modern treatment facility as and to provide access to other treatment options. Thank you for your time and attention to this matter.

Sincerely,

Erik Daniels, M.D.



Notarization:

Subscribed and sworn to before me
this 9 day of March 2012

Signature of Notary

Physician Referrals
ATTACHMENT 26b - 3

**NEW HEMODIALYSIS REFERRALS OF GATEWAY NEPHROLOGY FOR
THE TIME PERIOD 03/01/2011 – 02/29/2012**

Zip Code	Fresenius Southwest Illinois						DaVita Alton	DaVita Jerseyville	Totals
	Dr. Bentley	Dr. Daniels	Dr. Frenchie	Dr. Gerdes	Dr. Matthew	Dr. Polack	Dr. Daniels	Dr. Daniels	
62002	3	2	1				9		15
62014		1					1		2
62018	2						1		3
62035					1				1
62052								1	1
62095	1		1		1	1			4
62272		1							1
63138				1					1
Totals	6	4	2	1	2	1	11	1	28

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2009

Zip Code	DaVita Alton Dr. Daniels	Fresenius Southwestern Illinois						Total
		Dr. Bentley	Dr. Daniels	Dr. Frenchie	Dr. Gerdes	Dr. Polack	Dr. Singh	
62002	8	7	22	1	2	4	1	45
62010	1							1
62012		1	3					4
62018			1					1
62021			1		1			2
62024		2						2
62035		1	2					3
62037		1						1
62048			1					1
62060			1					1
62067	1							1
62084			1					1
62087		1	3					4
62095	2	2	2				1	7
62226	1							1
62254					1			1
62685			1					1
Total	13	15	38	1	4	4	2	77

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2010

Zip Code	DaVita Alton	Fresenius Southwestern Illinois							Total
	Dr. Daniels	Dr. Bentley	Dr. Daniels	Dr. Frenchie	Dr. Gerdes	Dr. Mathew	Dr. Polack	Dr. Singh	
62002	8	5	22	1	2		3	1	42
62010	1								1
62012		1	1						2
62018		1	1						2
62021			1		1				2
62024		3			1				4
62025			1						1
62035			2			1	1		4
62037						1			1
62067	1								1
62084		1	1						2
62087		2	3						5
62095	2	1	4			1		1	9
62226	1								1
62254					1				1
62685			1						1
Total	13	14	37	1	5	3	4	2	79

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2011
(& MOST RECENT QUARTER)

Zip Code	DaVita Alton	Fresenius Southwestern Illinois							Total
	Dr. Daniels	Dr. Bentley	Dr. Daniels	Dr. Frenchie	Dr. Gerdes	Dr. Mathew	Dr. Polack	Dr. Singh	
62002	9	8	16		1		2		36
62010			1						1
62014	1		1						2
62018		2	1						3
62024		2			1			1	4
62025	1		1						2
62035	1		2		1	1	1		6
62037						1			1
62067	1								1
62084		1							1
62087		2	2						4
62095	3	1	2	1		2	1	1	11
62226	1								1
62254					1				1
62685			1						1
63138					1				1
Total	17	16	27	1	5	4	4	2	76

**CURRENT HEMODIALYSIS PATIENTS AT FRESenius SOUTHWESTERN
ILLINOIS THAT ARE EXPECTED TO TRANSFER AFTER RELOCATION**

Zip	Pts
62002	26
62010	1
62014	1
62018	3
62024	5
62025	1
62035	5
62037	1
62087	3
62095	8
63138	1
62254	1
62685	1
Total	57

**PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE
SOUTHWESTERN ILLINOIS FACILITY**

Zip Code	Pre-ESRD Patients
62002	30
62010	6
62018	3
62024	7
62035	21
62048	2
62084	2
62087	3
62095	9
Total	83

(It is expected that approximately 30% of the above patients will no longer require dialysis services by the time the facility is relocated due to death, transplant or moving out of the area. Therefore approximately 58 of the above patients will actually begin dialysis services at the relocated Southwestern Illinois facility in its first two years of operation.)

Service Accessibility – Service Restrictions

The establishment of the 19-station Fresenius Medical Care Southwestern facility, along with the discontinuation of the 19-station current BMA Southwestern Illinois facility, is not going to add any stations to the inventory since these are all existing stations. This is simply a relocation of the current facility. Determined need and area utilization does not necessarily correlate to the way rural dialysis clinics are operated. The only other facility serving Alton, DaVita Alton, is not operating at the 80% target utilization. As seen in the chart below only one of the facilities is operating at target rate. This is mainly due to operations of the majority of clinics in smaller towns rather than underutilization.

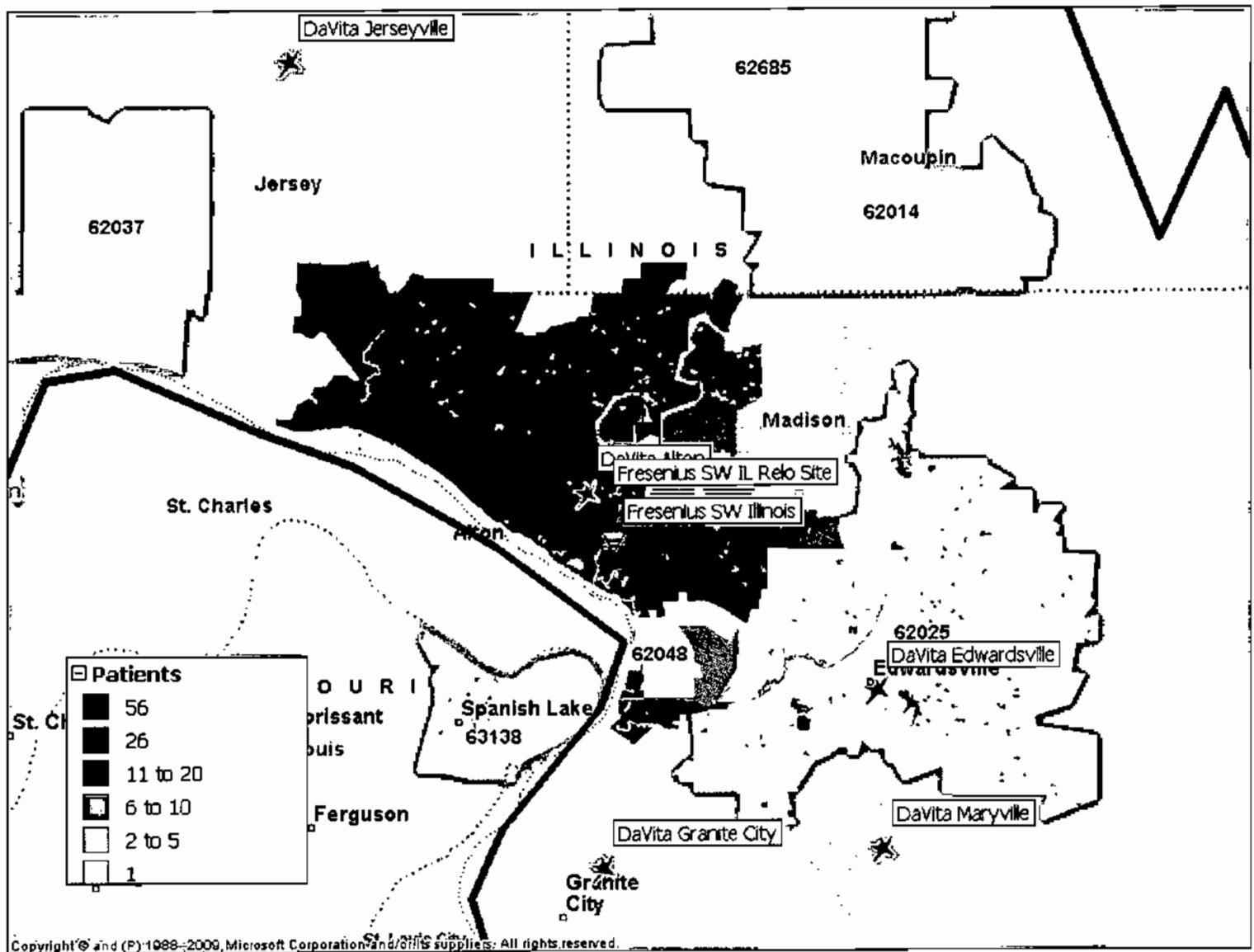
Name	Address	City	ZIP Code	MapQuest		Stations	12/31/2011 Utilization
				Time	Miles		
Fresenius SW IL*	#7 Eastgate Plaza	East Alton	62002	0	0	19	51.75
DaVita Alton	3511 College Ave	Alton	62002	1	0.07	14	65.48
DaVita Granite City	9 American Village	Granite City	62040	22	15.01	20	59.17
DaVita Edwardsville	235 S Buchanan St	Edwardsville	62025	22	14.04	8	56.25
DaVita Maryville	2130 Vadalabene Dr	Maryville	62062	26	21.46	12	83.33
DaVita Jerseyville	917 S State St	Jerseyville	62052	27	19.31	7	64.29

*Current site to be relocated

Much of HSA 11 is rural with an elderly population. It is difficult for these patients to travel long distances on country roads at night for treatment, therefore the 2 daytime shifts are preferred. Southwestern Illinois, just as most rural clinic do, only operate the first two shifts of the day. They would be at target utilization if that utilization was determined by the number of shifts they actually operate.

- Problems that exist for the Southwestern Illinois patients pertain to the physical condition of the current site and physical access to the building. The current site requires extensive repair and maintenance to the building which has not been accomplished over the past several years. There is not a covered area to drop off patients, which is especially pertinent in inclement weather and for ambulance transported patients. There is not enough physical room to develop a full range of dialysis treatment options currently, but the relocation site will offer additional home therapies services such as home hemodialysis and will also offer nocturnal dialysis.
- The proposed site at 5-9 Professional Drive, Alton, will improve the patient's physical access to the facility with improved parking and patient drop off areas and will allow for a more modern facility to receive treatment in as well as keeping access to daytime treatment shifts available.

Demographics of the Pre ESRD & Current ESRD Patients Identified Who Will Be Referred to Fresenius Medical Care Southwestern Illinois



Zip Codes of Current & Pre-ESRD Patients

Zip	Pts
62002	56
62010	7
62014	1
62018	6
62024	12
62025	1
62035	26
62037	1
62048	2
62084	2
62087	6
62095	17
62254	1
62685	1
63138	1
Total	140

Unnecessary Duplication/Maldistribution

- 1(A-B-C) The ratio of ESRD stations to population in the zip codes within a 30-minute radius of BMA Southwestern Illinois is 1 station per 4,023 residents according to the 2010 census (based on 321,819 residents and 80 stations. The State ratio is 1 station per 3,371 residents (based on US Census 2010 of 12,830,632 Illinois

Zip Code	Population	Stations	Facility
62001	1,752		
62002	32,704	33	DaVita Alton & Current Site of Fresenius SW IL
62010	11,186		
62012	6,654		
62014	4,122		
62018	3,604		
62021	936		
62022	1,138		
62024	9,775		
62025	33,748	8	DaVita Edwardsville
62028	1,276		
62030	114		
62034	13,819		
62035	16,494		
62037	1,993		
62040	43,735	20	DaVita Granite City
62048	1,459		
62052	13,002	7	DaVita Jerseyville
62060	4,847		
62062	7,658	12	DaVita Maryville
62067	2,401		
62079	256		
62084	1,606		
62087	2,087		
62090	1,189		
62095	11,237		
62097	2,828		
62201	7,547		
62203	8,209		
62204	7,960		
62205	9,329		
62232	7,260		
62234	33,430		
62294	14,367		
62685	2,097		
Totals	321,819	80	1/4,023

(see map of area facilities on next page)

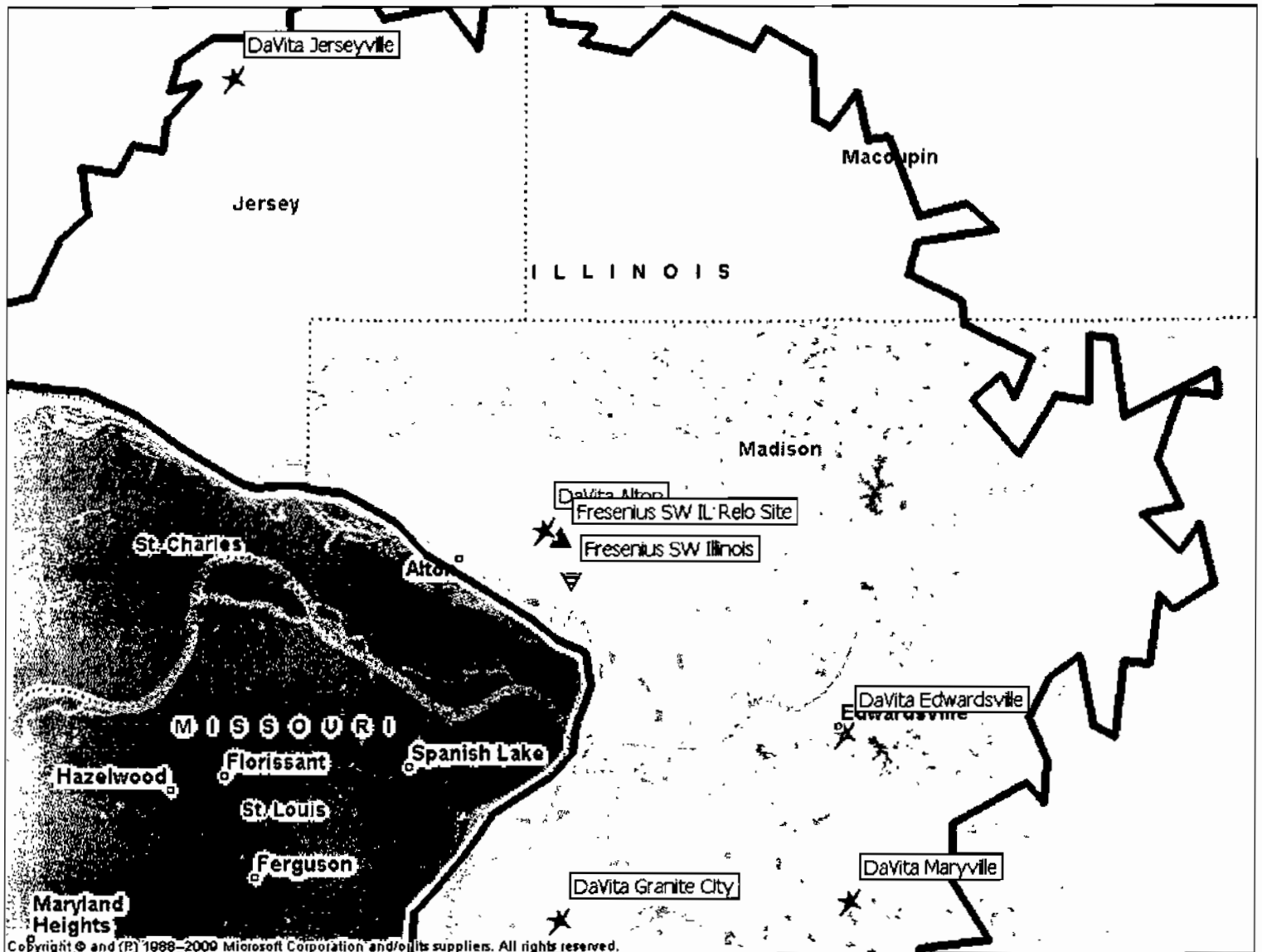
residents and February Board station inventory of 3,806).

2. The relocation of BMA Southwestern Illinois will not create a maldistribution of services in regard to there being excess availability. There is currently a need for an additional 5 stations in this HSA and the applicant is not asking for any additional stations beyond those that already exist. The ratio of stations to population in the area vs the State ratio support this need.

3A. The relocation of Fresenius Medical Care Southwestern Illinois will not have an adverse effect on any other area ESRD provider in that the patients identified for this facility are current Fresenius Southwestern Illinois hemodialysis patients and are pre-ESRD patients of Dr. Daniels. There is only one other facility serving Alton, DaVita Alton, and Dr. Daniels refers patients to that facility as well.

- 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/relocation of the facility.

30-Minute Travel Zone of BMA Southwestern Illinois - Alton



Criterion 1110.1430 (e)(5) Medical Staff

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

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

Richard Alderson
Signature

Richard Alderson
Printed Name

Regional Vice President
Title

Subscribed and sworn to before me
this 13 day of March, 2012

Marica Katambwa
Signature of Notary



Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Erik Daniels is currently the Medical Director for BMA Southwestern Illinois and will continue to be the Medical Director after the relocation. Attached is his curriculum vitae.

B. All Other Personnel

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

- Clinic Manager who is a Registered Nurse
- 3 Full-time Registered Nurses
- 5 Full-time Patient Care Technicians
- 1 Part-time Patient Care Technician
- 1 half-time Registered Dietitian
- 1 half-time Licensed Master level Social Worker
- 1 half-time Equipment Technician
- 1 half-time Secretary
-

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

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

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

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

CURRICULUM VITAE

NAME: ERIK D. DANIELS, M.D.

PRESENT POSITION: Nephrologist
Renal Consultants
St. Louis, MO
6/1997 - Present

SSAN: 321-62-2980

HOME: 17915 Grey Abbey Court
Chesterfield, MO 63005
(314) 537-1301

DATE OF BIRTH: July 1, 1965

PLACE OF BIRTH: Chicago, Illinois

MARITAL STATUS: Married
Two children

EDUCATION:

High School Quigley Preparatory Seminary South
Chicago, Illinois
August, 1979 - May 1983

College: Howard University
Washington, D.C.
September 1983 - May 1985
B.S. Zoology, Magna Cum Laude

Medical School: Howard University College of
Medicine
Washington, D.C.
September 1985 - May 1989
Six-year B.S. - M.D. Program
M.D.

Internship: USAF Medical Center Wright-
Patterson
Wright-Patterson AFB, Ohio
July 1989 - June 1990

Residency: USAF Medical Center Wright-Patterson
Wright-Patterson AFB, Ohio
July 1990 - June 1992

Fellowship: Nephrology
Wilford Hall Medical Center
Lackland AFB, Texas
July 1992 - June 1994

Staff Nephrologist: USAF Medical Center
375 MDOS/SGOMI
310 W. Losey Street
Scott AFB, IL 62225-5252
July 1994 to present

Board Certification: Internal Medicine, ABIM 1992
Nephrology, ABIM 1994

ORGANIZATIONS:

Associate, American College of Physicians
Member, Scientific Advisory Committee, National Kidney Foundation
Member, Executive Board, Mound City Medical IPA

ABSTRACTS/PRESENTATIONS:

- 1) Capt. Erik D. Daniels and Lt. Col. Craig Coonley:
"Metoprolol Induced Thrombocytopenia". Presented at the Society of Air Force Physicians meeting, San Antonio, Texas, March, 1990, and the Ohio Regional American College of Physicians Meeting, Columbus, Ohio, October, 1990.
- 2) Capt. Erik D. Daniels and Maj. Barry J. Feldman: "Macro CK: A Case Study". Selected for presentation at the Ohio Regional American College of Physicians meeting, October, 1991.

HONORS & AWARDS:

Phi Beta Kappa - May, 1986
Dean's List throughout baccalaureate education
Graduated Magna Cum Laude, 1987

Class of 1959 Scholarship Award - 1985,
given to students in College of
Medicine showing a high degree of
academic promise

Golden Key Society selectee - May, 1986

Air Force Health Professions Scholarship

DATES OF HOSPITAL PRIVILEGES

ERIK DANIELS, M.D.

ANDERSON HOSPITAL
P.O. Box 1000
Maryville, IL 62062-1000
618-288-5711

ALTON MEMORIAL HOSPITAL
One Memorial Drive
Alton, IL 62002
618-463-7311
September, 1997

BARNES-JEWISH HOSPITAL
One Barnes-Jewish Hosp. Plaza
St. Louis, MO 63110
314-362-5000
June, 1998

BARNES-JEWISH ST. PETERS HOSP.
#10 Hospital Drive
St. Peters, MO 63376
636-278-5900
September, 2001

BARNES-JEWISH WEST COUNTY HOSP.
12634 Olive Blvd.
St. Louis, MO 63141
314-996-8648
August, 1998

CHRISTIAN HOSPITAL NE/NW
11133 Dunn Road
St. Louis, MO 63136
314-355-2300
June, 1997

DEPAUL HEALTH CENTER
12303 DePaul Drive
Bridgeton, MO 63044
314-344-6000 October, 2997

CROSSROADS REGIONAL HOSP.
(Formerly Doctor's Hospital)
500 Medical Drive
P.O. Box 711
Wentzville, MO 63385-0711
636-332-8707
July, 1999

MISSOURI BAPTIST MEDICAL CTR.
3015 N. Ballas Road
St. Louis, MO 63131
314-996-5000
June, 1998

ST. JOSEPH'S HEALTH CENTER
ST. JOSEPH'S WEST
300 First Capitol Drive
St. Charles, MO 63301
636-947-5000
September, 1997

ST. MARY'S HEALTH CENTER
6420 Clayton Road
St. Louis, MO 63117
314-768-8000
July, 2001

ST. ANTHONY'S HEALTH CENTER
P.O. Box 340
St. Anthony's Way
Alton, IL 62002
618-465-2571
November, 1996

FOREST PARK HOSPITAL
(Formerly Deaconess)
6150 Oakland
St. Louis, MO 63139
314-768-3000
St. Louis, MO 63139

Criterion 1110.1430 (f) – Support Services

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

- Fresenius Medical Care utilizes the Proton patient data tracking system in all of its new facilities.
- These support services are will be available at Fresenius Medical Care Southwestern Illinois during all 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 Christian Hospital Northeast - Northwest, St. Louis, Missouri:
 - Blood Bank Services
 - Rehabilitation Services
 - Psychiatric Services

Richard Alderson
Signature

Richard Alderson/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 13 day of March, 2012

Marica Katambwa
Signature of Notary



Criterion 1110.1430 (g) – Minimum Number of Stations

BMA (Fresenius Medical Care) Southwestern Illinois is located in the St. Louis 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 Southwestern Illinois has 19 dialysis stations thereby meeting this requirement.

PATIENT TRANSFER AGREEMENT

THIS PATIENT TRANSFER AGREEMENT is made and entered into this 1st day of July, 2003, by and between Alton Memorial Hospital, a Illinois non-profit public benefit corporation operating a acute care medical facility in St. Louis County, Missouri (hereinafter "Hospital"), and Bio-Medical Applications of Illinois, Inc. d/b/a BMA Southwestern Illinois Dialysis Center, a Delaware corporation (hereinafter "BMA").

Hospital owns and operates an acute care hospital under the laws of Illinois and provides emergency and in-patient services at said hospital located at 1 Memorial Dr., Alton, IL 62002;

BMA owns and operates a dialysis center located at Illinois Rt 143 & Rt 3, #7 Eastgate Plaza, East Alton, IL 62024 and is required by 42 C.F.R. §405.2160 to make arrangements to provide for the transfer its patients as needed to facilities having specialized in-patient care services and to provide for the continuation of such patients' care by Hospital;

Hospital and BMA desire to enter into an agreement for the transfer from BMA to Hospital of BMA's patients and to specify the rights and duties of each party with regard to such transfers including the procedures to ensure the timely transfer of patient records;

In consideration of the premises and the mutual covenants hereinafter contained, the parties agree as follows:

1. Hospital shall admit to its facility patients of BMA as promptly as possible when such admission is requested by BMA and is deemed medically appropriate by the patient's attending physician, provided all conditions of eligibility for admission to Hospital are met and a physician on Hospital's medical staff accepts the transfer of the patient's care for inpatient admission.
2. BMA shall obtain the patient's consent to the transfer to Hospital prior to transfer, and such consent shall accompany the patient, except where the emergency medical condition of the patient precludes such consent.
3. Upon the request of Hospital, and if medically appropriate as determined by the patient's attending physician, BMA will readmit patients transferred by it to Hospital as promptly as possible provided (a) space is available; (b) all conditions of eligibility for readmission to the facility are met; (c) the patient or the patient's responsible party has consented to such transfer; and (d) the services required by the patient are available at BMA. As reasonably possible, Hospital shall advise BMA of a patient's anticipated readmission date.
4. Physicians at Hospital and BMA shall communicate by telephone for prior consultation and approval of patient transfers.
5. BMA shall send with patients at the time of transfer, or in the case of an emergency as promptly as possible thereafter, copies of all medical records and other information necessary to initiate and continue the patient's treatment at Hospital including but not limited to:
 - A. the current medical findings, including the name and signature of the transferring physician and the name of the physician at Hospital who accepted the patient transfer and ambulation status;
 - B. the diagnoses and condition of patient upon transfer;
 - C. the summary of course of treatment at BMA, including discharge summary;

D. the essential patient identifying and demographic information, including next of kin and payment method/coverage;

E. the consent to treat signed by the patient or other individual authorized to consent to treatment on behalf of the patient if such patient is unable to sign in the opinion of the patient's attending physician;

F. the consent to transfer and other documents evidencing that the patient's transfer occurred promptly and safely; and

G. the patient's rehabilitation potential.

6. Hospital shall provide the following records to BMA at the time of readmission or as promptly as possible thereafter for BMA's continuing care of such patient:

A. A copy of the patient's discharge summary; and

B. Such other paperwork as BMA may reasonably request, including the name and signature of the transferring physician and the name of the physician at BMA who accepted the transfer for readmission.

7. Upon transfer of a patient to either facility under this Agreement, the transferring party shall send as soon as is practical to the receiving facility, the personal effects of the patient, including money and valuables, and other pertinent information relating to the same, provided, however, that the receiving facility shall not accept responsibility for such items until after it has actually received and acknowledged such items.

8. Each party shall have sole responsibility for billing and collecting for services rendered by such party and neither party shall act as a guarantor for any patient services provided as a result of the transfer pursuant to this Patient Transfer Agreement.

9. All transfers made under this Patient Transfer Agreement will comply with all applicable federal and state laws and regulations, and the standards of the *Joint Commission on Accreditation of Healthcare Organizations*.

10. The parties shall provide each other with appropriate information about the types of services provided and the types of patients and/or health conditions that will not be accepted by their facilities; provided, however, that neither party shall discriminate in admitting patients on the basis of race, religion, color, national origin, sexual orientation, or ability to pay.

11. During the term of this Patient Transfer Agreement, each party shall maintain in effect, either through purchased insurance or a self-insurance program, the following insurance coverages:

A. Comprehensive general liability insurance in the minimum amount of \$1,000,000 dollars per occurrence/ \$3,000,000 dollars annual aggregate;

B. Workers' compensation and employers' liability insurance for its employees in accordance with the requirements of the law; and

C. Professional liability insurance in minimum amounts of not less than \$1,000,000 dollars per occurrence of primary insurance and \$3,000,000 dollars annual aggregate to cover its employees' acts and omissions in providing services hereunder.

If the preceding insurance is claims made coverage and if it is terminated or canceled at any time, such party carrying such coverage shall purchase an extended reporting endorsement to provide for the continuous coverage at all times for claims arising out of the services provided during the term of this Patient Transfer Agreement.

12. Upon written request, each party shall furnish to the other all applicable policies, procedures, referral forms, and other necessary documents affecting the transfer of patients.

13. It is agreed that all charges for the services rendered shall be billed to the patient. Neither party shall have any liability to the other for any such charges.

14. THIS AGREEMENT SHALL COMMENCE July 15, 2003, AND CONTINUE FOR A PERIOD OF ONE YEAR AND SHALL AUTOMATICALLY RENEW UPON LIKE TERMS FOR ONE YEAR PERIODS THEREAFTER UNLESS EITHER PARTY 30 DAYS PRIOR TO THE ANNUAL EXPIRATION DATE GIVES WRITTEN NOTICE OF INTENT TO TERMINATE. Notwithstanding the preceding, this Patient Transfer Agreement shall sooner terminate on the first to occur of the following events:

A. Failure by either party to maintain its licensure or certification; or

B. By either party, with or without cause, giving the other party 60 days prior written notice of intent to terminate, effective on the date stated therein.

15. This Patient Transfer Agreement constitutes the entire understanding between the parties relating to the transfer of patients between the parties' facilities. Any prior agreements, promises, negotiations, or representations between the parties, either oral or written, relating to the subject matter of this Patient Transfer Agreement, not expressly set forth herein, are of no force or effect. Any modifications or amendments thereto must be agreed to by both parties in writing and shall become effective on the date stated therein.

16. All notices given pursuant to this Agreement shall be in writing and personally delivered or sent by certified mail, postage fully paid, to:

BMA
Bio-Medical Applications of ^{Illinois} ~~Missouri~~, Inc.
1209 Orange Street
Wilmington, Delaware 19801
Attn: President

Hospital
Alton Memorial Hospital
1 Memorial Drive
Alton, IL 62002
Attn: President

With Copy to:
Fresenius Medical Care North America
95 Hayden Ave.
Lexington, MA 02420
Attn: Corporate Legal Department

All notices shall be deemed delivered upon such personal delivery or 48 hours after deposit in any United States Post Office.

17. Nothing in this Patient Transfer Agreement shall be construed as limiting the rights of either party to affiliate or contract with any other hospital or nursing home on either a limited or general basis during the period of this Agreement.

18. Any dispute that may arise under this Patient Transfer Agreement shall be first discussed with the representatives of the parties.

19. Neither party shall use the name of the other in any promotional or advertising material unless review and approval of the intended use shall first be obtained from the party whose name is to be used.

20. This Patient Transfer Agreement shall be construed and enforced in accordance with the laws of the State of Missouri.

21. This Patient Transfer Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors, heirs, assigns and legal representatives. Neither this Patient Transfer Agreement nor any rights hereunder may be assigned without the consent in writing of the non-assigning party, which consent shall not be unreasonably withheld, except that either party may assign its interest or delegate the performance of its obligations to a subsidiary or affiliate of that party without the consent of the other party.

22. Each party to this Patient Transfer Agreement represents that: (A) it is not currently excluded, or threatened with exclusion, from participating in any federal or state-funded health care program, including Medicare, Medicaid, and TRICARE; and (B) it has never been subject to any sanctions by any of the aforementioned programs. Each party shall notify the other of any imposed exclusions or sanctions covered by this representation, and the notified party reserves the right to terminate this Agreement upon receipt of such notice

23. The individuals executing this Patient Transfer Agreement on behalf of their respective facilities represent and warrant that they have been authorized to do so.

Bio-Medical Applications of Illinois, Inc.

Alton Memorial Hospital

By:

Title:

Frank Brumage, Jr.
Area Manager

By:

Title:

R. B. Mc Muller
President

PATIENT TRANSFER AGREEMENT

THIS PATIENT TRANSFER AGREEMENT is made and entered into this 1st day of July, 2003, by and between Christian Hospital Northeast-Northwest, a Missouri non-profit public benefit corporation operating a acute care medical facility in St. Louis County, Missouri (hereinafter "Hospital"), and Bio-Medical Applications of Illinois, Inc. d/b/a BMA Southwestern Illinois Dialysis Center, a Delaware corporation (hereinafter "BMA").

Hospital owns and operates an acute care hospital under the laws of Missouri and provides emergency and in-patient services at said hospital located at 11133 Dunn Road; St. Louis, Missouri 63131;

BMA owns and operates a dialysis center located at Illinois Rt 143 & Rt 3, #7 Eastgate Plaza, East Alton, IL 62024 and is required by 42 C.F.R. §405.2160 to make arrangements to provide for the transfer its patients as needed to facilities having specialized in-patient care services and to provide for the continuation of such patients' care by Hospital;

Hospital and BMA desire to enter into an agreement for the transfer from BMA to Hospital of BMA's patients and to specify the rights and duties of each party with regard to such transfers including the procedures to ensure the timely transfer of patient records;

In consideration of the premises and the mutual covenants hereinafter contained, the parties agree as follows:

1. Hospital shall admit to its facility patients of BMA as promptly as possible when such admission is requested by BMA and is deemed medically appropriate by the patient's attending physician, provided all conditions of eligibility for admission to Hospital are met and a physician on Hospital's medical staff accepts the transfer of the patient's care for inpatient admission.

2. BMA shall obtain the patient's consent to the transfer to Hospital prior to transfer, and such consent shall accompany the patient, except where the emergency medical condition of the patient precludes such consent.

3. Upon the request of Hospital, and if medically appropriate as determined by the patient's attending physician, BMA will readmit patients transferred by it to Hospital as promptly as possible provided (a) space is available; (b) all conditions of eligibility for readmission to the facility are met; (c) the patient or the patient's responsible party has consented to such transfer; and (d) the services required by the patient are available at BMA. As reasonably possible, Hospital shall advise BMA of a patient's anticipated readmission date.

4. Physicians at Hospital and BMA shall communicate by telephone for prior consultation and approval of patient transfers.

5. BMA shall send with patients at the time of transfer, or in the case of an emergency as promptly as possible thereafter, copies of all medical records and other information necessary to initiate and continue the patient's treatment at Hospital including but not limited to:

- A. the current medical findings, including the name and signature of the transferring physician and the name of the physician at Hospital who accepted the patient transfer and ambulation status;
- B. the diagnoses and condition of patient upon transfer;
- C. the summary of course of treatment at BMA, including discharge summary;

D. the essential patient identifying and demographic information, including next of kin and payment method/coverage;

E. the consent to treat signed by the patient or other individual authorized to consent to treatment on behalf of the patient if such patient is unable to sign in the opinion of the patient's attending physician;

F. the consent to transfer and other documents evidencing that the patient's transfer occurred promptly and safely; and

G. the patient's rehabilitation potential.

6. Hospital shall provide the following records to BMA at the time of readmission or as promptly as possible thereafter for BMA's continuing care of such patient;

A. A copy of the patient's discharge summary; and

B. Such other paperwork as BMA may reasonably request, including the name and signature of the transferring physician and the name of the physician at BMA who accepted the transfer for readmission.

7. Upon transfer of a patient to either facility under this Agreement, the transferring party shall send as soon as is practical to the receiving facility, the personal effects of the patient, including money and valuables, and other pertinent information relating to the same, provided, however, that the receiving facility shall not accept responsibility for such items until after it has actually received and acknowledged such items.

8. Each party shall have sole responsibility for billing and collecting for services rendered by such party and neither party shall act as a guarantor for any patient services provided as a result of the transfer pursuant to this Patient Transfer Agreement.

9. All transfers made under this Patient Transfer Agreement will comply with all applicable federal and state laws and regulations, and the standards of the *Joint Commission on Accreditation of Healthcare Organizations*.

10. The parties shall provide each other with appropriate information about the types of services provided and the types of patients and/or health conditions that will not be accepted by their facilities; provided, however, that neither party shall discriminate in admitting patients on the basis of race, religion, color, national origin, sexual orientation, or ability to pay.

11. During the term of this Patient Transfer Agreement, each party shall maintain in effect, either through purchased insurance or a self-insurance program, the following insurance coverages:

A. Comprehensive general liability insurance in the minimum amount of \$1,000,000 dollars per occurrence/ \$3,000,000 dollars annual aggregate;

B. Workers' compensation and employers' liability insurance for its employees in accordance with the requirements of the law; and

C. Professional liability insurance in minimum amounts of not less than \$1,000,000 dollars per occurrence of primary insurance and \$3,000,000 dollars annual aggregate to cover its employees' acts and omissions in providing services hereunder.

If the preceding insurance is claims made coverage and if it is terminated or canceled at any time, such party carrying such coverage shall purchase an extended reporting endorsement to provide for the continuous coverage at all times for claims arising out of the services provided during the term of this Patient Transfer Agreement.

12. Upon written request, each party shall furnish to the other all applicable policies, procedures, referral forms, and other necessary documents affecting the transfer of patients.

13. It is agreed that all charges for the services rendered shall be billed to the patient. Neither party shall have any liability to the other for any such charges.

14. THIS AGREEMENT SHALL COMMENCE July 15, 2003, AND CONTINUE FOR A PERIOD OF ONE YEAR AND SHALL AUTOMATICALLY RENEW UPON LIKE TERMS FOR ONE YEAR PERIODS THEREAFTER UNLESS EITHER PARTY 30 DAYS PRIOR TO THE ANNUAL EXPIRATION DATE GIVES WRITTEN NOTICE OF INTENT TO TERMINATE. Notwithstanding the preceding, this Patient Transfer Agreement shall sooner terminate on the first to occur of the following events:

A. Failure by either party to maintain its licensure or certification; or

B. By either party, with or without cause, giving the other party 60 days prior written notice of intent to terminate, effective on the date stated therein.

15. This Patient Transfer Agreement constitutes the entire understanding between the parties relating to the transfer of patients between the parties' facilities. Any prior agreements, promises, negotiations, or representations between the parties, either oral or written, relating to the subject matter of this Patient Transfer Agreement, not expressly set forth herein, are of no force or effect. Any modifications or amendments thereto must be agreed to by both parties in writing and shall become effective on the date stated therein.

16. All notices given pursuant to this Agreement shall be in writing and personally delivered or sent by certified mail, postage fully paid, to:

BMA
Bio-Medical Applications of Missouri, Inc.
1209 Orange Street
Wilmington, Delaware 19801
Attn: President

Hospital
Christian Hospital Northeast-Northwest
11133 Dunn Road
St. Louis, MO 63131
Attn: President

With Copy to:
Fresenius Medical Care North America
95 Hayden Ave.
Lexington, MA 02420
Attn: Corporate Legal Department

All notices shall be deemed delivered upon such personal delivery or 48 hours after deposit in any United States Post Office.

17. Nothing in this Patient Transfer Agreement shall be construed as limiting the rights of either party to affiliate or contract with any other hospital or nursing home on either a limited or general basis during the period of this Agreement.

18. Any dispute that may arise under this Patient Transfer Agreement shall be first discussed with the representatives of the parties.

19. Neither party shall use the name of the other in any promotional or advertising material unless review and approval of the intended use shall first be obtained from the party whose name is to be used.

20. This Patient Transfer Agreement shall be construed and enforced in accordance with the laws of the State of Missouri.

21. This Patient Transfer Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors, heirs, assigns and legal representatives. Neither this Patient Transfer Agreement nor any rights hereunder may be assigned without the consent in writing of the non-assigning party, which consent shall not be unreasonably withheld, except that either party may assign its interest or delegate the performance of its obligations to a subsidiary or affiliate of that party without the consent of the other party.

22. Each party to this Patient Transfer Agreement represents that: (A) it is not currently excluded, or threatened with exclusion, from participating in any federal or state-funded health care program, including Medicare, Medicaid, and TRICARE; and (B) it has never been subject to any sanctions by any of the aforementioned programs. Each party shall notify the other of any imposed exclusions or sanctions covered by this representation, and the notified party reserves the right to terminate this Agreement upon receipt of such notice.

23. The individuals executing this Patient Transfer Agreement on behalf of their respective facilities represent and warrant that they have been authorized to do so.

Illinois
Bio-Medical Applications of ~~Missouri~~, Inc.

Christian Hospital Northeast-Northwest

By:

Leah Brumgar

Title:

Area Manager

By:

M. J.

Title:

V.P. Patient Care Services

Criterion 1110.1430 (j) – Assurances

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

1. As supported in this application through expected referrals to Fresenius Medical Care Southwestern Illinois in the first two years of operation, the applicant will commit to reaching the Board's 80% utilization target.
2. Fresenius Medical Care Southwestern Illinois hemodialysis patients have achieved adequacy outcomes of:
 - o 98% of patients had a URR $\geq$ 65%
 - o 97% of patients had a Kt/V $\geq$ 1.2

and same is expected for the relocated Fresenius Medical Care Southwestern Illinois facility.

Richard Alderson
Signature

Richard Alderson/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 13 day of March, 2012

Marica Katambwa
Signature of Notary





November 14, 2011

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

Re: **Letter of Intent to Lease the Property located at approximately 100 Professional Drive, Alton, IL 62002.**

Dear Charles,

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

Parties:

Landlord:	MGB Development Group, LLC or its assigns
Tenant:	Bio-Medical Applications of <u>Illinois</u> , Inc., a Delaware corporation, d/b/a Fresenius Medical Care Alton
Guarantor:	Fresenius Medical Care Holdings, Inc.

Property: The Property to be constructed consists of +/-8,500 square feet on +/-1.91 acres located at approximately 100 Professional Drive, Alton, IL 62002; the land site is as shown on **Exhibit "A"** attached hereto.

Primary Lease

Term: 15 years

Options to Renew Three (5) five year options

Rental Rate: The rental rate is estimated at \$17.32/sf for 8,500 sf, to be adjusted based on final project costs. Rental Rate shall increase 1.7% per year.

Lease

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

Landlord

Responsibilities:

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

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

Tenant

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

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

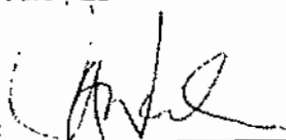
This letter is non-binding but is intended to provide an outline for drafting the formal lease agreement between the Parties.

Best Regards,

Paul Brown

Paul Brown
Partner
MGB Development Group

ACCEPTED, AGREED AND
APPROVED:

By: 

Name: CHARLES NEWTH
(Please print)

Title: S.E. MGR.

Date: 11/15/11

Address: _____

Telephone/Email: _____

Exhibit "A"

Property

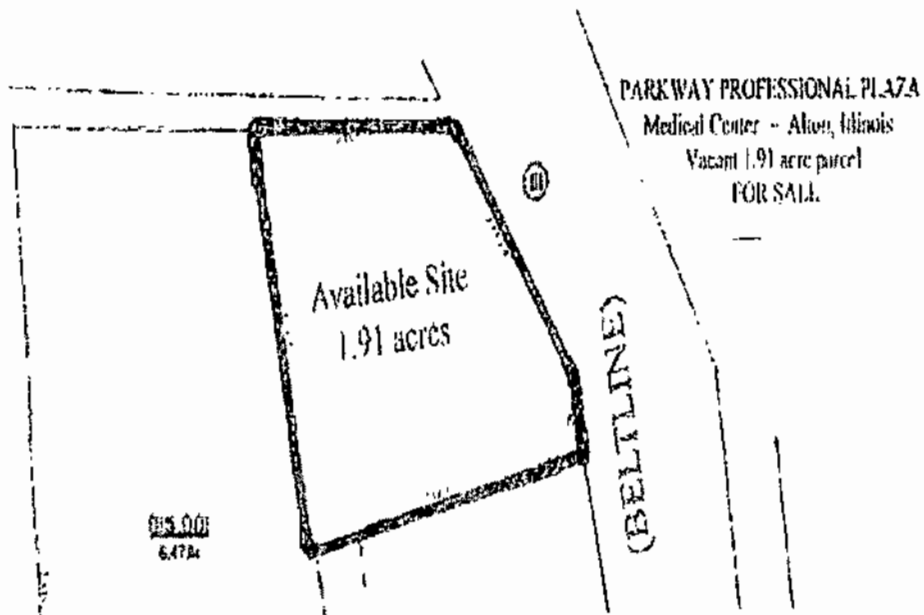


EXHIBIT 1

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: 820 Winter Street
Waltham, MA 02451

1. Lessor and Lessee have entered into a Master Equipment Lease Agreement dated as of March 10, 2006 ("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: \$ 3,573,373.64

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 03/30/2015, unless renewed, extended, or sooner terminated in accordance with the terms of the Lease.

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

Rental Payment Numbers	Number of Rental Payments	Amount of Each Rental Payment
1-72	72	\$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 late charges and interest which Lessor may incur by reason of the assessment of such tax.

6. OTHER PAYMENTS:

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

013 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) 64% 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

013 Exhibits 12.doc

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

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

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

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

10. STIPULATED LOSS VALUES:

Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
1	101.47	37	60.22
2	100.61	38	58.94
3	99.55	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	39.05
18	83.29	54	37.69
19	82.14	55	36.31

015 Exhibits 12.doc

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	73.86	62	26.47
27	72.65	63	25.04
28	71.44	64	23.61
29	70.22	65	22.17
30	68.99	66	20.72
31	67.76	67	19.27
32	66.52	68	17.82
33	65.27	69	16.35
34	64.01	70	14.88
35	62.75	71	13.40
36	61.49	72	11.92

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

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

Dated: 3/30/09

LESSOR:

Stemens Financial Services, Inc.

By: Carol Walters

Name: CAROL WALTERS

Title: VICE PRESIDENT - OCCASIONAL



Ernest Enrigo
Sr. Transaction Coordinator

LESSEE:

National Medical Care, Inc.

By: Mark Pawcett

Name: MARK PAWCETT

Title: TREASURER

015 Exhibit 12.doc

Dialysis Machine Lease
ATTACHMENT - 39

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 FactorBase 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,DellOptiPlex 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 (341-4509)		
Operating System:	Windows XP PRO SP3 with Windows Vista Business LicenseEnglish,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 forUltraSharp Flat Panel DisplaysDell Optiplex/Precision/ Latitude (313-6414)		
Cable:	OptiPlex 760 Small Form FactorStandard 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 (991-3542)		
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 (884-6640)		
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 (365-0257)
	CFI, Rollup, Integration Service, Image Load (366-1416)
	CFI, Rollup, Custom Project, Fee for ESLH (366-1551)
	CFI, Rollup, Integration Services, BIOS Setting (366-1556)
	CFI, Information, Vista To WXP ONLY, Factory Install (372-6272)
	CFI, Software, Image, Quick Image, Titan, Factory Install (372-9740)
	CFI, BIOS, Across Line Of Business, Wakeup-on-lan, Enable, Factory Install (374-4558)
	CFI, Information, OptiPlex 760 Only, Factory Install (374-8402)

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

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

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

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



Fresenius Medical Care

To: Illinois CON

August 31, 2011

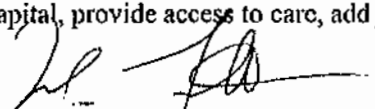
Fresenius Medical Care Holdings, Inc (the Company or FMCH) summary of discussion points with Illinois CON for the meeting in early August, 2011. We discussed several points related to the rating and credit quality of the Company as follows:

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) 899-2668

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.

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.

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		\$142.00			8,500			1,207,000	1,207,000
Contingency		15.61			8,500			132,685	132,685
TOTALS		157.61			8,500			1,339,685	1,339,685

* Include the percentage (%) of space for circulation

Criterion 1120.310 (d) – Projected Operating Costs**Year 2016**

Salaries	\$1,089,792
Benefits	272,448
Supplies	<u>255,478</u>
Total	\$1,617,718

Annual Treatments 14,227

Cost Per Treatment \$113.71

Criterion 1120.310 (e) – Total Effect of the Project on Capital Costs**Year 2016**

Depreciation/Amortization	\$165,989
Interest	<u>0</u>
CAPITAL COSTS	\$165,989

Treatments: 14,227

Capital Cost per treatment \$11.67

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Bio-Medical Applications of Illinois, Inc.

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

By: *Bryan Mello*
Title: **Bryan Mello**
Assistant Treasurer

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

Notarization:
Subscribed and sworn to before me
this 15 day of Dec, 2011

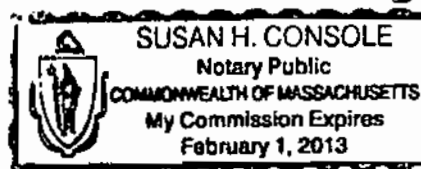
Notarization:
Subscribed and sworn to before me
this 15 day of Dec, 2011

Susan H. Console
Signature of Notary

Signature of Notary

Seal

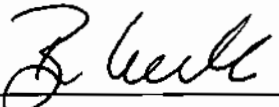
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Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Holdings, Inc.

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

By: 
ITS: **Bryan Mello**
Assistant Treasurer

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

Notarization:
Subscribed and sworn to before me
this 15 day of Dec, 2010

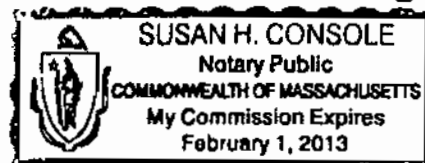
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Seal

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this 15 day of Dec, 2010

Signature of Notary

Seal



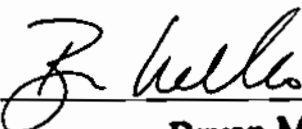
Criterion 1120.310(b) Conditions of Debt Financing

Bio-Medical Applications of Illinois, Inc.

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

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

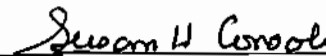
The expenses incurred with leasing the proposed facility and cost of leasing the equipment is less costly than constructing a new facility or purchasing new equipment.

By: 
ITS: **Bryan Mello**
Assistant Treasurer

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

Notarization:
Subscribed and sworn to before me
this 15 day of Dec, 2011

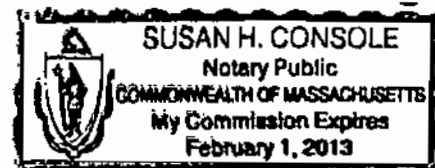
Notarization:
Subscribed and sworn to before me
this 15 day of Dec, 2011


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: *Bryan Mello*
ITS: **Bryan Mello**
Assistant Treasurer

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

Notarization:
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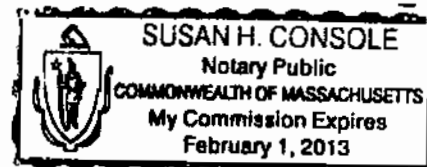
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Susan H. Console
Signature of Notary

Susan H. Console
Signature of Notary

Seal

Seal



Safety Net Impact Statement

The establishment (relocation) of the BMA Southwestern Illinois dialysis facility will not have any impact on safety net services in the Alton 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 Medical Care provides care to all patients regardless of their ability to pay. There are 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)

Uncompensated care #'s listed in the previous chart have gone down substantially over the past three years. This is due to an aggressive effort on our clinics part to obtain coverage for every patient. All ESRD patients can qualify for some type of coverage as is explained in Attachment 44.

While it may appear that the uncompensated numbers went down at a much higher rate than the rate the Medicaid numbers rose, one has to look at the percentage of the total number of patients/treatments for accurate comparison because the volume of Medicaid patients is significantly higher than that of uncompensated patients. For example in 2010 vs 2009 the percentage of the total for Medicaid was 13.4% and 12.0% respectively. In the same comparison for uncompensated care there was 1.2% vs .4% of the total. The Medicaid numbers increased 1.4% and the uncompensated care numbers decreased .8% as they relate to the total.

Charity Care Information

The applicant(s) do not provide charity care at any of their facilities per the Board's definition. They do provide uncompensated care. 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. It is rare in Illinois for patients to have no coverage as patients who are not Medicare eligible are Medicaid eligible. 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.

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

Uncompensated Care By Facility

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

Continued...

Continued Uncompensated Care by Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Norridge	13	6	3	3,002	1,506	747
Fresenius North Avenue	0	94	74	0	23,669	18,189
Fresenius North Kilpatrick	48	0	64	11,290	0	14,200
Fresenius Northcenter	118	121	78	30,407	34,727	22,117
Fresenius Northwestern	334	226	77	89,528	58,416	21,695
Fresenius Oak Park	165	126	6	40,346	32,752	1,487
Fresenius Orland Park	188	121	0	43,222	30,148	0
Fresenius Oswego	89	12	1	25,307	3,389	305
Fresenius Ottawa	117	8	2	32,866	2,357	454
Fresenius Pekin	0	0	20	0	0	4,721
Fresenius Peoria Downtown	57	46	45	13,799	10,980	11,301
Fresenius Peoria North	115	54	13	27,782	13,179	3,245
Fresenius Plainfield	N/A	N/A	8	N/A	N/A	6,165
Fresenius Polk	212	231	104	51,467	60,738	26,376
Fresenius Pontiac	40	19	0	9,732	4,801	0
Fresenius Prairie	83	114	54	25,383	32,357	15,634
Fresenius Randolph County	0	4	32	0	1,219	8,913
Fresenius Rockford	70	74	24	18,003	24,267	6,946
Fresenius Rodgers Park	143	328	224	44,464	85,647	60,351
Fresenius Rolling Meadows	228	0	204	55,625	0	53,516
Fresenius Roseland	132	164	99	108,043	61,632	31,345
Fresenius Ross Dialysis Englewood	150	184	8	55,077	56,239	2,132
Fresenius Round Lake	225	182	1	57,640	44,165	255
Fresenius Saline County	13	21	11	3,645	5,583	2,952
Fresenius Sandwich	N/A	18	3	N/A	8,161	985
Fresenius Skokie	0	18	10	0	4,508	2,698
Fresenius South Chicago	424	747	278	115,038	205,498	70,577
Fresenius South Holland	90	127	104	22,191	31,917	26,731
Fresenius South Shore	75	110	8	20,591	30,066	2,086
Fresenius South Suburban	329	566	241	92,140	148,380	64,049
Fresenius Southside	734	483	137	209,871	129,554	34,459
Fresenius Southwestern Illinois	1	0	0	242	0	0
Fresenius Spoon River	66	38	35	14,971	9,033	8,835
Fresenius Spring Valley	1	1	31	236	233	6,422
Fresenius Streator	0	0	0	0	0	0
Fresenius Uptown	50	134	110	35,291	44,148	33,311
Fresenius Villa Park	128	369	27	35,003	95,048	7,258
Fresenius West Belmont	105	191	70	26,984	51,980	18,896
Fresenius West Chicago	0	44	0	0	24,152	0
Fresenius West Metro	241	880	237	54,133	187,505	49,677
Fresenius West Suburban	144	273	146	34,283	65,129	34,504
Fresenius Westchester	207	0	0	56,641	0	0
Fresenius Williamson County	8	0	28	1,812	0	7,468
Fresenius Willowbrook	98	45	0	23,477	10,815	0
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 Txns			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 TxTs			IL Medicaid Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Norridge	391	858	1,037	90,276	215,349	257,928
Fresenius North Avenue	1,663	1,818	1,854	399,039	457,777	455,682
Fresenius North Kilpatrick	1,969	2,323	2,504	463,144	537,567	555,449
Fresenius Northcenter	1,236	1,603	1,981	318,505	460,061	565,347
Fresenius Northwestern	3,102	3,103	2,954	830,405	802,076	835,999
Fresenius Oak Park	2,395	1,972	2,142	586,131	512,596	530,585
Fresenius Orland Park	553	734	774	127,136	182,882	213,816
Fresenius Oswego	390	454	482	110,896	128,215	147,203
Fresenius Ottawa	187	141	70	52,529	41,542	21,192
Fresenius Pekin	83	24	136	19,043	5,483	32,924
Fresenius Peoria Downtown	1,297	1,238	1,283	313,988	295,509	325,686
Fresenius Peoria North	511	374	265	123,449	90,842	66,112
Fresenius Plainfield	0	0	390	0	0	128,173
Fresenius Polk	3,502	3,151	3,509	850,172	829,908	891,647
Fresenius Pontiac	157	185	284	38,199	46,749	69,911
Fresenius Prairie	1,513	1,067	1,108	462,703	302,851	323,637
Fresenius Randolph County	188	190	251	59,360	57,884	69,909
Fresenius Rockford	255	540	747	65,584	178,073	216,191
Fresenius Rogers Park	1,705	1,433	1,756	530,142	374,183	473,109
Fresenius Rolling Meadows	1,032	1,543	2,100	251,777	368,801	550,765
Fresenius Roseland	114	641	1,506	93,309	240,891	476,665
Fresenius Ross Dialysis-Englewood	715	814	1,936	262,534	248,798	515,780
Fresenius Roundlake	1,690	1,909	2,661	432,943	463,250	679,000
Fresenius Saline County	485	676	441	136,002	179,725	123,927
Fresenius Sandwich	0	60	145	0	33,384	47,603
Fresenius Skokie	648	850	1,096	178,781	212,937	295,651
Fresenius South Chicago	3,511	3,995	5,002	952,588	1,099,016	1,269,883
Fresenius South Holland	1,318	1,304	1,603	324,973	327,718	412,017
Fresenius South Shore	2,548	2,143	1,900	699,533	585,749	528,209
Fresenius South Suburban	1,317	1,392	1,804	368,844	364,920	479,436
Fresenius Southside	5,108	5,249	6,248	1,460,523	1,407,923	1,577,162
Fresenius Southwestern Illinois	160	296	428	38,702	75,763	115,684
Fresenius Spoon River	0	11	30	0	2,615	7,573
Fresenius Spring Valley	0	39	267	0	9,087	56,218
Fresenius Streator	0	7	34	0	2,757	11,288
Fresenius Uptown	0	701	1,037	0	230,951	315,316
Fresenius Villa Park	970	922	1,037	265,255	237,306	278,881
Fresenius West Belmont	2,240	2,495	3,388	575,654	679,000	921,006
Fresenius West Chicago	0	8	429	0	4,391	151,682
Fresenius West Metro	6,169	6,331	7,147	1,383,891	1,348,204	1,497,052
Fresenius West Suburban	6,355	5,951	5,841	1,512,980	1,419,713	1,385,026
Fresenius Westchester	504	669	429	137,909	171,821	118,436
Fresenius Williamson County	442	363	435	100,123	89,706	118,125
Fresenius Willowbrook	459	474	1,065	109,960	113,915	256,960
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.

MAPQUEST.

Trip to 3511 College Ave

Alton, IL 62002-5009

0.07 miles

Notes

TO DAVITA ALTON

ACTUAL FRESENIUS PROPOSED SITE IS
ACTUALLY FURTHER NORTH ON
PROFESSIONAL DRIVE THAN THE MAPPING
SERVICE SHOWS



5 Professional Dr, Alton, IL 62002-5067



1. Start out going **south** on **Professional Dr** toward
College Ave / N Rodgers Ave.

go 0.0 mi



2. Stay **straight** to go onto **Crossroads Ct.**

go 0.0 mi



3. Turn **right** onto **College Ave.**

go 0.0 mi



4. **3511 COLLEGE AVE** is on the **left**.

go 0.0 mi



3511 College Ave, Alton, IL 62002-5009

Total Travel Estimate : 0.07 miles

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Trip to 9 American Vlg
Granite City, IL 62040-3706
15.01 miles - about 22 minutes

Notes

TO DAVITA GRANITE CITY



5 Professional Dr, Alton, IL 62002-5067

- | | | |
|--|---|------------|
| | 1. Start out going south on Professional Dr toward College Ave / N Rodgers Ave. | go 0.0 mi |
| | 2. Turn left onto College Ave / IL-140 E. | go 0.2 mi |
| | 3. Merge onto IL-3 S toward Granite City. | go 13.2 mi |
| | 4. Turn left onto W Pontoon Rd. | go 1.1 mi |
| | 5. Turn right onto North St. | go 0.0 mi |
| | 6. Turn right onto Amos Ave. | go 0.0 mi |
| | 7. Turn left onto Nameoki Rd / IL-203. | go 0.3 mi |
| | 8. Turn right onto American Vlg. | go 0.0 mi |
| | 9. 9 AMERICAN VLG is on the right. | go 0.0 mi |



9 American Vlg, Granite City, IL 62040-3706

Total Travel Estimate : 15.01 miles - about 22 minutes

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Trip to 235 S Buchanan St
Edwardsville, IL 62025-2108
14.04 miles - about 22 minutes

Notes

TO DAVITA EDWARDSVILLE



5 Professional Dr, Alton, IL 62002-5067

- | | | |
|--|--|-----------|
| | 1. Start out going south on Professional Dr toward College Ave / N Rodgers Ave. | go 0.0 mi |
| | 2. Turn left onto College Ave / IL-140 E. Continue to follow IL-140 E. | go 3.8 mi |
| | 3. Merge onto IL-255 S toward I-270. | go 3.4 mi |
| | 4. Take the IL-143 exit, EXIT 6 , toward Wood River / Edwardsville. | go 0.4 mi |
| | 5. Keep left to take the ramp toward Edwardsville. | go 0.0 mi |
| | 6. Turn left onto IL-143 E / Edwardsville Rd. Continue to follow IL-143 E. | go 6.1 mi |
| | 7. Turn left onto E Vandalia St / IL-143 / IL-157. | go 0.1 mi |
| | 8. Turn right onto S Buchanan St. | go 0.1 mi |
| | 9. 235 S BUCHANAN ST is on the right. | go 0.0 mi |



235 S Buchanan St, Edwardsville, IL 62025-2108

Total Travel Estimate : 14.04 miles - about 22 minutes

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MAPQUEST.

Trip to 2130 Vadalabene Dr

Maryville, IL 62062-5632

21.46 miles - about 26 minutes

Notes

TO DAVITA MARYVILLE



5 Professional Dr, Alton, IL 62002-5067

- | | | |
|--|--|-----------|
| | 1. Start out going south on Professional Dr toward College Ave / N Rodgers Ave. | go 0.0 mi |
| | 2. Turn left onto College Ave / IL-140 E. Continue to follow IL-140 E. | go 3.8 mi |
| | 3. Merge onto IL-255 S toward I-270. | go 9.7 mi |
| | 4. Take EXIT 30 toward I-270 / Kansas City / Indianapolis. | go 0.8 mi |
| | 5. Merge onto I-270 E toward Indianapolis. | go 4.9 mi |
| | 6. Take the IL-159 exit, EXIT 12 , toward Collinsville / Edwardsville. | go 0.4 mi |
| | 7. Turn right onto IL-159 S. | go 1.6 mi |
| | 8. Turn left onto Vadalabene Dr. | go 0.3 mi |
| | 9. 2130 VADALABENE DR is on the right. | go 0.0 mi |



2130 Vadalabene Dr, Maryville, IL 62062-5632

Total Travel Estimate : 21.46 miles - about 26 minutes

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MAPQUEST.

Trip to 917 S State St

Jerseyville, IL 62052-2344

19.31 miles - about 27 minutes

Notes

TO DAVITA JERSEYVILLE



5 Professional Dr, Alton, IL 62002-5067



1. Start out going south on Professional Dr toward College Ave / N Rodgers Ave.

go 0.0 mi



2. Turn left onto College Ave / IL-140 E.

go 0.2 mi



3. Merge onto Homer M Adams Pky / IL-3 N / IL-111 N via the ramp on the left toward Godfrey / Grafton.

go 3.7 mi



4. Turn slight right onto Godfrey Rd / IL-111 N. Continue to follow Godfrey Rd.

go 6.3 mi



5. Godfrey Rd becomes US-67.

go 9.1 mi



6. 917 S STATE ST is on the right.

go 0.0 mi



917 S State St, Jerseyville, IL 62052-2344

Total Travel Estimate : 19.31 miles - about 27 minutes

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MAPQUEST.

Trip to 2061 Goose Lake Rd

Sauget, IL 62206-2822

30.74 miles - about 34 minutes

Notes

TO DAVITA SAUGET



5 Professional Dr, Alton, IL 62002-5067

- | | | |
|--|--|------------|
| | 1. Start out going south on Professional Dr toward College Ave / N Rodgers Ave. | go 0.0 mi |
| | 2. Turn left onto College Ave / IL-140 E. Continue to follow IL-140 E. | go 3.8 mi |
| | 3. Merge onto IL-255 S toward I-270. | go 10.3 mi |
| | 4. IL-255 S becomes I-255 S. | go 15.7 mi |
| | 5. Take the Mousette Lane exit, EXIT 15. | go 0.3 mi |
| | 6. Turn right onto Mousette Ln. | go 0.1 mi |
| | 7. Turn left onto Goose Lake Rd. | go 0.6 mi |
| | 8. 2061 GOOSE LAKE RD is on the right. | go 0.0 mi |



2061 Goose Lake Rd, Sauget, IL 62206-2822

Total Travel Estimate : 30.74 miles - about 34 minutes

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MAPQUEST.

Trip to 821 Lincoln Hwy

Fairview Heights, IL 62208-2216

31.39 miles - about 36 minutes

Notes

TO RAI FAIRVIEW HEIGHTS



5 Professional Dr, Alton, IL 62002-5067

- | | | |
|--|---|------------|
| | 1. Start out going south on Professional Dr toward College Ave / N Rodgers Ave. | go 0.0 mi |
| | 2. Turn left onto College Ave / IL-140 E. Continue to follow IL-140 E. | go 3.8 mi |
| | 3. Merge onto IL-255 S toward I-270. | go 10.3 mi |
| | 4. IL-255 S becomes I-255 S. | go 10.3 mi |
| | 5. Merge onto I-64 E / US-50 E via EXIT 20 toward Louisville. | go 5.7 mi |
| | 6. Take the IL-159 exit, EXIT 12, toward Belleville / Collinsville. | go 0.3 mi |
| | 7. Merge onto N Illinois St / IL-159 S toward Belleville / Swansea. | go 0.3 mi |
| | 8. Turn left onto Lincoln Hwy. | go 0.7 mi |
| | 9. 821 LINCOLN HWY is on the left. | go 0.0 mi |



821 Lincoln Hwy, Fairview Heights, IL 62208-2216

Total Travel Estimate : 31.39 miles - about 36 minutes

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MAPQUEST.

Trip to 1095 N Green Mount Rd

Belleville, IL 62221-3303

34.67 miles - about 38 minutes

Notes

TO DAVITA SHILOH



5 Professional Dr, Alton, IL 62002-5067

- | | | |
|--|--|------------|
| | 1. Start out going south on Professional Dr toward College Ave / N Rodgers Ave. | go 0.0 mi |
| | 2. Turn left onto College Ave / IL-140 E. Continue to follow IL-140 E. | go 3.8 mi |
| | 3. Merge onto IL-255 S toward I-270. | go 10.3 mi |
| | 4. IL-255 S becomes I-255 S. | go 10.3 mi |
| | 5. Merge onto I-64 E / US-50 E via EXIT 20 toward Louisville. | go 9.4 mi |
| | 6. Take EXIT 16 toward O'Fallon / Shiloh. | go 0.4 mi |
| | 7. Turn right onto N Green Mount Rd / CR-R18 S. | go 0.5 mi |
| | 8. 1095 N GREEN MOUNT RD is on the right. | go 0.0 mi |



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

Total Travel Estimate : 34.67 miles - about 38 minutes

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MAPQUEST.

Trip to 5105 W Main St

Belleville, IL 62226-4728

34.80 miles - about 41 minutes

Notes

TO DAVITA METRO EAST



5 Professional Dr, Alton, IL 62002-5067

- | | | |
|--|--|------------|
| | 1. Start out going south on Professional Dr toward College Ave / N Rodgers Ave. | go 0.0 mi |
| | 2. Turn left onto College Ave / IL-140 E. Continue to follow IL-140 E. | go 3.8 mi |
| | 3. Merge onto IL-255 S toward I-270. | go 10.3 mi |
| | 4. IL-255 S becomes I-255 S. | go 14.3 mi |
| | 5. Merge onto IL-15 E via EXIT 17A toward Belleville. | go 3.5 mi |
| | 6. Merge onto IL-13 S / Old St Louis Rd via the ramp on the left toward Belleville. | go 1.3 mi |
| | 7. Stay straight to go onto N Belt W. | go 1.2 mi |
| | 8. Turn sharp left onto W Main St. | go 0.3 mi |
| | 9. 5105 W MAIN ST is on the right. | go 0.0 mi |



5105 W Main St, Belleville, IL 62226-4728

Total Travel Estimate : 34.80 miles - about 41 minutes

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March 8, 2012

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 Erik Daniels, M.D. and I am a nephrologist practicing in the St. Louis area with Gateway Nephrology. I am the medical director of the Fresenius Southwestern Illinois dialysis center in Alton, Illinois. I am writing to support the proposed relocation of the Southwestern Illinois dialysis facility. The building the facility is housed in has been in a state of continued decline over the years with inadequate upkeep by the landlord. The area of town that the clinic is located in has become an industrial area and is no longer suitable for a medical facility.

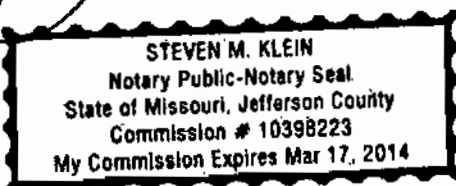
My partners and I have referred 28 new patients to Illinois clinics for hemodialysis services over the past twelve months. We were treating 77 hemodialysis patients in Illinois at the end of 2009, 79 at the end of 2010 and 76 at the end of 2011 which is also the most recent quarter. We have a total of 202 patients in our practice in Illinois in various stages of kidney failure. There are 83 patients living in the vicinity of the proposed relocation site for Southwestern Illinois that I expect would begin dialysis at that facility (accounting for a 30% loss of patients prior to dialysis commencement approximately 57 will be referred in the first two years of operation of the clinic). I also expect the current 57 hemodialysis patients at the Southwestern Illinois clinic to transfer to the relocation site upon opening.

Gateway Nephrology also strongly encourages patients who qualify to explore other treatment choices such as transplantation and home dialysis. The home dialysis program at the current site is limited in regards to the number of patients it can accommodate. The relocation site will be able to offer additional home training rooms and will also offer nocturnal dialysis, which has been shown to improve dialysis outcomes.

I respectfully ask the Board to approve the relocation of the Fresenius Southwestern Illinois 19 station dialysis clinic to provide a more modern treatment facility as and to provide access to other treatment options. Thank you for your time and attention to this matter.

Sincerely,

Erik Daniels, M.D.



Notarization:

Subscribed and sworn to before me
this 9 day of March 2012

Signature of Notary

Physician Referrals
APPENDIX - 2

**NEW HEMODIALYSIS REFERRALS OF GATEWAY NEPHROLOGY FOR
THE TIME PERIOD 03/01/2011 – 02/29/2012**

Zip Code	Fresenius Southwest Illinois						DaVita Alton	DaVita Jerseyville	Totals
	Dr. Bentley	Dr. Daniels	Dr. Frenchie	Dr. Gerdes	Dr. Matthew	Dr. Polack	Dr. Daniels	Dr. Daniels	
62002	3	2	1				9		15
62014		1					1		2
62018	2						1		3
62035					1				1
62052								1	1
62095	1		1		1	1			4
62272		1							1
63138				1					1
Totals	6	4	2	1	2	1	11	1	28

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2009

Zip Code	DaVita Alton Dr. Daniels	Fresenius Southwestern Illinois						Total
		Dr. Bentley	Dr. Daniels	Dr. Frenchie	Dr. Gerdes	Dr. Polack	Dr. Singh	
62002	8	7	22	1	2	4	1	45
62010	1							1
62012		1	3					4
62018			1					1
62021			1		1			2
62024		2						2
62035		1	2					3
62037		1						1
62048			1					1
62060			1					1
62067	1							1
62084			1					1
62087		1	3					4
62095	2	2	2				1	7
62226	1							1
62254					1			1
62685			1					1
Total	13	15	38	1	4	4	2	77

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2010

Zip Code	DaVita Alton	Fresenius Southwestern Illinois							Total
	Dr. Daniels	Dr. Bentley	Dr. Daniels	Dr. Frenchie	Dr. Gerdes	Dr. Mathew	Dr. Polack	Dr. Singh	
62002	8	5	22	1	2		3	1	42
62010	1								1
62012		1	1						2
62018		1	1						2
62021			1		1				2
62024		3			1				4
62025			1						1
62035			2			1	1		4
62037						1			1
62067	1								1
62084		1	1						2
62087		2	3						5
62095	2	1	4			1		1	9
62226	1								1
62254					1				1
62685			1						1
Total	13	14	37	1	5	3	4	2	79

HEMODIALYSIS PATIENTS AS OF DECEMBER 31, 2011
(& MOST RECENT QUARTER)

Zip Code	DaVita Alton	Fresenius Southwestern Illinois							Total
	Dr. Daniels	Dr. Bentley	Dr. Daniels	Dr. Frenchie	Dr. Gerdes	Dr. Mathew	Dr. Polack	Dr. Singh	
62002	9	8	16		1		2		36
62010			1						1
62014	1		1						2
62018		2	1						3
62024		2			1			1	4
62025	1		1						2
62035	1		2		1	1	1		6
62037						1			1
62067	1								1
62084		1							1
62087		2	2						4
62095	3	1	2	1		2	1	1	11
62226	1								1
62254					1				1
62685			1						1
63138					1				1
Total	17	16	27	1	5	4	4	2	76

**CURRENT HEMODIALYSIS PATIENTS AT FRESENIUS SOUTHWESTERN
ILLINOIS THAT ARE EXPECTED TO TRANSFER AFTER RELOCATION**

Zip	Pts
62002	26
62010	1
62014	1
62018	3
62024	5
62025	1
62035	5
62037	1
62087	3
62095	8
63138	1
62254	1
62685	1
Total	57

**PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE
SOUTHWESTERN ILLINOIS FACILITY**

Zip Code	Pre-ESRD Patients
62002	30
62010	6
62018	3
62024	7
62035	21
62048	2
62084	2
62087	3
62095	9
Total	83

(It is expected that approximately 30% of the above patients will no longer require dialysis services by the time the facility is relocated due to death, transplant or moving out of the area. Therefore approximately 58 of the above patients will actually begin dialysis services at the relocated Southwestern Illinois facility in its first two years of operation.)