

Original

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

APR 03 2012

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name: Red Bud Dialysis		
Street Address: See Attachment 2 for legal description		
City and Zip Code: Red Bud, Illinois 62278		
County: Randolph	Health Service Area: 5	Health Planning Area:

Applicant /Co-Applicant Identification

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

Exact Legal Name: DaVita Inc.	
Address: 1551 Wewatta Street, Denver, Colorado 80202	
Name of Registered Agent: Illinois Corporation Services Company	
Name of Chief Executive Officer: Kent Thiry	
CEO Address: 1551 Wewatta Street, Denver, Colorado 80202	
Telephone Number: (303) 405-2100	

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

Additional Contact

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

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

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

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County: Randolph	Health Service Area: 5	Health Planning Area:	

Applicant /Co-Applicant Identification

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

Exact Legal Name: Total Renal Care, Inc.	
Address: 1551 Wewatta Street, Denver, Colorado 80202	
Name of Registered Agent: Illinois Corporation Services Company	
Name of Chief Executive Officer: Kent Thiry	
CEO Address: 1551 Wewatta Street, Denver, Colorado 80202	
Telephone Number: (303) 405-2100	

Type of Ownership of Applicant/Co-Applicant

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

Post Permit Contact

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

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

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: OGA Acquisitions, LLC
Address of Site Owner: 6119 Hillsboro Pike, Nashville, Tennessee 37215
Street Address or Legal Description of Site: Lot 4 in the First Addition to the City of Red Bud East Industrial Park, a subdivision in the City of Red Bud, Randolph County, Illinois, as shown by plat thereof filed September 19, 2005 in Plat Cabinet 7, Jacket 27, in the Randolph County, Illinois Recorder's Office. Subject to all public and private roadways and easements as now located and also subject to all zoning laws, covenants, building and set-back lines and restrictions of record. 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: Total Renal Care, Inc.	
Address: 1551 Wewatta Street, Denver, Colorado 80202	
☐ Non-profit Corporation ☒ For-profit Corporation ☐ Limited Liability Company	☐ Partnership ☐ Governmental ☐ 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. - 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.
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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.

DaVita Inc. and Total Renal Care, Inc. ("Applicants") seek authority from the Illinois Health Facilities and Services Review Board ("State Board") to establish an eight station in-center hemodialysis facility to be located in Red Bud, Illinois. The proposed dialysis facility will include a total of 6,000 gross square feet.

This project is classified as substantive because it involves the establishment of a health care facility.

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			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts	\$890,000		\$890,000
Modernization Contracts			
Contingencies	\$89,000		\$89,000
Architectural/Engineering Fees	\$90,000		\$90,000
Consulting and Other Fees	\$50,000		\$50,000
Movable or Other Equipment (not in construction contracts)	\$315,755		\$315,755
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$849,593		\$849,593
Other Costs To Be Capitalized	\$82,725		\$82,725
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$2,367,073		\$2,367,073
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$1,517,480		\$1,517,480
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$849,593		\$849,593
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$2,367,073		\$2,367,073
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 \$ \$197,637.

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): December 31, 2014

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 **NOT APPLICABLE**
☐ APORS **NOT APPLICABLE**
☒ 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							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

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

Facility Bed Capacity and Utilization NOT APPLICABLE

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

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

CERTIFICATION

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

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

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

Luis Borge

SIGNATURE

Luis Borge

PRINTED NAME

Chief Financial Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 12th day of March, 2012

Linda N. O'Connell

Signature of Notary

Seal



Arturo Sida

SIGNATURE

Arturo Sida

PRINTED NAME

Assistant Secretary

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of _____, 2012

Signature of Notary

Seal

See attached

*Insert EXACT legal name of the applicant

CALIFORNIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 8202

- ☒ See Attached Document (Notary to cross out lines 1-6 below)
☐ See Statement Below (Lines 1-6 to be completed only by document signer[s], *not* Notary)

1 _____
 2 _____
 3 _____
 4 _____
 5 _____
 6 _____

Signature of Document Signer No. 1 _____ Signature of Document Signer No. 2 (if any) _____

State of California

County of Los Angeles

Subscribed and sworn to (or affirmed) before me

on this 1 day of March, 2012
Date Month Year

by Arturo Silva
 (1) _____
Name of Signer

proved to me on the basis of satisfactory evidence
 to be the person who appeared before me (.) ☒

(and

(2) _____
Name of Signer

proved to me on the basis of satisfactory evidence
 to be the person who appeared before me.)

Signature Etette Johnson
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable
 to persons relying on the document and could prevent fraudulent removal
 and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: Application for Permit

Document Date: March 1, 2012

Number of Pages: 1

Signer(s) Other Than Named Above: Lix's Borden

RIGHT THUMBPRINT
OF SIGNER #1

Top of thumb here

RIGHT THUMBPRINT
OF SIGNER #2

Top of thumb here

CERTIFICATION

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

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

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

SIGNATURE

Luis Borgen

PRINTED NAME

Chief Financial Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 12th day of March, 2012

Signature of Notary

Seal



SIGNATURE

Arturo Sida

PRINTED NAME

Assistant Secretary

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of _____, 2012

Signature of Notary

Seal

*Insert EXACT legal name of the applicant

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GOVERNMENT CODE § 8202

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☐ See Statement Below (Lines 1-6 to be completed only by document signer[s], not Notary)

1 _____
 2 _____
 3 _____
 4 _____
 5 _____
 6 _____

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

State of California

County of LOS ANGELES

Subscribed and sworn to (or affirmed) before me

on this 1 day of MARCH, 20 12

by Arturo Silva
 (1) _____
 Name of Signer

proved to me on the basis of satisfactory evidence
 to be the person who appeared before me (.) ☒

(and

(2) _____
 Name of Signer

proved to me on the basis of satisfactory evidence
 to be the person who appeared before me.)

Signature Evette Johnson
 Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable
 to persons relying on the document and could prevent fraudulent removal
 and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: Application for Permit

Document Date: March 12

Number of Pages: 1

Signer(s) Other Than Named Above: Luis Barger

RIGHT THUMBPRINT
 OF SIGNER #1
 Top of thumb here

RIGHT THUMBPRINT
 OF SIGNER #2
 Top of thumb here

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:

Provide the following information:

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

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

ASSURANCES:

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.

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

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	0	8

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

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

1110.1430(j) - Assurances	X	X	X
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APPEND DOCUMENTATION AS ATTACHMENT-26, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

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

VIII. - 1120.120 - Availability of Funds

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

\$1,517,480	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
	1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
	2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
\$849,593	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
	1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
	2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
	3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
	4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
	5) For any option to lease, a copy of the option, including all terms and conditions.
	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$2,367,073	TOTAL FUNDS AVAILABLE

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

IX. 1120.130 - Financial Viability

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

2. Variance

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

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

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

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

XI. Safety Net Impact Statement

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

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

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

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

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

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
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.

Section I, Identification, General Information, and Certification
Applicants

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



To all to whom these Presents Shall Come, Greeting:

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

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 10, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 1029100457
Verify at 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 18TH
day of OCTOBER A.D. 2010

Jesse White

SECRETARY OF STATE

Delaware

PAGE 1

The First State

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

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

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

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

2391269 8300

101133217

You may verify this certificate online
at corp.delaware.gov/authver.shtml




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 8386715

DATE: 11-30-10

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

The letter of intent between OGA Acquisitions, LLC and Total Renal Care, Inc. to lease the facility to be located is attached at Attachment – 2.

The legal description of the site parcel covered by this project is as follows:

Lot 4 in the First Addition to the City of Red Bud East Industrial Park, a subdivision in the City of Red Bud, Randolph County, Illinois, as shown by plat thereof filed September 19, 2005 in Plat Cabinet 7, Jacket 27, in the Randolph County, Illinois Recorder's Office. Subject to all public and private roadways and easements as now located and also subject to all zoning laws, covenants, building and set-back lines and restrictions of record.



USI REAL ESTATE BROKERAGE SERVICES INC.

A USI COMPANY

2215 YORK RD, SUITE 110
OAKBROOK, IL 60523

TELEPHONE: 630-990-3675
FACSIMILE: 630-990-2300

March 5, 2012

Mr. Bond Oman
Oman-Gibson
P. O. Box 925
Brentwood, TN 37024-0925

RE: Request For Proposal
Project Development
Red Bud, IL 62278

Dear Bond:

USI Real Estate Brokerage Services, Inc., in conjunction with Balke Brown Transwestern has been exclusively authorized by DaVita Inc. to assist in securing a lease requirement for the company. DaVita Inc. is a Fortune 500 company with over 1,700 locations across the country and revenues in excess of \$8 billion.

We are currently surveying the Red Bud, IL area to identify all of the alternatives available that best suit the Tenant's business and operational needs. Of the properties reviewed the development site owned by the City of Red Bud has been identified as one that potentially meets the necessary requirements. We are requesting that you provide a written response to lease the above referenced Property to be built by you through the DaVita Preferred Developer Program ("PDP"). We request that you deliver your response no later than **March 6, 2012**. Please prepare the proposal to respond to the following terms:

PREMISES:

Lot 4 in the First Addition to the City of Red Bud East Industrial Park, a subdivision in the City of Red Bud, Randolph County, Illinois, as shown by plat thereof filed September 19, 2005 in Plat Cabinet 7, Jacket 27, in the Randolph County, Illinois Recorder's Office. Subject to all public and private roadways and easements as now located and also subject to all zoning laws, covenants, building and set-back lines and restrictions of record.

TENANT (or "Lessee"):

DaVita, Inc.

LANDLORD (or "Lessor"):

OGA Acquisitions, LLC (entity TBD)

SPACE REQUIREMENT:

Requirement is for approximately 6,000 contiguous rentable square feet. Tenant shall have the right to measure space based on most recent BOMA standards.

PRIMARY TERM:

15 years

BASE RENT:

\$14.50 per square foot initial rent NNN
10% rent increase at the end of each 5 year period

ADDITIONAL EXPENSES:

Taxes and Insurance Estimated at \$3.00 per square foot

Please indicate what, if any, utility costs Tenant will be responsible for paying that are not included in operating expenses or Base Rent.

100%

Landlord agrees to limit the cumulative operating expense costs to no greater than five (5) percent increase annually.

LANDLORD'S MAINTENANCE:

Landlord, at its sole cost and expense, shall be responsible for the structural and capitalized items (per GAAP standards) for the Property.

**POSSESSION AND
RENT COMMENCEMENT:**

Landlord shall deliver Possession of the Premises to the Tenant upon the later of completion of Landlord's required work or mutual lease execution. Rent Commencement shall be the earlier of seven (7) months from Possession or until:

- a. Construction improvements within the Premises have been completed in accordance with the final construction documents (except for nominal punch list items); and
- b. A certificate of occupancy for the Premises has been obtained from the city or county; and
- c. Tenant has obtained all necessary licenses and permits to operate its business.

LEASE FORM:

Tenant's standard lease form to match PDP requirements.

USE:

The Use is for a Dialysis Clinic, medical offices or other lawfully permitted use.

PARKING:

Tenant requests four (4) stalls per 1,000 rsf, and two (2) dedicated handicapped stalls.

BASE BUILDING:

Landlord shall deliver to the premises the Base Building improvements included in the attached Exhibit B.

TENANT IMPROVEMENTS:

Please provide the tenant improvement allowance offered (psf).

None.

OPTION TO RENEW:

Two (2), five (5) year options to renew the lease. Renewal terms to follow standard PDP requirements.

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

Tenant shall have the on-going right of first opportunity on any adjacent space that may become available during the initial term of the lease and any extension thereof, under the same terms and conditions of Tenant's existing lease.

**FAILURE TO DELIVER
PREMISES:**

If Landlord has not delivered the Premises to Tenant with all base building items substantially completed by ninety (90) days from lease execution, Tenant may elect to a) terminate the lease by written notice to Landlord or b) elect to receive two days of rent abatement for every day of delay beyond the ninety (90) day delivery period.

HOLDING OVER:

Terms to match standard PD program.

TENANT SIGNAGE:

Tenant shall have the right to install building, monument and pylon signage at the Premises, subject to compliance with all applicable laws and regulations. Landlord, at Landlord's expense, will furnish Tenant with any standard building directory signage.

BUILDING HOURS:

Tenant requires building hours of 24 hours a day, 7 days a week.

SUBLEASE/ASSIGNMENT:

Sublease/Assignment terms to be detailed in the Lease and will follow standard PDP provisions.

ROOF RIGHTS:

Tenant shall have the right to place a satellite dish on the roof at no additional fee.

NON COMPETE:

Landlord agrees not to lease space to another dialysis provider within a five (5) mile radius of Premises.

HVAC:

See Exhibit B

DELIVERIES:

See Exhibit B

OTHER CONCESSIONS:

None.

**GOVERNMENTAL
COMPLIANCE:**

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

CONTINGENCIES:

Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need

(CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to July 5, 2012. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises by July 5, 2012 neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE:

Landlord recognizes USI Real Estate Brokerage Services Inc. and Balke Brown Transwestern as the Tenant's sole representatives and shall pay a brokerage fee per separate commission agreement based on the standard PDP Agreement.

PLANS:

Please provide copies of site and construction plans or drawings.

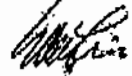
Please submit your response to this Request for Proposal via e-mail and hard copy to:

Edgar Levin
ICI Real Estate Alliance
2215 York Road, Suite 110
Oak Brook, IL 60523
edgar.levin@ici.com

It should be understood that this Request for Proposal is subject to the terms of Exhibit A attached hereto. The information in this email is confidential and may be legally privileged. It is intended solely for the addressee. Access to this email by anyone else is unauthorized.

Thank you for your time and consideration to partner with DaVita.

Sincerely,



Edgar Levin
Global Real Estate Alliance
Johnson Controls, Inc.

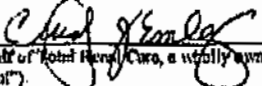
Cc: David Cleary
Christian Minero

AGREED TO AND ACCEPTED THIS 6th DAY OF MARCH 2012

By: 

("Landlord")

AGREED TO AND ACCEPTED THIS 6th DAY OF MARCH 2012

By: 

On behalf of Total Health Care, a wholly owned subsidiary of DaVita, Inc.
("Tenant")

EXHIBIT A

NON-BINDING NOTICE

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

EXHIBIT B

SCHEDULE A - TO WORK LETTER

MINIMUM BASE BUILDING IMPROVEMENT REQUIREMENTS

At a minimum, the Lessor shall provide the following Base Building and Site Development Improvements to meet Lessee's Building and Site Development specifications at Lessor's sole cost:

All MBBI work completed by the Lessor will need to be coordinated and approved by the Lessee and there Consultants prior to any work being completed, including shop drawings and submittal reviews.

1.0 - Building Codes & Design

All Minimum Base Building Improvements (MBBI) and Site Development are to be performed in accordance with all current local, state, and federal building codes including any related amendments, fire and life safety codes, ADA regulations, State Department of Public Health, and other applicable codes as it pertains to Dialysis. All Lessor's work will have Governmental Authorities Having Jurisdiction ("GAHJ") approved architectural and engineering (Mechanical, Plumbing, Electrical, Structural, Civil, Environmental) plans and specifications prepared by a licensed architect and engineer and must be coordinated with the Lessee Improvement plans and specifications.

2.0 - Zoning & Permitting

Building and premises must be zoned to perform services as a dialysis clinic. Lessor to provide all permitting related to the base building and site improvements.

3.0 - Common Areas

Lessee will have access and use of all common areas i.e. Lobbies Hallways, Corridors, Restrooms, Stairwells, Utility Rooms, Roof Access, Emergency Access Points and Elevators. All common areas must be code and ADA compliant for Life Safety per current federal, state and local code requirements.

4.0 Foundation and Floor

The foundation and floor of the building shall be in accordance with local code requirements. The foundation and concrete slab shall be designed by the Lessor's engineer to accommodate site-specific Climate and soil conditions and recommendations per Lessor's soil engineering and exploration report (To be reviewed and approved by Lessee's engineer).

Foundation to consist of formed concrete spread footing with horizontal reinforcing sized per geotechnical engineering report. Foundation wall, sized according to exterior wall systems used and to consist of formed and poured concrete with reinforcing bars or a running bond masonry block with proper horizontal and vertical reinforcing within courses and cells. Internal masonry cells to be concrete filled full depth entire building perimeter. Foundation wall to receive poly board R-10 insulation on interior side of wall on entire building perimeter (if required by code). Provide proper foundation drainage.

The floor shall be concrete slab on grad and shall be a minimum five-inch (5") thick with minimum concrete strength of 3,000-psi and proper wire mesh, fiber mesh, and/or rebar reinforcement over vapor barrier and granular fill per Lessor's soils and/or structural engineering team whichever is more stringent. Finish floor elevation to be a minimum of 8" above finish grade. Include proper expansion control joints. Floor shall be level (1/8" with 10' of run), smooth, broom clean with no adhesive residues, in a condition that is acceptable to install floor coverings in accordance with the flooring manufacturer's specifications. Concrete floor shall be constructed so that no more than 3-lbs. of moisture per 1000sf/24 hours is emitted per completed calcium chloride testing results after 28 day cure time. Means and methods to achieve this

level will be responsibility of the Lessor. Under slab plumbing shall be installed by Lessee's General Contractor in coordination with Lessor's General Contractor, inspected by municipality and Lessee for approval prior to pouring the building slab.

5.0 - Structural

Structural systems shall be designed to provide a minimum 13'-0" clearance (for 10'-0" finished ceiling height and 15' clearance for a 12" ceiling height) to the underside of the lowest structural member from finished slab and meet building steel (Type II construction or better) erection requirements, standards and codes. Structural design to allow for ceiling heights (as indicated above) while accommodating all Mechanical, Plumbing, Electrical above ceiling. Structure to include all necessary members including, but not limited to, columns, beams, joists; load bearing walls, and demising walls. Provide necessary bridging, bracing, and reinforcing supports to accommodate all Mechanical systems (Typical for flat roofs - minimum of four (4) HVAC roof top openings, one (1) roof hatch opening, and four (4) exhaust fans openings).

The floor and roof structure shall be fireproofed as needed to meet local building code and regulatory requirements.

Roof hatch shall be provided and equipped with ladders meeting all local, state and federal requirements.

6.0 - Exterior walls

Exterior walls to be fire rated if required by local or State code requirements. If no fire rating is required, walls shall be left as exposed on the interior side of the metal studs or masonry/concrete with exterior insulation as required to meet code requirements and for an energy efficient building shell. Lessee shall be responsible for interior gyp board, taping and finish.

7.0 - Demising walls

All demising walls shall be a 1 or 2hr fire rated wall depending on local, state and/or regulatory (NFPA 101 - 2000) codes requirements whichever is more stringent. Walls will be installed per UL design and taped (Lessee shall be responsible for final finish preparation of gypsum board walls on Lessee side only). At Lessee's option and as agreed upon by Lessor, the interior drywall finish of demising walls shall not be installed until after Lessee's improvements are complete in the wall. Walls to be fire caulked in accordance with UL standards at floor and roof deck. Demising walls will have sound attenuation batts from floor to underside of deck.

8.0 - Roof Covering

The roof system shall have a minimum of a fifteen (15) year life span with full (no dollar limit - NDL) manufacturer's warranty against leakage due to ordinary wear and tear. Roof system to include a minimum of R-30 insulation. Ice control measures mechanically or electrically controlled to be considered in climates subject to these conditions. Downspouts to be connected into controlled underground discharge for the rain leaders into the storm system for the site or as otherwise required meeting local storm water treatment requirements. Storm water will be discharged away from the building, sidewalks, and pavement. Roof and all related systems to be maintained by the Lessor for the duration of the lease. Lessor to provide Lessee copy of material and labor roof warranty for record.

9.0 - Parapet

Lessor to provide a parapet wall based on building designed/type. HVAC Rooftop units should be concealed from public view if required by local code.

10.0 - Façade

Lessor to provide specifications for building façade for lessee review and approval. All wall system to be signed off by a Lessor's Structural Engineer. Wall system options include, but not limited to:

4" Face brick Veneer on 6" 16 or 18ga metal studs (or wood equal), R- 19 or higher batt wall insulation, on Tyvek (commercial grade) over 5/8" exterior grade gypsum board (or plywood).

Or

2" EIFS on 6" 16 or 18ga metal studs (or wood equal), R- 19 or higher batt wall insulation, on ½" cement board or equal

Or

8" Split faced block with 3-1/2" to 6" 20ga metal stud furring (or wood equal), batt wall insulation to meet energy code and depth of mtl stud used.

11.0 - Canopy

Covered drop off canopy at Lessee's front entry door. Approximate size to be 16' width by 21' length with 10'-9" minimum clearance to structure with full drive thru capacity. Canopy to accommodate patient drop off with a level grade ADA compliant transition to the finish floor elevation. Canopy roof to be an extension of the main building with blending rooflines. Controlled storm water drainage requirements of gutters with downspouts connected to site storm sewer system or properly discharged away from the building, sidewalks, and pavement. Canopy structural system to consist of a reinforced concrete footing, structural columns and beam frame, joists, decking and matching roof covering. Canopy columns clad with cementitious board and masonry veneer piers, matching masonry to main building. Steel bollards at column locations.

12.0 - Waterproofing and Weatherproofing

Lessor shall provide complete water tight building shell inclusive but not limited to, Flashing and/or sealant around windows, doors, parapet walls, Mechanical / Plumbing / Electrical penetrations. Lessor shall properly seal the building's exterior walls, footings, slabs as required in high moisture conditions such as (including but not limited to) finish floor sub-grade, raised planters, and high water table. Lessor shall be responsible for replacing any damaged items and repairing any deficiencies exposed during / after construction of tenant improvement.

13.0 - Windows

Lessor to provide code compliant energy efficient windows and storefront systems to be 1" tinted insulated glass with thermally broken insulated aluminum mullions. Window size and locations to be determined by Lessee's architectural floor plan and shall be coordinate with Lessee's Architect.

14.0 - Thermal Insulation

All exterior walls to have a vapor barrier and insulation that meets or exceeds the local and national energy codes. The R value to be determined by the size of the stud cavity and should extend from finish floor to bottom of floor or ceiling deck. Roof deck to have a minimum R-30 insulation mechanically fastened.

15.0 - Exterior Doors

All doors to have weather-stripping and commercial grade hardware (equal to Schlage L Series or better). Doors shall meet American Disability Act (ADA), and State Department of Health requirements. Lessor shall change the keys (reset tumblers) on all doors with locks after construction, but prior to commencement of the Lease, and shall provide Lessee with three (3) sets of keys. Final location of doors to be determined by Lessee architectural floor plan and shall be coordinate with Lessee's Architect. At a minimum, the following doors, frames and hardware shall be provided by the Lessor:

- **Patient Entry Doors:** Provide Storefront with insulated glass doors and Aluminum framing to be 42" width including push paddle/panic bar hardware, continuous hinge and lock mechanism. Door to be prepped to accept power assist opener and push button keypad lock provided by Lessee.
- **Service Doors:** Provide 72" wide double door (Alternates for approval by Lessee's Project Manager to include: 60" Roll up door, or a 48" wide single door or double door with 36" and 24" doors) with 20 gauge insulated hollow metal (double doors), Flush bolts, T astragal, Heavy Duty Aluminum threshold, continuous hinge each leaf, prepped for panic bar hardware (as required by code) painted with rust inhibiting paint and prepped to receive a push button keypad lock provided by Lessee. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Lessee.
- **Fire Egress Doors:** Provide 36" wide door with 20 gauge insulated hollow metal door or Aluminum frame/glass door with panic bar hardware, lock, hinges, closer and painted with rust inhibiting paint. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Lessee.

16.0 - Utilities

All utilities to be provided at designated utility entrance points into the building at locations approved by the Lessee. Lessor is responsible for all tap/connection and impact fees for all utilities. All Utilities to be coordinated with Lessee's Architect. Lessor shall have contained within the building a common main room to accommodate the utility services which include, but not limited, to electrical, fire alarm, security alarm and fire riser if in a multi tenant building.

17.0 - Plumbing

Lessor to provide a segregated/dedicated 2" water line (not tied-in to any other lessee spaces, fire suppression systems, or irrigation systems) with a shut off valve, 2 (two) 2" back flow preventors (with floor drain under BFP) in parallel, and 2" meter (1-1/2" meter under special circumstances which must be approved by Lessee) to provide a continuous minimum 50 psi, with a minimum flow rate of 30 gallons per minute to Lessee space. Lessor to provide Lessee with the most recent water flow and pressure test results (gallons per minute and psi) for approval. Lessor shall perform water flow and pressure test prior to lease execution. Lessor shall stub the dedicated water line into the building per location coordinated by Lessee. Lessor to provide and pay for all tap fees related to new sanitary sewer and water services in accordance with local building and regulatory agencies.

Exterior (anti-freeze when required) hose bibs (minimum of 2) in locations approved by Lessee.

Sanitary sewer line to be minimum of four-inch (4") and shall be stubbed into the building per location coordinated by Lessee at finished floor elevation with a cleanout structure at sufficient depth to continuously waste 30 gallons per minute. Invert level of new 4" sanitary line will be a minimum of 4'-6" and a maximum of 10'-0" below finished floor at the point of entry, coordinate actual depth and location with Lessee's Architect and Engineer. New sanitary line will be properly pitched to accommodate Lessee's sanitary system per Lessee's plumbing plans.

Sanitary sampling manhole to be installed by Lessor if required by local municipality.

18.0 - Fire Suppression System

Single story stand alone buildings under 10,000sf will not require a Sprinkler System unless requested by Lessee. Single story stand alone buildings greater than 10,000 will require a sprinkler system. Lessor shall design and install a complete turnkey sprinkler system (less drops and heads in Lessee's space) that meets all local building and life safety codes per NFPA 101-2000. This system will be on a dedicated water line independent of Lessee's water line requirements, including municipal approved shop drawings, service drops and sprinkler heads at heights per Lessee's reflective ceiling plan, flow control switches

wired and tested, alarms including wiring and an electrically/telephonically controlled fire alarm control panel connected to a monitoring systems for emergency dispatch.

Lessor to provide main Fire Alarm panel that serves the Lessee space and will have the capacity to accommodate devices in Lessee space based on final approved Fire Alarm system approved by local Building or Fire Department. If lease space is in a multi tenant building then Lessor to provide Fire Alarm panel to accommodate all tenants and locate panel in a common room with conduit stub into lessee space.

Fire Suppression and Alarm system equipment shall be equipped for double detection activation per GAHJ.

19.0 - Electrical

Provide underground service with a dedicated meter via a new CT cabinet. Service size to be determined by Lessee's engineer dependant on facility size and gas availability (400amp to 800amp service) 120/208 volt, 3 phase, 4 wire to a load center in the Lessee's utility room (location to be per Code and coordinated with Lessee and their Architect) for Lessee's exclusive use in powering equipment, appliances, lighting, heating, cooling and miscellaneous use. Transformer coordination with utility company, transformer pad, and underground conduit sized for service, circuit termination cabinet, grounding rod, main panel with breaker, conduit and wire inclusive of excavation, trenching and restoration. Lessee's engineer shall have the final approval on the electrical service size and location.

Lessor will allow Lessee to have installed, at Lessee cost, Transfer Switch for temporary generator hook-up, or permanent generator.

20.0 - Gas

Natural gas service, at a minimum, will be rated to have 6" water column pressure and supply 800,000-BTU's. Natural gas pipeline shall be stubbed into the building per location coordinated with Lessee and shall be individually metered and sized per demand. Additional electrical service capacity will be required if natural gas service is not available to the building.

21.0 - Mechanical /Heating Ventilation Air Conditioning

Lessor to be responsible for the cost of the HVAC system based on the below criteria.

Lessee will be responsible for the purchase and installation of the HVAC system based on below criteria.

The criteria is as follows: Equipment to be Carrier or Trane. Equipment will be new and come with a full warranty on parts (minimum of 5yrs) including labor. Supply air shall be provided to the Premises sufficient for cooling at the rate of 325 square feet per ton to meet Lessee's demands for a dialysis facility. Ductwork shall be extended 5' into the space for supply and return air. System to be a ducted return air design. All ductwork to be externally lined except for the drops from the units. Work to include, but not limited to, the purchase of the units, installation, roof framing, mechanical curbs, flashings, gas & electrical hook-up, thermostats and start-up. Anticipate minimum up to five (5) zones with programmable thermostat. Lessee's engineer shall have the final approval on the sizes, tonnages, zoning, location and number of HVAC units based on design criteria and local and state codes.

Lessor to furnish steel framing members, roof curbs and flashing to support Lessee exhaust fans (minimum of 4) to be located by Lessee's architect.

22.0 - Telephone

Lessor shall provide a single 2" PVC underground conduit entrance into Lessee's utility room to serve as chase way for new telephone service. Entrance conduit location shall be coordinated with Lessee.

23.0 - Cable TV

Lessor shall provide a single 2" PVC underground conduit entrance into Lessee utility room to serve as chase way for new cable television service. Entrance conduit location shall be coordinated with Lessee. Cable television to be provided from pedestal to building, direct burial and fed thru to Lessee's utility entrance. Lessor to coordinate with utility provider to arrange for service, should it not be immediately available. Lessor will need to grant right of access to cable company for new service. Lessor will also allow for a satellite dish on the roof regardless if cable is present or not.

24.0 - Handicap Accessibility

Full compliance with ADA and all local jurisdictions' handicap requirements. Lessor shall comply with all ADA regulations affecting the Building and entrance to Lessee space including, but not limited to, the elevator, exterior and interior doors, concrete curb cuts, ramps and walk approaches to / from the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) HC stalls for units over 20 stations handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

Finish floor elevation is to be determined per Lessee's architectural plan in conjunction with Lessor's civil engineering and grading plans. If required, Lessor to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide a gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition according to accessible standards.

25.0 - Exiting

Lessor shall provide at the main entrance and rear doors safety lights, exterior service lights, exit sign with battery backup signs per doorway, in accordance with applicable building codes, local fire codes and other applicable regulations, ordinances and codes. The exiting shall encompass all routes from access points terminating at public right of way.

26.0 - Site Development Scope of Requirements

Lessor to provide Lessee with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Lessee Architect for coordination purposes. Site development is to include the following:

- Utility extensions, service entrance locations, inspection manholes;
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with Storm water management control measures (detention / retention / restrictions);
- Refuse enclosure location & construction details for trash and recycling;
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Lessee signage;
- Site and parking to accommodate tractor trailer 18 wheel truck delivery access to service entrance;
- Ramps and curb depressions.
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Lessor so desires and will be designed by landscape architect and approved by planning department;

- Construction details, specifications / standards of installation and legends;
- Final grade will be sloped away from building.

27.0 - Refuse Enclosure

Lessor to provide a minimum 6" thick reinforced concrete pad approx 100 to 150SF based on Lessee's requirements' and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.

28.0 - Generator

Lessor to allow a generator to be installed onsite if required by code or Lessee chooses to provide one.

29.0 - Site Lighting

Lessor to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Lessee power panel. Location of pole fixtures per Lessor civil plan to maximize illumination coverage across site. Parking lot lighting to include timer (to be programmed per Lessee hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Lessor house panel (if in a Multi tenant building) and equipped with a code compliant 90 minute battery back up at all access points.

30.0 - Exterior Building Lighting

Lessor to provide adequate lighting and power per code and to illuminate the building main, exit and service entrance, landings and related sidewalks. Lighting shall be connected to and powered by Lessor house panel and equipped with a code compliant 90 minute battery back up at all access points.

31.0 - Parking Lot

Provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment.

Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway.

Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into & out of new patient drop off canopy and provide positive drainage to in place storm catch basins leaving surface free of standing water, bird baths or ice buildup potential.

32.0 - Site Signage

Lessor to allow for an illuminated site and/or façade mounted signs. A monument and/or the pylon structure to be provided by Lessor with power and a receptacle. Final sign layout to be approved by Lessee and the City.

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

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



To all to whom these Presents Shall Come, Greeting:

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

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 10, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 18TH
day of OCTOBER A.D. 2010

Jesse White

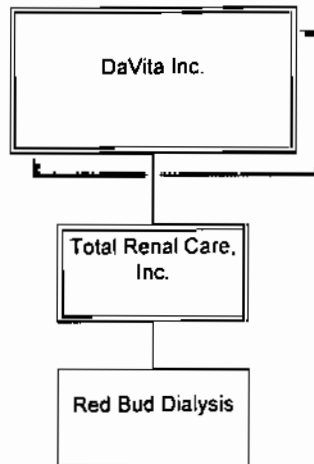
SECRETARY OF STATE

Authentication #: 1029100457
Verify at www.cyberdriveillinois.com

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

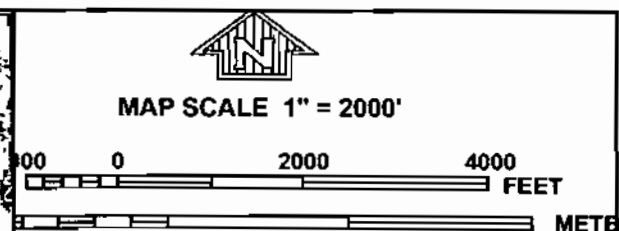
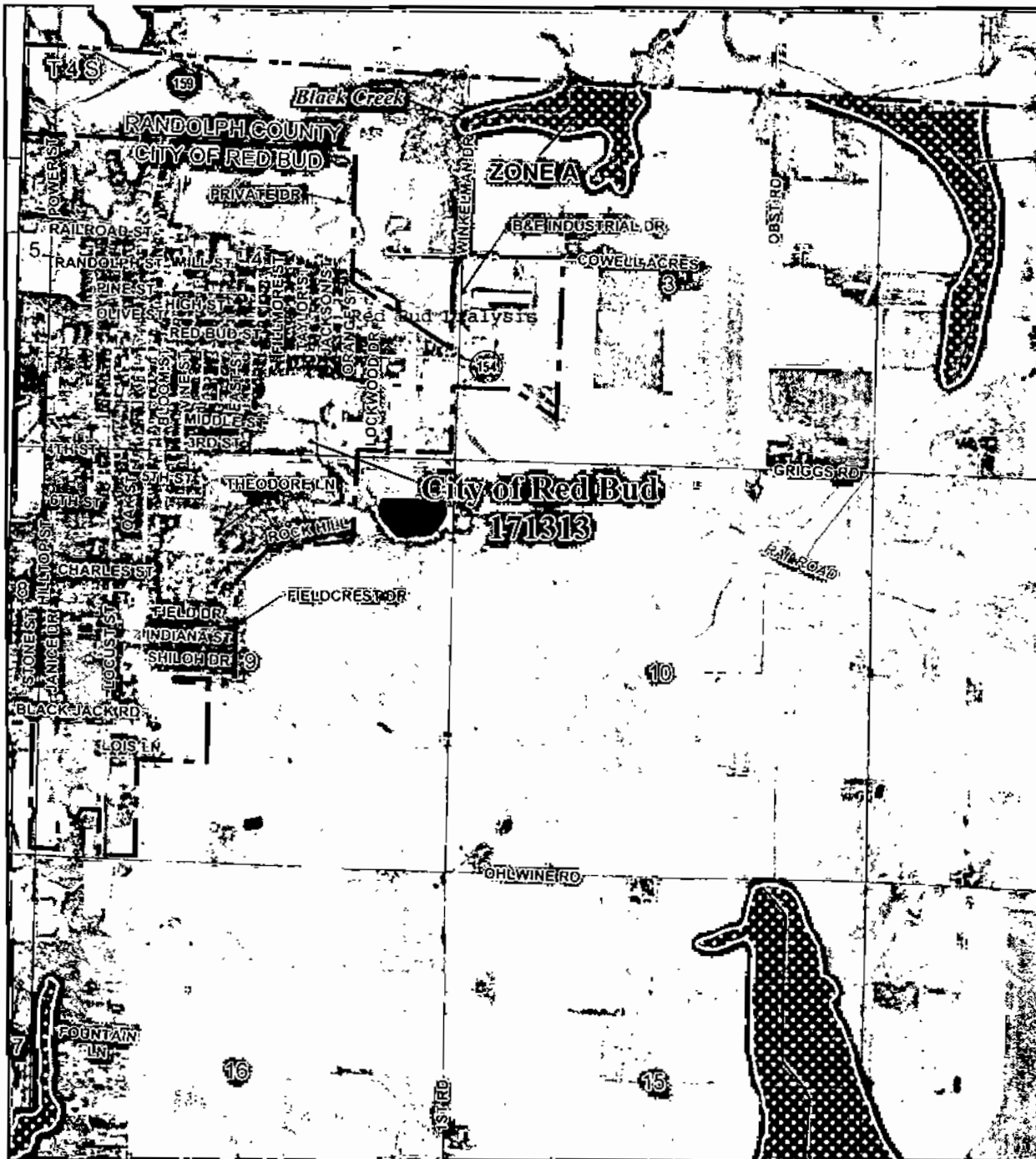
The organizational chart for DaVita Inc. and Total Renal Care, Inc. is attached at Attachment – 4.

Red Bud Dialysis Organizational Structure



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

The site of the proposed dialysis facility complies with the requirements of Illinois Executive Order #2005-5. As shown on the FEMA flood plain map attached at Attachment – 5, the site of the proposed dialysis facility is located outside of a flood plain.



NFP
NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0050D

FIRM
FLOOD INSURANCE RATE MAP
RANDOLPH COUNTY,
ILLINOIS
AND INCORPORATED AREAS

PANEL 50 OF 475
(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
RANDOLPH COUNTY	170575	0050	0
RED BUD, CITY OF	171313	0050	0
RUINA, VILLAGE OF	171315	0050	0

Notice to User: The Map Number shown below should be used when placing map orders. The Community Number shown above should be used on insurance applications for the subject community.



MAP NUMBER
17157C0050D
EFFECTIVE DATE
NOVEMBER 5, 2008

Federal Emergency Management Agency

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

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

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



Illinois Historic Preservation Agency

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

Randolph County
Red Bud
1500 East Market Street
IHFSRB
New construction, dialysis facility

PLEASE REFER TO: IHPA LOG #008021612

February 17, 2012

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

Dear Ms. Cooper:

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

Attachment - 6

Section I, Identification, General Information, and Certification

Project Costs and Sources of Funds

Project Cost	Clinical	Non-Clinical	Total
Construction Contracts	\$890,000		\$890,000
Contingencies	\$89,000		\$89,000
Architectural/Engineering Fees	\$90,000		\$90,000
Consulting and Other Fees	\$50,000		\$50,000
Moveable and Other Equipment			
Water Treatment	\$90,280		\$90,280
Bio-Medical Equipment	\$9,185		\$9,185
Clinical Equipment	\$152,013		\$152,013
Clinical Furniture/Fixtures	\$14,642		\$14,642
Lounge Furniture/Fixtures	\$2,815		\$2,815
Storage Furniture/Fixtures	\$4,485		\$4,485
Business Office Fixtures	\$24,335		\$24,335
General Furniture/Fixtures	\$18,000		\$18,000
Total Moveable and Other Equipment	\$315,755		\$315,755
Other Costs to be Capitalized			
Communications	\$69,725		\$69,725
Signage	\$13,000		\$13,000
Total Other Costs to be Capitalized	\$82,725		\$82,725
Fair Market Value of Leased Space	\$849,593		\$849,593
Total Project Costs	\$2,367,073		\$2,367,073



Oman-Gibson
ASSOCIATES

March 21, 2012

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

Re: Red Bud Dialysis

Dear Mr. Galassie:

OGA Acquisitions, LLC ("OGA") is developing the building that will house the proposed Red Bud Dialysis facility to be located at 1500 East Market Street, Red Bud, Illinois. The building has not been constructed and will be located on an empty lot. Based on the site conditions and planned square footage, OGA anticipates the construction costs for the proposed Red Bud Dialysis facility will be \$849,593. These costs are based on past projects, anticipated building finishes and design requirements of the City of Red Bud and the Centers for Medicare and Medicaid Services.

Sincerely,

Bond E. Oman, CEO
OGA Acquisitions, LLC

Section I, Identification, General Information, and Certification
Cost Space Requirements

Cost Space Table							
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ESRD	\$2,367,073		6,000	6,000			
Total Clinical	\$2,367,073		6,000	6,000			
NON REVIEWABLE							
Total Non-Reviewable							
TOTAL	\$2,367,073		6,000	6,000			

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

Background of the Applicant

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2010 Community Care report, some of which is outlined below, details DaVita's commitment to quality, patient centric focus and community outreach, was previously submitted on January 25, 2012 as part of Applicants' application for Proj. No. 12-008. The proposed project involves the establishment of an 8-station facility to be located in Red Bud, Illinois.

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

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

- The prevalence of identified CKD stages 1 to 4 has increased from 10% to 15.1% between 1988 and 2008¹
- Increasing prevalence in the diagnosis of diabetes and hypertension, the two major causes of CKD²

Additionally, DaVita's EMPOWER program helps to improve intervention and education for pre-ESRD patients. Approximately 65-75% of CKD Medicare patients have never been evaluated by a nephrologist.³ Timely CKD care is imperative for patient morbidity and mortality. Adverse outcomes of CKD can often be prevented or delayed through early detection and treatment. Several studies have shown that early detection, intervention and care of CKD may result in improved patient outcomes and reduce ESRD:

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

¹ US Renal Data System, USRDS 2011 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, Bethesda, MD: National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases; 2011.

² Int'l Diabetes Found., *One Adult in Ten will have Diabetes by 2030* (Nov. 14, 2011), available at <http://www.idf.org/media-events/press-releases/2011/diabetes-atlas-5th-edition>.

³ US Renal Data System, USRDS 2011 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, Bethesda, MD: National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases; 2011.

- Timely referral of CKD patients to a multidisciplinary clinical team may improve outcomes and reduce cost.

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

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

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

In an effort to reduce the length of hospital inpatient stays and readmissions, DaVita partners with hospitals to provide faster, more accurate ESRD patient placement through its Patient Pathways program. Importantly, Patient Pathways is not an intake program. An unbiased onsite liaison, who specializes in ESRD patient care, meets with both newly diagnosed and existing ESRD patients to assess their current ESRD care and provide information about insurance, treatment modalities, outpatient care, financial obligations before discharge, and grants available to ESRD patients. Patients choose a provider/center that best meets their needs for insurance, preferred nephrologists, transportation, modality and treatment schedule.

DaVita currently partners with over 280 hospitals nationwide through Patient Pathways. Patient Pathways has demonstrated benefits to hospitals, patients, physicians and dialysis centers. The program has resulted in a 0.5 day reduction in average length of stay for both new admissions and readmissions and an 11% reduction in average acute dialysis treatments per patient. Moreover, patients are better educated and arrive at the dialysis center more prepared and less stressed. They have a better understanding of their insurance coverage and are more engaged and satisfied with their choice of dialysis facility. As a result, patients have higher attendance rates, are more compliant with their dialysis care, and have fewer avoidable readmissions.

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

In an effort to better serve all kidney patients, DaVita believes in requiring that all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard

measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which is \$509 million in savings to the health care system and the American taxpayer in 2010.

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

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

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

Neither the Centers for Medicare and Medicaid Services nor the Illinois Department of Public Health has taken any adverse action involving civil monetary penalties or restriction or termination of participation in the Medicare or Medicaid programs against any of the applicants, or against any Illinois health care facilities owned or operated by the Applicants, directly or indirectly, within three years preceding the filing of this application.

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

A list of in center dialysis facilities owned or operated by the Applicants in Illinois is attached at Attachment – 11B. The Applicants do not operate any licensed health care facilities in the State of Illinois.

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

2. Certification that no adverse action has been taken against either of the Applicants or against any health care facilities owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 11C.
3. An authorization permitting the Illinois Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11C.



Office of the Chief
Medical Officer (OCMO)
Allen R. Nissenson, MD
Chief Medical Officer
Meredith Mathews, MD
Robert Provenzano, MD
John Robertson, MD
David B. Van Wyck, MD

601 Hawaii Street, El Segundo, CA 90245 | 1-800-313-4872 | www.davita.com/physicians

April 30, 2009

Dear Physicians:

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



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



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

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

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



Davita.



Dear Physician Partners:

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

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

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

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

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

How was IMPACT developed? What are the initial results?

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

Your support of this effort is crucial.

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

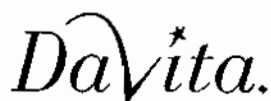
Sincerely,

Dennis Kogod
Chief Operating Officer

Allen R. Nissenson, MD, FACP
Chief Medical Officer



Corporate Office | 601 Hawaii Street, El Segundo, CA 90245 | 1-800-313-4872 | DaVita.com/physicians



FOR IMMEDIATE RELEASE

DaVita's IMPACT Program Reduces Mortality for New Dialysis Patients

Study Shows New Patient Care Model Significantly Improves Patient Outcomes

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

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

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

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

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

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

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

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

Incident Management of Hemodialysis Patients: Managing the First 90 Days

John Robertson¹, Pooja Goel¹, Grace Chen¹, Ronald Levine¹, Debbie Benner¹, and Amy Burdan¹

¹DaVita Inc., El Segundo, CA, USA

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

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

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

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

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

IMPACT Tools

Here's how the IMPACT program will help the team record data, educate patients and monitor their progress in your facilities.

- 1 Standard Order Template, a two-page form with drop-down menus that can be customized into a center-specific template
- 2 Intake Checklist to gather registration and clinical data prior to admission
- 3 Patient Announcement to alert teammates about new incident patients
- 4 Patient Education Book and Flip Chart to teach patients about dialysis
- 5 Tracking Checklist for the team to monitor progress over the first 90 days
- 6 IMPACT Scorecard to track monthly center summary and patient level detail for four clinical indicators: access, albumin, adequacy, anemia

A two-page form with various fields and checkboxes for patient information, medical history, and treatment plans. It includes a header section for patient identification and a main body with multiple rows of data entry fields.

Two forms. The left form is an 'INTAKE CHECKLIST' with numerous checkboxes for patient assessment and registration. The right form is a 'Patient Announcement' with a 'Going Team' logo and text encouraging teammates to support new patients.

Two educational materials. The left is a 'Patient Education Book' with a 'Going Team' logo and text about dialysis. The right is a 'Flip Chart' with a 'Going Team' logo and text about dialysis.

A scorecard titled 'IMPACT SCORECARD' with a '90' badge. It contains several tables and charts for tracking patient outcomes. The tables include columns for 'Access', 'Albumin', 'Adequacy', and 'Anemia' with rows for 'Total # of 90 Day Patients' and 'Total # of 90 Day Patients'.

A checklist titled 'IMPACT Management Checklist' with a '90' badge. It contains several tables and charts for tracking patient outcomes. The tables include columns for 'Access', 'Albumin', 'Adequacy', and 'Anemia' with rows for 'Total # of 90 Day Patients' and 'Total # of 90 Day Patients'.



Knowledge is power.

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

Taking Control Of Kidney Disease

Learn how to slow the progression of kidney disease.

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

Making Healthy Choices

Learn how to prepare for dialysis.

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

Treatment Choices

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

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

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

EMPOWER®
1-888-MyKidney (695-4363) | DaVita.com/EMPOWER

DaVita®

**DaVita Inc.
Illinois Facilities**

Regulatory Name	Address 1	City	County	State	Zip	Medicare Certification Number
Adams County Dialysis	436 N 10TH ST	QUINCY	ADAMS	IL	62301-4152	14-2711
Alton Dialysis	3511 COLLEGE AVE	ALTON	MADISON	IL	62002-5009	14-2619
Arlington Heights Renal Center	17 West Golf Road	Arlington Heights	COOK	IL	60005-3905	14-2628
Benton Dialysis	1151 ROUTE 14 W	BENTON	FRANKLIN	IL	62812-1500	14-2608
Beverly Dialysis	8109 SOUTH WESTERN AVE	CHICAGO	COOK	IL	60620-5939	14-2638
Big Oaks Dialysis	5623 W TOUHY AVE	NILES	COOK	IL	60714-4019	14-2712
Buffalo Grove Renal Center	1291 W. Dundee Road	Buffalo Grove	COOK	IL	60089-4009	14-2650
Centralia Dialysis	1231 STATE ROUTE 161	CENTRALIA	MARION	IL	62801-6739	14-2609
Chicago Heights Dialysis	177 W JOE ORR RD	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635
Churchview Dialysis	5970 CHURCHVIEW DR	ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640
Cobblestone Dialysis	934 CENTER ST	ELGIN	KANE	IL	60120-2125	14-2715
Crystal Springs Dialysis	720 COG CIRCLE	CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716
Decatur East Wood Dialysis	794 E WOOD ST	DECATUR	MACON	IL	62523-1155	14-2599
Dixon Kidney Center	1131 N GALENA AVE	DIXON	LEE	IL	61021-1015	14-2651
Driftwood Dialysis						
Edwardsville Dialysis	235 S BUCHANAN ST	EDWARDSVILLE	MADISON	IL	62025-2108	14-2701
Effingham Dialysis	904 MEDICAL PARK DR	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580
Emerald Dialysis	710 W 43RD ST	CHICAGO	COOK	IL	60609-3435	14-2529
Evanston Renal Center	1715 Central Street	Evanston	COOK	IL	60201-1507	14-2511
Freeport Dialysis	1028 S KUNKLE BLVD	FREEPORT	STEPHENSON	IL	61032-6914	14-2642
Granite City Dialysis Center	9 AMERICAN VLG	GRANITE CITY	MADISON	IL	62040-3706	14-2537
Hazel Crest Renal Center	3470 West 183rd Street	Hazel Crest	COOK	IL	60429-2428	14-2622
Illini Renal Dialysis	507 E UNIVERSITY AVE	CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633
Jacksonville Dialysis	1515 W WALNUT ST	JACKSONVILLE	MORGAN	IL	62650-1150	14-2581
Jerseyville Dialysis	917 S STATE ST	JERSEYVILLE	JERSEY	IL	62052-2344	14-2636

65

**DaVita Inc.
Illinois Facilities**

Regulatory Name	Address 1	City	County	State	Zip	Medicare Certification Number
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685
Lake County Dialysis Services	918 S MILWAUKEE AVE	LIBERTYVILLE	LAKE	IL	60048-3229	14-2552
Lake Park Dialysis	1531 E HYDE PARK BLVD	CHICAGO	COOK	IL	60615-3039	14-2717
Lake Villa Dialysis	37809 N IL ROUTE 59	LAKE VILLA	LAKE	IL	60046-7332	14-2666
Lincoln Dialysis	2100 WEST FIFTH	LINCOLN	LOGAN	IL	62656-9115	14-2582
Lincoln Park Dialysis	3157 N LINCOLN AVE	CHICAGO	COOK	IL	60657-3111	14-2528
Litchfield Dialysis	915 ST FRANCES WAY	LITCHFIELD		IL	62056-1775	14-2583
Little Village Dialysis	2335 W CERMAK RD	CHICAGO	COOK	IL	60608-3811	14-2668
Logan Square Dialysis	2659 N MILWAUKEE AVE	CHICAGO	COOK	IL	60647-1643	14-2534
Loop Renal Center	1101 South Canal Street,	Chicago	COOK	IL	60607-4901	14-2505
Macon County Dialysis	1090 W MCKINLEY AVE	DECATUR	MACON	IL	62526-3208	14-2584
Marion Dialysis	324 S 4TH ST	MARION	WILLIAMSON	IL	62959-1241	14-2570
Markham Renal Center	3053-3055 West 159th Street	Markham	COOK	IL	60428-4026	14-2575
Maryville Dialysis	2130 VADALABENE DR	MARYVILLE	MADISON	IL	62062-5632	14-2634
Mattoon Dialysis	200 RICHMOND AVE E	MATTOON	COLES	IL	61938-4652	14-2585
Metro East Dialysis	5105 W MAIN ST	BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527
Montclare Dialysis Center	7009 W BELMONT AVE	CHICAGO	COOK	IL	60634-4533	14-2649
Mount Vernon Dialysis	1800 JEFFERSON AVE	MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541
Mt. Greenwood Dialysis	3401 W 111TH ST	CHICAGO	COOK	IL	60655-3329	14-2660
Olney Dialysis Center	117 N BOONE ST	OLNEY	RICHLAND	IL	62450-2109	14-2674
Olympia Fields Dialysis Center	4557B LINCOLN HWY	MATTESON	COOK	IL	60443-2318	14-2548
Pittsfield Dialysis	640 W WASHINGTON ST	PITTSFIELD	PIKE	IL	62363-1350	14-2708
Robinson Dialysis	1215 N ALLEN ST	ROBINSON	CRAWFORD	IL	62454-1100	14-2714
Rockford Dialysis	3339 N ROCKTON AVE	ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647

**DaVita Inc.
Illinois Facilities**

Regulatory Name	Address 1	City	County	State	Zip	Medicare Certification Number
Roxbury Dialysis Center	622 ROXBURY RD	ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665
Rushville Dialysis	112 SULLIVAN DRIVE	RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620
Sauget Dialysis	2061 GOOSE LAKE RD	SAUGET	SAINT CLAIR	IL	62206-2822	14-2561
Schaumburg Renal Center	Town Center, NW Corner	Schaumburg	COOK	IL	60193-4072	14-2654
Shiloh Dialysis						
South Holland Renal Center	16136 South Park Avenue	South Holland	COOK	IL	60473-1511	14-2544
Springfield Central Dialysis	932 N RUTLEDGE ST	SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586
Springfield Montvale Dialysis	2930 MONTVALE DR	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590
Stonecrest Dialysis	1302 E STATE ST	ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615
Stony Creek Dialysis	9115 S CICERO AVE	OAK LAWN	COOK	IL	60453-1895	14-2661
Stony Island Dialysis	8725 S STONY ISLAND AVE	CHICAGO	COOK	IL	60617-2709	14-2718
Sycamore Dialysis	2200 GATEWAY DR	SYCAMORE	DEKALB	IL	60178-3113	14-2639
Taylorville Dialysis	901 W SPRESSER ST	TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587
TRC Children's Dialysis Center	2611 N HALSTED ST	CHICAGO	COOK	IL	60614-2301	14-2604
Vandalia Dialysis	301 MATTES AVE	VANDALIA	FAYETTE	IL	62471-2061	14-2693
Waukegan Renal Center	1616 North Grand Avenue	Waukegan	LAKE	IL	60085-3676	14-2577
Wayne County Dialysis	303 NW 11TH ST	FAIRFIELD	WAYNE	IL	62837-1203	14-2688
West Lawn Dialysis	7000 S PULASKI RD	CHICAGO	COOK	IL	60629-5842	14-2719
Whiteside Dialysis	2600 N LOCUST	STERLING	WHITESIDE	IL	61081-4602	14-2648

DaVita Inc.
Illinois Facilities

Regulatory Name	Address 1	City	County	State	Zip	Medicare Certification Number
Woodlawn Dialysis	1164 E 55TH ST	CHICAGO	COOK	IL	60615-5115	14-2310



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

March 12, 2012

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

Dear Chairman Galassie:

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

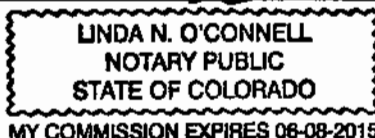
Additionally, pursuant to 77 Ill. Admin. Code § 1110.230(a)(3)(C), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit.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

Sincerely,

Luis Borgen
Chief Financial Officer
DaVita Inc.
Total Renal Care, Inc.

Subscribed and sworn to me
This 12th day of March, 2012

Notary Public



Attachment – 11C

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

Purpose of Project

1. The purpose of the project is to provide access to life sustaining dialysis services to the residents of Red Bud and surrounding areas. As shown in the map of the Red Bud geographic service area ("GSA") attached at Attachment 12A, there are no dialysis facilities within 30 minutes travel time of the proposed dialysis facility. As set forth below, Midwest Nephrology and Hypertension Associates ("MNHA"), the primary referring physician group for the proposed facility, expects 39 patients residing in the GSA to initiate dialysis within the next 12 to 18 months.

A new facility is needed to provide access to dialysis to the residents of Red Bud and the surrounding areas. Red Bud is a predominantly rural area with limited access to public transportation. Currently, there is no dialysis facility in or around Red Bud, and patients must travel approximately 45 minutes to the nearest dialysis facilities, which are located in St. Clair County.

According to the 2010 U.S. Census, approximately 20% of the population of Red Bud is elderly (over the age of 65),⁴ which is significantly higher than both the State (12.5%) and National (13%) averages.⁵ Moreover, the rates of ESRD per million is growing the fastest in the elderly population, with an overall increase of 20-24 percent since 2000.⁶ As baby boomers continue to age and the incidence of ESRD increase, there will be a greater need for dialysis in Red Bud.

Access issues are also particularly acute for the elderly, who are more often affected by kidney disease. Elderly patients are often more reliant on family, or public and private transportation providers for transportation to and from their dialysis. Patients who have problems getting their dialysis because of transportation problems miss dialysis treatments, which results in involuntary non-compliance. Non-compliance has significant negative consequences, which includes worsening of anemia and bone disease due to not receiving scheduled intravenous medications during dialysis; fluid overload – shortness of breath from fluid in the lungs may require an emergency room visit and emergency dialysis; cardiac complications, including cardiac arrhythmia, cardiac arrest and death, due to high potassium levels; and cerebrovascular complications, i.e., stroke that could lead to disability and death. Furthermore, skipping one or more dialysis sessions in a month, results in a decrease in the total delivered dose, and has been associated with a 16% higher risk of hospitalization and 30% increased mortality risk compared to those who did not miss a dialysis session.⁷

MNHA serves a broad geographic base in Southern Illinois and is currently treating 406 ESRD patients and 808 pre-ESRD patients whose condition is advancing to ESRD, and who will likely

⁴ U.S. Census Bureau, Census 2010, American Factfinder available at <http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t> (last visited Mar. 28, 2012).

⁵ U.S. Census Bureau, The Older Population: 2010, 2010 Census Briefs (Nov. 2011) available at <http://www.census.gov/prod/cen2010/briefs/c2010br-09.pdf> (last visited Mar. 28, 2012).

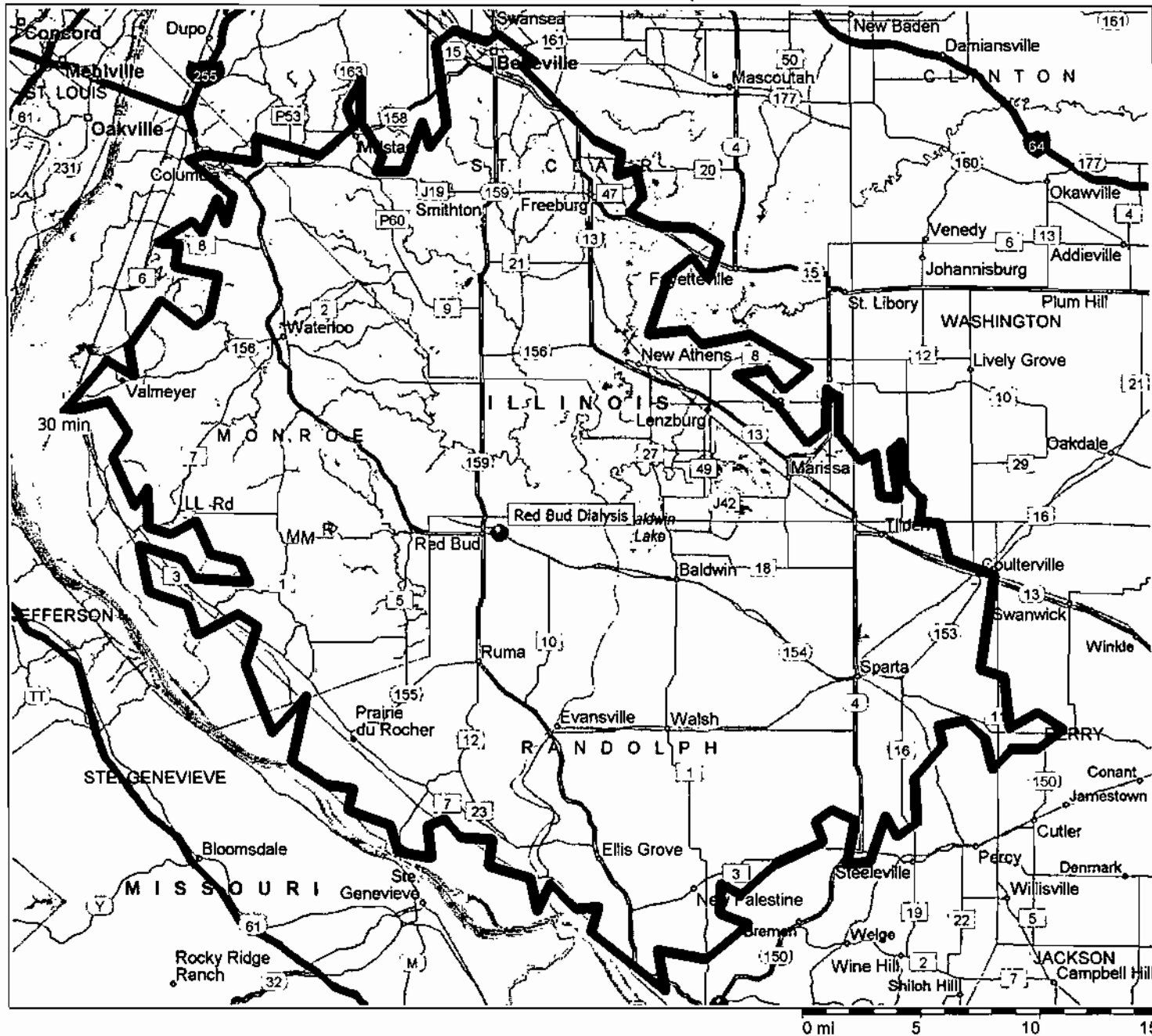
⁶ U.S. Renal Data System, USRDS 2008 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2008 available at http://www.usrds.org/2008/view/esrd_02.asp (last visited Mar. 28, 2012).

⁷ Rajiv Saran et al., Nonadherence in Hemodialysis: Associations with Mortality, Hospitalization and Practice Patterns in the DOPPS, 64 KIDNEY INTERNATIONAL 254-262 (2003) available at http://www.therenalnetwork.org/services/resources/AdherenceToolkit/Saran_Nonadherence_DOPPS.pdf (last visited Mar. 26, 2012).

require dialysis within the next 12 to 18 months. See Attachment – 12A. The Applicants identified 110 pre-ESRD patients who reside in and around the Red Bud area who would likely be referred to the Proposed Facility. Of these 110 pre-ESRD patients, the Applicants anticipate 39 patients will initiate dialysis. The difference between the current pre-ESRD patients and the anticipated referrals is due to CKD patient death, transplant, relocation, or retained kidney function and reflects the Applicants' conservative approach to its estimated need. Importantly, this number may underestimate new ESRD patients because nephrologist intervention with CKD patients has improved in the last several years and this earlier intervention is saving lives and improving patient morbidity. The proposed facility is needed to provide access to life sustaining dialysis to residents of Red Bud and the surrounding area.

2. A map of the market area for the proposed facility is attached at Attachment – 12B. The market area encompasses approximately a 20.4 mile radius around the proposed facility. The boundaries of the market area are as follows:
 - North approximately 30 minutes normal travel time to Belleville
 - Northeast approximately 30 minutes normal travel time to New Athens
 - East approximately 30 minutes normal travel time to Coulterville
 - Southeast approximately 30 minutes normal travel time to Schulline
 - South approximately 30 minutes normal travel time to Ellis Grove
 - Southwest approximately 20 minutes normal travel time to Mississippi River
 - West approximately 30 minutes normal travel time to Maestown
 - Northwest approximately 30 minutes normal travel time to New Hanover
3. The purpose of this project is to provide access to life sustaining dialysis to residents of Red Bud and the immediately surrounding areas. There is no in-center hemodialysis facility within 30 minutes of the proposed Red Bud facility.
4. The proposed facility will provide access to dialysis services to the residents of Red Bud and the surrounding area by establishing an 8-station dialysis facility in Red Bud. MNHA is currently treating 406 ESRD patients and 808 pre-ESRD patients whose condition is advancing to ESRD, and who will likely require dialysis within the next 12 to 18 months. See Attachment – 12A. The Applicants identified 110 pre-ESRD patients who reside in and around the Red Bud area who would likely be referred to the Proposed Facility. Conservatively estimating that at least 39 of these patients will initiate dialysis within 12 to 18 months, the Proposed Facility will be operating at 80% within the first two years of operation. Accordingly, the Proposed Facility is needed to provide access to life sustaining dialysis to residents of Red Bud and the surrounding area.
5. The Applicants anticipate the proposed facility will have quality outcomes comparable to its other facilities. Additionally, in an effort to better serve all kidney patients, DaVita believes in requiring all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which was \$509 million in hospitalization savings to the health care system and the American taxpayer in 2010.

Red Bud GSA Map



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

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MAR 08 2012

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

March 5, 2012

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

Dear Chairman Galassie:

I am a nephrologist in practice with Midwest Nephrology and Hypertension Associates ("Midwest Nephrology"). I am writing on behalf of Midwest Nephrology in support of DaVita's proposed establishment of an 8-station dialysis facility to be located at 1500 East Market Street, Red Bud, Illinois (the "Proposed Facility"). Currently, there is no dialysis facility within 30 minutes of the Proposed Facility. Based upon the current obesity epidemic and the aging population in and around Red Bud, we anticipate demand for dialysis to continue to increase. A new 8-station dialysis facility will increase access to dialysis services to our practice's growing end stage renal disease ("ESRD") patient population.

Midwest Nephrology is currently treating 406 ESRD patients. Over the past three years Midwest Nephrology referred 402 ESRD patients for dialysis: 130 ESRD patients in 2009, 149 ESRD patients in 2010, and 123 ESRD patients in 2011. The total number of patients treated by facility and zip code of residence for the most recent three years as reported to The Renal Network is attached hereto at Attachment 1.

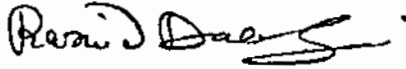
Additionally, Midwest Nephrology is currently treating 827 pre-ESRD patients and has identified 110 pre-ESRD patients as potential referrals to the proposed Red Bud facility. We conservatively estimate 39 patients (or less 50% of these pre-ESRD patients) will be referred to the Proposed Facility. A list of these pre-ESRD patients by initials and zip code is attached hereto as Attachment 2. No patients will be transferred from other area providers to the Proposed Facility.

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

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

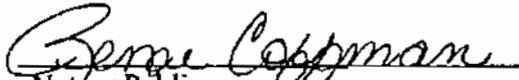
I support the proposed establishment of Red Bud Dialysis.

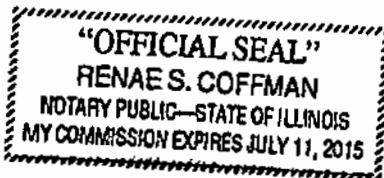
Sincerely,



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

Subscribed and sworn to me ²⁰¹²
This 7th day of March, 2011


Notary Public



**ATTACHMENT 1
HISTORICAL REFERRALS**

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
DaVita Sauget				
Dalal	60302	0	1	0
	62059	0	1	0
	62201	0	1	2
	62203	1	0	1
	62204	1	4	6
	62205	2	4	1
	62206	5	5	7
	62207	1	2	2
	62208	0	0	0
	62221	2	0	0
	62223	0	1	0
	62226	0	0	0
	62232	1	0	0
	62236	1	1	0
	62239	0	0	1
Total - Dalal		14	20	20
Bashiruddin	62203	0	0	0
	62090	1	0	0
	62204	0	2	2
	62205	2	0	1
	62206	1	2	1
	62207	0	2	0
	62221	0	1	1
	62223	0	0	0
Total - Bashiruddin		4	7	5
Total - DaVita Sauget		18	27	25
DaVita Metro East				
Dalal	62060	1	0	0
	62201	1	1	2
	62202	1	0	0
	62203	0	6	3
	62204	1	0	1
	62205	0	0	1
	62206	1	3	0
	62207	2	1	5
	62208	0	1	0
	62220	2	3	0
	62221	2	5	4
	62223	3	4	2
	62226	3	9	6

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62230	1	0	0
	62232	0	1	0
	62234	0	1	0
	62243	0	2	0
	62249	1	1	0
	62254	0	0	2
	62255	1	0	0
	62257	1	1	0
	62258	0	0	1
	62260	1	1	0
	62264	0	1	0
	62265	0	1	0
	62269	0	3	4
	62278	0	0	1
	62285	0	0	2
	62298	0	1	0
Total - Dalal		22	46	34
Bashiruddin	62201	0	1	1
	62203	0	0	0
	62206	2	1	0
	62208	2	0	0
	62220	1	0	1
	62221	2	0	1
	62223	0	1	4
	62226	1	1	2
	62257	2	0	0
	62260	1	0	0
	62264	1	0	0
	62269	0	1	1
	62285	0	2	0
	62298	1	0	0
Total - Bashiruddin		13	7	10
Wendland	62040	0	1	0
	62201	0	1	0
	62202	0	1	0
	62203	0	2	1
	62205	0	1	1
	62206	0	2	0
	62207	0	1	3
	62208	0	3	1
	62220	0	2	0
	62221	1	9	2
	62223	1	6	0
	62226	0	2	2
	62232	0	1	0

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62234	0	0	1
	62243	0	2	1
	62258	0	3	0
	62260	0	0	1
	62264	0	1	0
	62269	0	3	0
	62285	0	0	0
Total - Wendland		2	41	13
Total - DaVita Metro East		37	94	57
DaVita Granite City				
Dalal	62059	1	0	0
	62040	6	3	5
	62060	1	0	1
	62090	1	0	0
	62201	0	1	3
	62203	1	0	0
	62206	1	0	0
	62207	0	0	1
	62220	1	0	0
	62257	2	0	0
Total - Dalal		14	4	10
Bashiruddin				
	62204	1	0	0
	62040	3	0	1
	62060	2	0	0
	62090	1	0	0
	62201	1	0	0
	62205	1	0	0
Total - Bashiruddin		9	0	1
Total - DaVita Granite City		23	4	11
DaVita Maryville				
Dalal	62040	1	0	0
	62202	1	0	0
	62234	0	0	1
	62269	0	0	1
	62281	0	1	1
	62294	0	1	0
Total - Dalal		2	2	3
Bashiruddin				
	62234	0	0	1
Total - DaVita Maryville		2	2	4
DaVita Edwardsville				
Bashiruddin	62234	1	0	0

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
Total - DaVita Edwardsville		1	0	0

RAI Fairview Heights				
Dalal	62040	0	0	0
	62203	0	0	0
	62204	0	0	3
	62206	1	0	0
	62208	0	0	4
	62220	0	1	0
	62221	0	0	2
	62223	0	2	0
	62226	0	1	0
	62232	0	1	0
	62234	1	0	1
	62254	1	1	0
	62257	1	1	0
	62258	0	1	0
	62260	0	0	0
	63115	1	0	0
Total - Dalal		5	8	10
Bashiruddin	62040	1	0	1
	62201	0	0	0
	62202	0	0	1
	62203	2	1	0
	62204	1	0	1
	62205	2	1	0
	62207	3	2	0
	62208	5	0	0
	62220	1	2	0
	62221	4	0	2
	62223	0	0	1
	62226	3	0	3
	62232	1	0	0
	62234	2	0	0
	62269	2	3	0
Total - Bashiruddin		27	9	9
Total - RAI Fairview Heights		32	16	19
RAI Breese				
Bashiruddin	62215	0	1	0
	62216	1	0	2
	62226	1	0	0
	62230	1	0	0
	62231	3	0	1

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62245	1	0	0
	62249	0	1	1
	62257	1	0	0
	62258	2	0	0
	62265	0	0	1
	62269	4	0	0
	62293	0	1	0
	62801	0	1	0
Total - Bashiruddin		14	4	5
Total RAI Breese		14	4	5
BJC PD				
Dalal	62040	0	0	0
	62203	1	0	0
	62206	0	0	0
	62221	0	0	0
	62226	0	0	0
	62232	1	0	0
	62254	1	0	0
	62269	0	1	0
Total - Dalal		3	1	0
Bashiruddin	62258	0	1	0
	62221	0	0	1
	62236	0	0	1
Total - Bashiruddin		0	1	2
Total - BJC PD		3	2	2
Grand Total		130	149	123

**ATTACHMENT 2
PRE-ESRD PATIENTS**

Zip Code	Initials
62220	DH
	MS
	DM
	TL
	JA
	PL
	FL
	BH
	MK
	CG
	RL
	JM
	BP
	NS
	JE
	MA
	ST
	MH
	AS
	PL
	JR
	PG
	RG
	MK
	JK
	DA
	AR
	NW
	RS
	CS
	PH
	CF
	JR
	JB
	DR
	LJ
	WJ
	RN
	EM
	CG
	JS
	AY
	OC
	CV

Zip Code	Initials
	RS
	MT
	DO
	MM
	TS
	NB
	GK
	RJ
	ET
	JO
	AL
	ME
	PK
	HH
	ET
	JM
	RM
	FF
	PD
	DJ
	LG
	IC
	SH
62236	FB
	EK
	LM
62243	HS
	PA
	LW
	HS
	CO
	RR
	HB
	GS
	HD
	CC
	LK
	CH
	EM
	GH
	MS
	DS
	BW
	BB
	NK
	RM
	LB

Zip Code	Initials
	EM
	RH
	MK
	RP
62257	LA
	MA
	JS
62284	GB
	NV
	RW
62278	FL
62286	FS
	HW
	RW
	GS
62298	CE
	MF
	CJ
	PM

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

Alternatives

The Applicants considered two options prior to determining to establish an 8-station dialysis facility in Red Bud. The options considered are as follows:

1. Do nothing; and
2. Establish a new facility.

After exploring these options, which are discussed in more detail below, the Applicants determined to establish an 8-station dialysis facility. A review of each of the options considered and the reasons they were rejected follows.

Do Nothing

The purpose of the project is to provide access to life sustaining dialysis services to the residents of Red Bud and surrounding areas. A do nothing approach will not accomplish this goal.

There is no dialysis facility within 30 minutes of the proposed Red Bud Dialysis. MNHA, the primary referring group, serves a broad geographic base in Southern Illinois and is currently treating 406 ESRD patients and 808 pre-ESRD patients whose condition is advancing to ESRD, and who will likely require dialysis within the next 12 to 18 months. See Attachment – 13. The Applicants identified 110 pre-ESRD patients who reside in and around the Red Bud area who would likely be referred to the Proposed Facility. Of these 110 pre-ESRD patients the Applicants anticipate 39 patients will initiate dialysis. The difference between the current pre-ESRD patients and the anticipated referrals is due to CKD patient death, transplant, relocation, or retained kidney function and reflects the Applicants' conservative approach to its estimated need. Importantly, this number may underestimate new ESRD patients because nephrologist intervention with CKD patients has improved in the last several years and this earlier intervention is saving lives and improving patient morbidity.

Because there is no facility within 30 minutes of Red Bud to treat these patients, the Applicants rejected this option.

There is no cost with this alternative.

Establish a New Facility

According to the 2010 U.S. Census, approximately 20% of the population of Red Bud is elderly (over the age of 65),⁸ which is significantly higher than both the State (12.5%) and National (13%) averages.⁹ Importantly, the rates of ESRD per million is growing the fastest in the elderly population, with an overall increase of 20-24 percent since 2000.¹⁰ As baby boomers continue to age and the incidence of ESRD increase, there will be a greater need for dialysis facilities.

⁸ U.S. Census Bureau, Census 2010, American Factfinder available at <http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t> (last visited Mar. 28, 2012).

⁹ U.S. Census Bureau, The Older Population: 2010, 2010 Census Briefs (Nov. 2011) available at <http://www.census.gov/prod/cen2010/briefs/c2010br-09.pdf> (last visited Mar. 28, 2012).

¹⁰ U.S. Renal Data System, USRDS 2008 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive

Red Bud is a predominantly rural area with limited access to public transportation. Currently, there is no dialysis facility within 30 minutes of Red Bud and patients must travel approximately 45 minutes to the nearest dialysis facilities, which are located in St. Clair County. Access issues are also particularly acute for the elderly, who are more often affected by kidney disease. Further, elderly patients are often more reliant on family, or public and private transportation providers for transportation to and from their dialysis. Patients who have problems getting their dialysis because of transportation problems miss dialysis treatments, which results in involuntary non-compliance. Non-compliance has significant negative consequences, which includes worsening of anemia and bone disease due to not receiving scheduled intravenous medications during dialysis; fluid overload – shortness of breath from fluid in the lungs may require an emergency room visit and emergency dialysis; cardiac complications, including cardiac arrhythmia, cardiac arrest and death, due to high potassium levels; and cerebrovascular complications, i.e., stroke that could lead to disability and death. Furthermore, skipping dialysis decreases the total delivered dose. Skipping one or more dialysis sessions in a month has been associated with a 16% higher risk of hospitalization and 30% increased mortality risk compared those who did not miss a dialysis session.¹¹

MNHA, the primary referring group, serves a broad geographic base in Southern Illinois and is currently treating 406 ESRD patients and 808 pre-ESRD patients whose condition is advancing to ESRD, and who will likely require dialysis within the next 12 to 18 months. See Attachment – 12B. The Applicants identified 110 pre-ESRD patients who reside in and around the Red Bud area who would likely be referred to the Proposed Facility. Of these 110 pre-ESRD patients the Applicants anticipate 39 patients will initiate dialysis. The difference between the current pre-ESRD patients and the anticipated referrals is due to CKD patient death, transplant, relocation, or retained kidney function and reflects the Applicants' conservative approach to its estimated need. Importantly, this number may be an underestimate of new ESRD patients because nephrologist intervention with CKD patients has improved in the last several years and this earlier intervention is saving lives and improving patient morbidity.

Given the increasing elderly population in Red Bud, the number of patients requiring dialysis will continue to increase. Therefore, the only feasible option is to establish an 8-station in-center hemodialysis facility. This alternative will provide residents of Red Bud and its surrounding communities with access to life sustaining dialysis treatment. Accordingly, the applicants chose this alternative.

The cost of this alternative is \$2,367,073.

Table 1110.230(c) Alternatives to Proposed Project Cost Benefit Analysis				
Alternative	Community Need	Access	Cost	Status
Do Nothing	Not Met	Decreased	\$0	Reject
Establish New Facility	Met	Increased	\$2,367,073	Accept

and Kidney Diseases, Bethesda, MD, 2008 available at http://www.usrds.org/2008/view/esrd_02.asp (last visited Mar. 28, 2012).

¹¹ Rajiv Saran et al., Nonadherence in Hemodialysis: Associations with Mortality, Hospitalization and Practice Patterns in the DOPPS, 64 KIDNEY INTERNATIONAL 254-262 (2003) available at http://www.therenalnetwork.org/services/resources/AdherenceToolkit/Saran_Nonadherence_DOPPS.pdf (last visited Mar. 26, 2012).

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

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MAR 08 2012

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

March 5, 2012

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

Dear Chairman Galassie:

I am a nephrologist in practice with Midwest Nephrology and Hypertension Associates ("Midwest Nephrology"). I am writing on behalf of Midwest Nephrology in support of DaVita's proposed establishment of an 8-station dialysis facility to be located at 1500 East Market Street, Red Bud, Illinois (the "Proposed Facility"). Currently, there is no dialysis facility within 30 minutes of the Proposed Facility. Based upon the current obesity epidemic and the aging population in and around Red Bud, we anticipate demand for dialysis to continue to increase. A new 8-station dialysis facility will increase access to dialysis services to our practice's growing end stage renal disease ("ESRD") patient population.

Midwest Nephrology is currently treating 406 ESRD patients. Over the past three years Midwest Nephrology referred 402 ESRD patients for dialysis: 130 ESRD patients in 2009, 149 ESRD patients in 2010, and 123 ESRD patients in 2011. The total number of patients treated by facility and zip code of residence for the most recent three years as reported to The Renal Network is attached hereto at Attachment 1.

Additionally, Midwest Nephrology is currently treating 827 pre-ESRD patients and has identified 110 pre-ESRD patients as potential referrals to the proposed Red Bud facility. We conservatively estimate 39 patients (or less 50% of these pre-ESRD patients) will be referred to the Proposed Facility. A list of these pre-ESRD patients by initials and zip code is attached hereto as Attachment 2. No patients will be transferred from other area providers to the Proposed Facility.

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

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

I support the proposed establishment of Red Bud Dialysis.

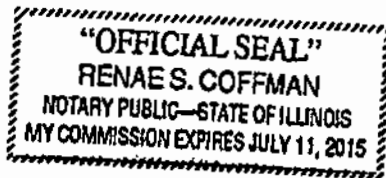
Sincerely,

Rashid Dalal

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

Subscribed and sworn to me 2012
This 7th day of March, 2011

Rena S. Coffman
Notary Public



**ATTACHMENT 1
HISTORICAL REFERRALS**

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
DaVita Sauget				
Dalal	60302	0	1	0
	62059	0	1	0
	62201	0	1	2
	62203	1	0	1
	62204	1	4	6
	62205	2	4	1
	62206	5	5	7
	62207	1	2	2
	62208	0	0	0
	62221	2	0	0
	62223	0	1	0
	62226	0	0	0
	62232	1	0	0
	62236	1	1	0
	62239	0	0	1
Total - Dalal		14	20	20
Bashiruddin	62203	0	0	0
	62090	1	0	0
	62204	0	2	2
	62205	2	0	1
	62206	1	2	1
	62207	0	2	0
	62221	0	1	1
	62223	0	0	0
Total - Bashiruddin		4	7	5
Total - DaVita Sauget		18	27	25
DaVita Metro East				
Dalal	62060	1	0	0
	62201	1	1	2
	62202	1	0	0
	62203	0	6	3
	62204	1	0	1
	62205	0	0	1
	62206	1	3	0
	62207	2	1	5
	62208	0	1	0
	62220	2	3	0
	62221	2	5	4
	62223	3	4	2
	62226	3	9	6

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62230	1	0	0
	62232	0	1	0
	62234	0	1	0
	62243	0	2	0
	62249	1	1	0
	62254	0	0	2
	62255	1	0	0
	62257	1	1	0
	62258	0	0	1
	62260	1	1	0
	62264	0	1	0
	62265	0	1	0
	62269	0	3	4
	62278	0	0	1
	62285	0	0	2
	62298	0	1	0
Total - Dalal		22	46	34
Bashiruddin	62201	0	1	1
	62203	0	0	0
	62206	2	1	0
	62208	2	0	0
	62220	1	0	1
	62221	2	0	1
	62223	0	1	4
	62226	1	1	2
	62257	2	0	0
	62260	1	0	0
	62264	1	0	0
	62269	0	1	1
	62285	0	2	0
	62298	1	0	0
Total - Bashiruddin		13	7	10
Wendland	62040	0	1	0
	62201	0	1	0
	62202	0	1	0
	62203	0	2	1
	62205	0	1	1
	62206	0	2	0
	62207	0	1	3
	62208	0	3	1
	62220	0	2	0
	62221	1	9	2
	62223	1	6	0
	62226	0	2	2
	62232	0	1	0

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62234	0	0	1
	62243	0	2	1
	62258	0	3	0
	62260	0	0	1
	62264	0	1	0
	62269	0	3	0
	62285	0	0	0
Total - Wendland		2	41	13
Total - DaVita Metro East		37	94	57
DaVita Granite City				
Dalal	62059	1	0	0
	62040	6	3	5
	62060	1	0	1
	62090	1	0	0
	62201	0	1	3
	62203	1	0	0
	62206	1	0	0
	62207	0	0	1
	62220	1	0	0
	62257	2	0	0
Total - Dalal		14	4	10
Bashiruddin	62204	1	0	0
	62040	3	0	1
	62060	2	0	0
	62090	1	0	0
	62201	1	0	0
	62205	1	0	0
Total - Bashiruddin		9	0	1
Total - DaVita Granite City		23	4	11
DaVita Maryville				
Dalal	62040	1	0	0
	62202	1	0	0
	62234	0	0	1
	62269	0	0	1
	62281	0	1	1
	62294	0	1	0
Total - Dalal		2	2	3
Bashiruddin	62234	0	0	1
Total - DaVita Maryville		2	2	4
DaVita Edwardsville				
Bashiruddin	62234	1	0	0

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
Total - DaVita Edwardsville		1	0	0

RAI Fairview Heights				
Dalal	62040	0	0	0
	62203	0	0	0
	62204	0	0	3
	62206	1	0	0
	62208	0	0	4
	62220	0	1	0
	62221	0	0	2
	62223	0	2	0
	62226	0	1	0
	62232	0	1	0
	62234	1	0	1
	62254	1	1	0
	62257	1	1	0
	62258	0	1	0
	62260	0	0	0
	63115	1	0	0
Total - Dalal		5	8	10
Bashiruddin	62040	1	0	1
	62201	0	0	0
	62202	0	0	1
	62203	2	1	0
	62204	1	0	1
	62205	2	1	0
	62207	3	2	0
	62208	5	0	0
	62220	1	2	0
	62221	4	0	2
	62223	0	0	1
	62226	3	0	3
	62232	1	0	0
	62234	2	0	0
	62269	2	3	0
Total - Bashiruddin		27	9	9
Total - RAI Fairview Heights		32	16	19
RAI Breese				
Bashiruddin	62215	0	1	0
	62216	1	0	2
	62226	1	0	0
	62230	1	0	0
	62231	3	0	1

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62245	1	0	0
	62249	0	1	1
	62257	1	0	0
	62258	2	0	0
	62265	0	0	1
	62269	4	0	0
	62293	0	1	0
	62801	0	1	0
Total - Bashiruddin		14	4	5
Total RAI Breese		14	4	5
BJC PD				
Dalal	62040	0	0	0
	62203	1	0	0
	62206	0	0	0
	62221	0	0	0
	62226	0	0	0
	62232	1	0	0
	62254	1	0	0
	62269	0	1	0
Total - Dalal		3	1	0
Bashiruddin	62258	0	1	0
	62221	0	0	1
	62236	0	0	1
Total - Bashiruddin		0	1	2
Total - BJC PD		3	2	2
Grand Total				
		130	149	123

**ATTACHMENT 2
PRE-ESRD PATIENTS**

Zip Code	Initials
62220	DH
	MS
	DM
	TL
	JA
	PL
	FL
	BH
	MK
	CG
	RL
	JM
	BP
	NS
	JE
	MA
	ST
	MH
	AS
	PL
	JR
	PG
	RG
	MK
	JK
	DA
	AR
	NW
	RS
	CS
	PH
	CF
	JR
	JB
	DR
	LJ
	WJ
	RN
	EM
	CG
	JS
	AY
	OC
	CV

Zip Code	Initials
	RS
	MT
	DO
	MM
	TS
	NB
	GK
	RJ
	ET
	JO
	AL
	ME
	PK
	HH
	ET
	JM
	RM
	FF
	PD
	DJ
	LG
	IC
	SH
62236	FB
	EK
	LM
62243	HS
	PA
	LW
	HS
	CO
	RR
	HB
	GS
	HD
	CC
	LK
	CH
	EM
	GH
	MS
	DS
	BW
	BB
	NK
	RM
	LB

Zip Code	Initials
	EM
	RH
	MK
	RP
62257	LA
	MA
	JS
62264	GB
	NV
	RW
62278	FL
62286	FS
	HW
	RW
	GS
62298	CE
	MF
	CJ
	PM

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

The Applicants propose to establish a 8-station dialysis facility. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard is 450-650 gross square feet per dialysis station for a total of 3,600 to 5,200 gross square feet for 8 dialysis stations. The total gross square footage of the proposed dialysis facility is 6,000 gross square feet, which exceeds the State standard by 800 gross square feet. When selecting a site for a new dialysis facility, the Applicants consider the future growth in the area and prefer sites that can accommodate such growth to ensure residents have continued access to life sustaining dialysis both now and in the future. Importantly, the proposed site will have a flexible floor plan that will allow for modest expansion.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD	6,000	3,600 – 5,200	800	Above

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

By the second year of operation, annual utilization at the proposed facility shall exceed HFSRB's utilization standard of 80%. Pursuant to Section 1100.1430 of the HFSRB's rules, facilities providing in-center hemodialysis should operate their dialysis stations at or above an annual utilization rate of 80%, assuming three patient shifts per day per dialysis station, operating six days per week. MNHA, the primary referring group, is currently treating 808 pre-ESRD patients and has identified 110 pre-ESRD patients as likely referrals to the proposed facility. Assuming attrition due to death, transplant, relocation or return of function, MNHA projects 39 patients, at a minimum, will initiate in-center hemodialysis treatment within the next 12 to 18 months.

Table 1110.234(b) Utilization					
	Dept./ Service	Historical Utilization (Treatments)	Projected Utilization	State Standard	Met Standard?
Year 1	ESRD	N/A	6,084	5,990	Yes
Year 2	ESRD	N/A	6,084	5,990	Yes

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

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

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

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

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

1. Planning Area Need

The Applicants propose to establish an 8-station dialysis facility to be located in Red Bud, Illinois. The proposed facility will be located in HSA 5. As shown in the map attached at Attachment – 26A, there are no dialysis facilities within 30 minutes normal travel time of Red Bud.

According to the 2010 U.S. Census, approximately 20% of the population of Red Bud is elderly (over the age of 65),¹² which is significantly higher than both the State (12.5%) and National (13%) averages.¹³ Importantly, the rates of ESRD per million is growing the fastest in the elderly population, with an overall increase of 20-24 percent since 2000.¹⁴ As baby boomers continue to age and the incidence of ESRD increase, there will be a greater need for dialysis in Red Bud.

Access issues are also particularly acute for the elderly, who are more often affected by kidney disease. Further, elderly patients are often more reliant on family, or public and private transportation providers for transportation to and from their dialysis. Patients who have problems getting their dialysis because of transportation problems miss dialysis treatments, which results in involuntary non-compliance. Non-compliance has significant negative consequences, which includes worsening of anemia and bone disease due to not receiving scheduled intravenous medications during dialysis; fluid overload – shortness of breath from fluid in the lungs may require an emergency room visit and emergency dialysis; cardiac complications, including cardiac arrhythmia, cardiac arrest and death, due to high potassium levels; and cerebrovascular complications, i.e., stroke that could lead to disability and death. Furthermore, skipping dialysis decreases the total delivered dose. Skipping one or more dialysis sessions in a month has been associated with a 16% higher risk of hospitalization and 30% increased mortality risk compared those who did not miss a dialysis session.¹⁵

MNHA, the primary referring group, is currently treating 110 pre-ESRD patients that reside within the proposed facility's geographic service area. Assuming attrition due to death, transplant, relocation or return of function, MNHA conservatively projects 39 patients will initiate in-center hemodialysis treatment within the next 12 to 18 months. See Attachment – 26B. Accordingly, a dialysis facility is needed in Red Bud to provide residents with access to life sustaining dialysis.

¹² U.S. Census Bureau, Census 2010, American Factfinder available at <http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t> (last visited Mar. 28, 2012).

¹³ U.S. Census Bureau, The Older Population: 2010, 2010 Census Briefs (Nov. 2011) available at <http://www.census.gov/prod/cen2010/briefs/c2010br-09.pdf> (last visited Mar. 28, 2012).

¹⁴ U.S. Renal Data System, USRDS 2008 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2008 available at http://www.usrds.org/2008/view/esrd_02.asp (last visited Mar. 28, 2012).

¹⁵ Rajiv Saran et al., Nonadherence in Hemodialysis: Associations with Mortality, Hospitalization and Practice Patterns in the DOPPS, 64 KIDNEY INTERNATIONAL 254-262 (2003) available at http://www.therenalnetwork.org/services/resources/AdherenceToolkit/Saran_Nonadherence_DOPPS.pdf (last visited Mar. 26, 2012).

2. Service to Planning Area Residents

The primary purpose of the proposed project is to provide access to life-sustaining dialysis services to the residents of Red Bud and surrounding areas. As evidenced in the physician referral letter attached at Attachment – 26B, MNHA, the primary referring group, serves a broad geographic base in Southern Illinois and is currently treating 406 ESRD patients and 808 pre-ESRD patients whose condition is advancing to ESRD, and who will likely require dialysis within the next 12 to 18 months. The Applicants identified 110 pre-ESRD patients who reside in and around the Red Bud area who would likely be referred to the Proposed Facility. Of these 110 pre-ESRD patients the Applicants anticipate 39 patients will initiate dialysis. The difference between the current pre-ESRD patients and the anticipated referrals is due to CKD patient death, transplant, relocation, or retained kidney function and reflects the Applicants' conservative approach to its estimated need. Importantly, this number may underestimate new ESRD patients because nephrologist intervention with CKD patients has improved in the last several years and this earlier intervention is saving lives and improving patient morbidity. There is no dialysis facility within 30 minutes of Red Bud. Therefore, the establishment of Red Bud Dialysis is necessary to provide access to life-sustaining dialysis to residents of Red Bud and its surrounding communities.

3. Service Demand

Attached at Attachment – 26B is a physician referral letter from MNHA and a schedule of pre-ESRD patients by zip code as well as historical referrals. While MNHA is currently treating 808 pre-ESRD patients throughout Southern Illinois, 110 of these pre-ESRD patients reside in and around Red Bud and have been identified as potential referrals to the proposed Red Bud facility. The remaining pre-ESRD patients will be referred to existing facilities in Southern Illinois. A summary of pre-ESRD patients projected to be referred to the proposed dialysis facility within the first two years after project completion is provided in Table 1110.1430(b)(3)(B) below.

Table 1110.1430(b)(3)(B) Projected Patient Referrals by Physician & Zip Code	
Zip Code	Patients
62220	67
62236	3
62243	25
62257	3
62264	3
62278	1
62286	4
62298	4
Total	110

4. Service Accessibility

As set forth throughout this application, there is currently no dialysis facility within 30 minutes of Red Bud. MNHA, the primary referring group, is currently treating 808 pre-ESRD patients and has identified 110 pre-ESRD patients as likely referrals to the proposed facility. Assuming attrition due to death, transplant, relocation or return of function, MNHA projects 39 patients, or approximately 35% of identified pre-ESRD patients, will initiate in-center hemodialysis treatment within the next 12 to 18 months. Accordingly, the establishment of Red Bud Dialysis is necessary to provide access to life-sustaining dialysis to residents of Red Bud and its surrounding communities.

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

1. Unnecessary Duplication of Services

- a. The proposed project will not result in an unnecessary duplication of services. The proposed dialysis facility will be located in Red Bud, Illinois. As shown on the map of the proposed facility's GSA, attached at Attachment – 26B, there are no approved or existing dialysis facilities within 30 minutes of the proposed Red Bud facility. A list of all zip codes located, in total or in part, within 30 minutes normal travel time of the site of the proposed dialysis facility as well as 2010 census figures for each zip code is provided in Table 1110.1430(c)(1)(A).

Table 1110.1430(c)(1)(A)		
Population of Zip Codes within 30 Minutes of Proposed Facility		
Zip Code	City	Population
62217	Baldwin	807
62220	Belleville	20,504
62241	Ellis Grove	1,061
62242	Evansville	1,526
62243	Freeburg	5,910
62248	Hecker	320
62257	Marissa	3,214
62260	Millstadt	7,290
62264	New Athens	3,338
62277	Prairie du Rocher	1,314
62278	Red Bud	6,690
62279	Renault	69
62285	Smithton	4,484
62286	Sparta	6,008
62292	Tilden	947
62297	Walsh	452
62298	Waterloo	16,609
Total		80,543

Source: U.S. Census Bureau, Census 2010, American Factfinder available at <http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t> (last visited Feb. 13, 2012).

- b. As set forth above, there are no existing or approved dialysis facilities located within 30 minutes of the proposed Red Bud facility.

2. Maldistribution of Services

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

- a. Ratio of Stations to Population

The proposed dialysis facility will be located in Red Bud, Illinois. As set forth throughout this application, there are no approved or existing dialysis facilities within 30 minutes of the proposed Red Bud facility. Accordingly, there will be no maldistribution of services as a result of the proposed project.

Table 1110.1430(c)(2)(A) Ratio of Stations to Population			
	Population	Dialysis Stations	Stations to Population
Geographic Service Area	80,543	0	0
State	12,830,632	3,657	1:3,508

b. Historic Utilization of Existing Facilities

The proposed project will not result in an unnecessary duplication of services. The proposed dialysis facility will be located in Red Bud, Illinois. As set forth throughout this application, there are no approved or existing dialysis facilities within 30 minutes of the proposed Red Bud facility. Accordingly, this criterion is not applicable.

c. Sufficient Population to Achieve Target Utilization

The Applicants propose to establish an 8-station dialysis facility. To achieve the HFSRB's 80% utilization standard within the first two years after project completion, the Applicants would need 39 patient referrals. As evidenced in the physician referral letter at Attachment – 26A, MNHA is currently treating 110 pre-ESRD patients who reside in and around Red Bud and whose conditions are advancing to ESRD and will likely require dialysis within the next 12 to 18 months. Based upon a very conservative attrition rate due to transplant, return of function, death, or relocation, MNHA projects 39 pre-ESRD patients (or approximately 35%) will require dialysis within the next 12 to 18 months. Accordingly, there is sufficient volume to justify the proposed facility.

3. Impact to Other Providers

As set forth throughout this application, there are no approved or existing dialysis facilities within 30 minutes of the proposed Red Bud facility. Accordingly, this criterion is not applicable.

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

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

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

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

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

Attached at Attachment – 26E is a letter from Luis Borgen, Chief Financial Officer of DaVita Inc. attesting that Red Bud Dialysis will participate in a dialysis data system, make support services available to patients, and provide access to training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training.

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

The minimum number of in-center hemodialysis stations for a dialysis facility located outside a Metropolitan Statistical Area is 4. Red Bud, Illinois is not located within a Metropolitan Statistical Area.¹⁶ The Applicants propose to establish an 8-station dialysis facility to be located in Red Bud, Illinois. Accordingly, this criterion is met.

¹⁶ Peter R. Orszag, Executive Office of the President, Office of Management and Budget, OMB Bulletin No. 10-02, Update of Statistical Area Definitions and Guidance on Their Use, List 1 (Dec. 1, 2009) available at <http://www.whitehouse.gov/sites/default/files/omb/assets/bulletins/b10-02.pdf> (last visited Jul. 29, 2011).

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

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

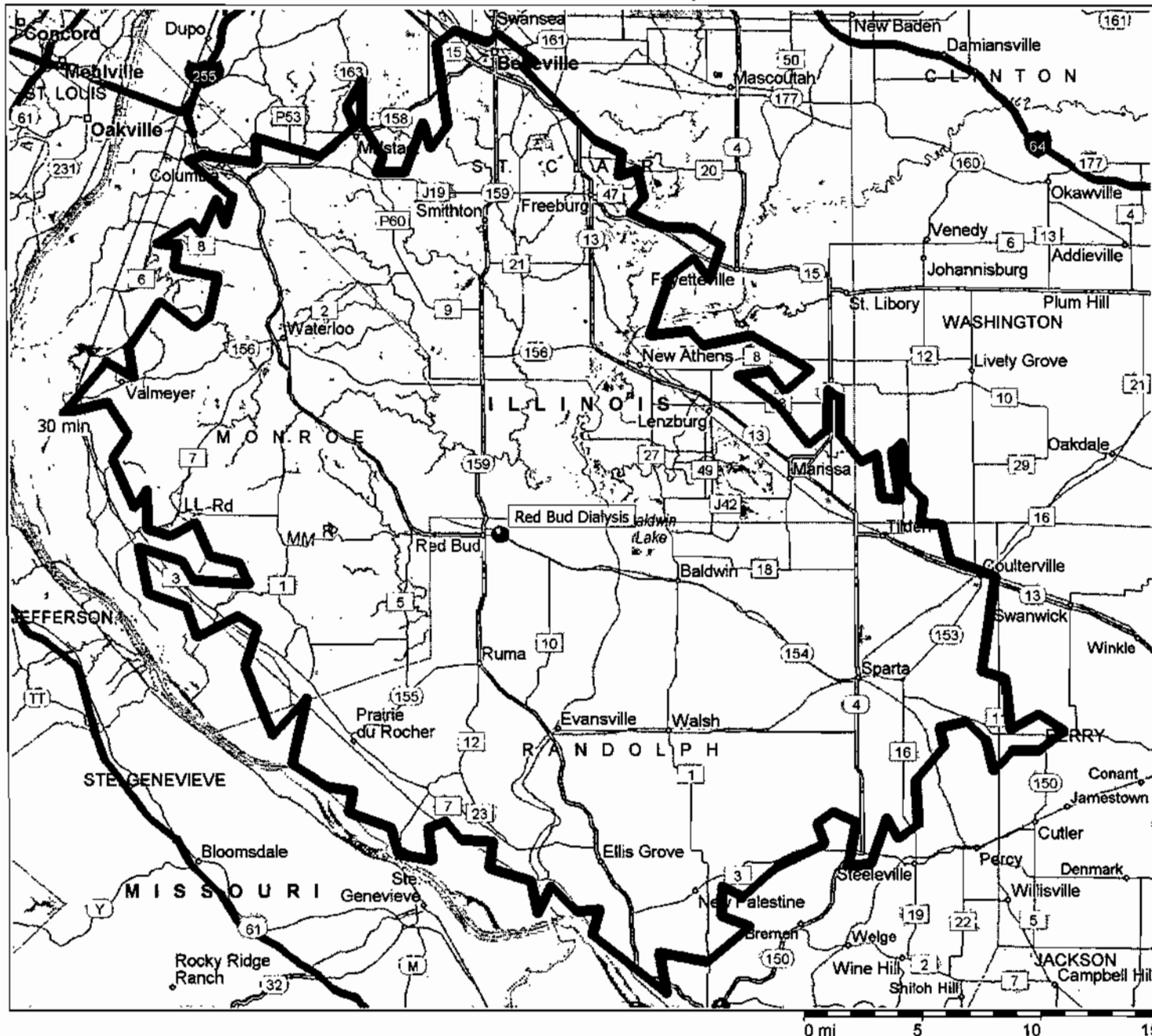
Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(i), Relocation of Services

The proposed project is for the establishment of a de novo 8-station dialysis facility. Thus, this criterion is not applicable.

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

Attached at Attachment – 26G is a letter from Luis Borgen, Chief Financial Officer of DaVita Inc. certifying that Red Bud Dialysis will achieve target utilization by the second year of operation and outcome measures will meet or exceed current standards.

Red Bud GSA Map



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

RECEIVED

MAR 08 2012

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

March 5, 2012

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

Dear Chairman Galassie:

I am a nephrologist in practice with Midwest Nephrology and Hypertension Associates ("Midwest Nephrology"). I am writing on behalf of Midwest Nephrology in support of DaVita's proposed establishment of an 8-station dialysis facility to be located at 1500 East Market Street, Red Bud, Illinois (the "Proposed Facility"). Currently, there is no dialysis facility within 30 minutes of the Proposed Facility. Based upon the current obesity epidemic and the aging population in and around Red Bud, we anticipate demand for dialysis to continue to increase. A new 8-station dialysis facility will increase access to dialysis services to our practice's growing end stage renal disease ("ESRD") patient population.

Midwest Nephrology is currently treating 406 ESRD patients. Over the past three years Midwest Nephrology referred 402 ESRD patients for dialysis: 130 ESRD patients in 2009, 149 ESRD patients in 2010, and 123 ESRD patients in 2011. The total number of patients treated by facility and zip code of residence for the most recent three years as reported to The Renal Network is attached hereto at Attachment 1.

Additionally, Midwest Nephrology is currently treating 827 pre-ESRD patients and has identified 110 pre-ESRD patients as potential referrals to the proposed Red Bud facility. We conservatively estimate 39 patients (or less 50% of these pre-ESRD patients) will be referred to the Proposed Facility. A list of these pre-ESRD patients by initials and zip code is attached hereto as Attachment 2. No patients will be transferred from other area providers to the Proposed Facility.

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

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

I support the proposed establishment of Red Bud Dialysis.

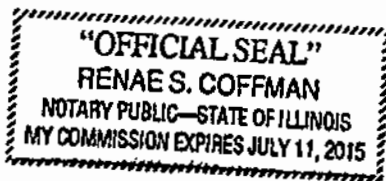
Sincerely,

Rashid Dalal

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

Subscribed and sworn to me ²⁰¹²
This 7th day of March, 2011

Renae S. Coffman
Notary Public



**ATTACHMENT 1
HISTORICAL REFERRALS**

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
DaVita Sauget				
Dalal	60302	0	1	0
	62059	0	1	0
	62201	0	1	2
	62203	1	0	1
	62204	1	4	6
	62205	2	4	1
	62206	5	5	7
	62207	1	2	2
	62208	0	0	0
	62221	2	0	0
	62223	0	1	0
	62226	0	0	0
	62232	1	0	0
	62236	1	1	0
	62239	0	0	1
Total - Dalal		14	20	20
Bashiruddin	62203	0	0	0
	62090	1	0	0
	62204	0	2	2
	62205	2	0	1
	62206	1	2	1
	62207	0	2	0
	62221	0	1	1
	62223	0	0	0
Total - Bashiruddin		4	7	5
Total - DaVita Sauget		18	27	25
DaVita Metro East				
Dalal	62060	1	0	0
	62201	1	1	2
	62202	1	0	0
	62203	0	6	3
	62204	1	0	1
	62205	0	0	1
	62206	1	3	0
	62207	2	1	5
	62208	0	1	0
	62220	2	3	0
	62221	2	5	4
	62223	3	4	2
	62226	3	9	6

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62230	1	0	0
	62232	0	1	0
	62234	0	1	0
	62243	0	2	0
	62249	1	1	0
	62254	0	0	2
	62255	1	0	0
	62257	1	1	0
	62258	0	0	1
	62260	1	1	0
	62264	0	1	0
	62265	0	1	0
	62269	0	3	4
	62278	0	0	1
	62285	0	0	2
	62298	0	1	0
Total - Dalal		22	46	34
Bashiruddin	62201	0	1	1
	62203	0	0	0
	62206	2	1	0
	62208	2	0	0
	62220	1	0	1
	62221	2	0	1
	62223	0	1	4
	62226	1	1	2
	62257	2	0	0
	62260	1	0	0
	62264	1	0	0
	62269	0	1	1
	62285	0	2	0
	62298	1	0	0
Total - Bashiruddin		13	7	10
Wendland	62040	0	1	0
	62201	0	1	0
	62202	0	1	0
	62203	0	2	1
	62205	0	1	1
	62206	0	2	0
	62207	0	1	3
	62208	0	3	1
	62220	0	2	0
	62221	1	9	2
	62223	1	6	0
	62226	0	2	2
	62232	0	1	0

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62234	0	0	1
	62243	0	2	1
	62258	0	3	0
	62260	0	0	1
	62264	0	1	0
	62269	0	3	0
	62285	0	0	0
Total - Wendland		2	41	13
Total - DaVita Metro East		37	94	57
DaVita Granite City				
Dalal	62059	1	0	0
	62040	6	3	5
	62060	1	0	1
	62090	1	0	0
	62201	0	1	3
	62203	1	0	0
	62206	1	0	0
	62207	0	0	1
	62220	1	0	0
	62257	2	0	0
Total - Dalal		14	4	10
Bashiruddin	62204	1	0	0
	62040	3	0	1
	62060	2	0	0
	62090	1	0	0
	62201	1	0	0
	62205	1	0	0
Total - Bashiruddin		9	0	1
Total - DaVita Granite City		23	4	11
DaVita Maryville				
Dalal	62040	1	0	0
	62202	1	0	0
	62234	0	0	1
	62269	0	0	1
	62281	0	1	1
	62294	0	1	0
Total - Dalal		2	2	3
Bashiruddin	62234	0	0	1
Total - DaVita Maryville		2	2	4
DaVita Edwardsville				
Bashiruddin	62234	1	0	0

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
Total - DaVita Edwardsville		1	0	0

RAI Fairview Heights				
Dalal	62040	0	0	0
	62203	0	0	0
	62204	0	0	3
	62206	1	0	0
	62208	0	0	4
	62220	0	1	0
	62221	0	0	2
	62223	0	2	0
	62226	0	1	0
	62232	0	1	0
	62234	1	0	1
	62254	1	1	0
	62257	1	1	0
	62258	0	1	0
	62260	0	0	0
	83115	1	0	0
Total - Dalal		5	8	10

Bashiruddin	62040	1	0	1
	62201	0	0	0
	62202	0	0	1
	62203	2	1	0
	62204	1	0	1
	62205	2	1	0
	62207	3	2	0
	62208	5	0	0
	62220	1	2	0
	62221	4	0	2
	62223	0	0	1
	62226	3	0	3
	62232	1	0	0
	62234	2	0	0
	62269	2	3	0
Total - Bashiruddin		27	9	9
Total - RAI Fairview Heights		32	16	19

RAI Breese				
Bashiruddin	62215	0	1	0
	62216	1	0	2
	62226	1	0	0
	62230	1	0	0
	62231	3	0	1

Facility	Zip Code	2009 Patients	2010 Patients	2011 Patients
	62245	1	0	0
	62249	0	1	1
	62257	1	0	0
	62258	2	0	0
	62265	0	0	1
	62269	4	0	0
	62293	0	1	0
	62801	0	1	0
Total - Bashiruddin		14	4	5
Total RAI Breese		14	4	5
BJC PD				
Dalal	62040	0	0	0
	62203	1	0	0
	62206	0	0	0
	62221	0	0	0
	62226	0	0	0
	62232	1	0	0
	62254	1	0	0
	62269	0	1	0
Total - Dalal		3	1	0
Bashiruddin	62258	0	1	0
	62221	0	0	1
	62236	0	0	1
Total - Bashiruddin		0	1	2
Total - BJC PD		3	2	2
Grand Total		130	149	123

**ATTACHMENT 2
PRE-ESRD PATIENTS**

Zip Code	Initials
62220	DH
	MS
	DM
	TL
	JA
	PL
	FL
	BH
	MK
	CG
	RL
	JM
	BP
	NS
	JE
	MA
	ST
	MH
	AS
	PL
	JR
	PG
	RG
	MK
	JK
	DA
	AR
	NW
	RS
	CS
	PH
	CF
	JR
	JB
	DR
	LJ
	WJ
	RN
	EM
	CG
	JS
	AY
	OC
	CV

Zip Code	Initials
	RS
	MT
	DO
	MM
	TS
	NB
	GK
	RJ
	ET
	JO
	AL
	ME
	PK
	HH
	ET
	JM
	RM
	FF
	PD
	DJ
	LG
	IC
	SH
62236	FB
	EK
	LM
62243	HS
	PA
	LW
	HS
	CO
	RR
	HB
	GS
	HD
	CC
	LK
	CH
	EM
	GH
	MS
	DS
	BW
	BB
	NK
	RM
	LB

Zip Code	Initials
	EM
	RH
	MK
	RP
62257	LA
	MA
	JS
62264	GB
	NV
	RW
62278	FL
62286	FS
	HW
	RW
	GS
62298	CE
	MF
	CJ
	PM

MEHER S. MALLICK, M.D.
10004 KENNERLY ROAD, SUITE 315-A
SAINT LOUIS, MO 63128
Phone (314) 843-3449 * Fax (314) 843-8762

SPECIALTIES:

Nephrology
Internal Medicine

PROFESSIONAL EXPERIENCE:

06/01 - Present	St. Louis Nephrology Associates, LLC. 10004 Kennerly Road, Suite 315-A Saint Louis, MO 63128	Private Practice Nephrology Consultant
11/98 - 06/01	Kidney Associates of Decatur, S.C. 1770 East Lake Shore Drive, Suite 201 Decatur, IL 62521	Private Practice Nephrology Consultant
06/95 - 10/98	Beloit Clinic, S.C. 1905 Huebbe Parkway Beloit, WI 53511 (608) 364-5011	Nephrology Consultant
06/95 - 10/98	Beloit Memorial Hospital 1969 West Hurt Road Beloit, WI 53511 (608) 364-5011	Assoc. Director Dialysis Unit
11/94 - 06/95	Wankesha Memorial Hospital Wankesha, WI	Nephrology Consultant
11/94 - 06/95	Memorial Hospital of Oconomowac Oconomowac, WI	Nephrology Consultant
04/85 - 06/87	Boston City Hospital Boston, MA	Pharmacy Dept. Technician
03/83 - 12/84	Habib Clinic Karachi, Pakistan	General Practitioner

Attachment - 26C

EDUCATION

1972 - 1974	St. Patrick's College	Karachi, Pakistan
<i>Pre-Medical Education</i>		
<i>Gold Medal Award - 1st in Class</i>		
1975 - 1982	Dow Medical College	Karachi, Pakistan
<i>Bachelor Of Medicine / Bachelor of Surgery</i>		
<i>Merit Standing for Entrance: 13th of 2000</i>		
2/82 - 1983	Civil Hospital (Intership)	
Karachi, Pakistan		
<i>Internal Medicine Intern / General Surgery Internal</i>		
7/84	FMGEMS (Foreign Medical Graduate Exam in Medical Sciences)	#347-873-2
6/85	FLEX (Federation License Exam)	#570502010
6/87 - 6/88	St. Anthony's Medical Center	Milwaukee, WI
Externship	Department of Medicine	
6/88 - 6/90	Sinai Samaritan Medical Center	Milwaukee, WI
Internship	Internal Medicine	
7/90 - 6/92	Sinai Samaritan Medical Center	Milwaukee, WI
Residency	Internal Medicine	
7/92 - 6/94	Albert Einstein Medical Center	Philadelphia, PA
Fellowship	Kraftsow Division of Nephrology (215) 456-6970	

BOARD CERTIFICATIONS:

American Board of Nephrology	11/96 - present
American Board of Internal Medicine	1993

AFFILIATIONS:

St. Anthony's Medical Center - St. Louis, MO 63128	09/26/2001 to present
DesPeres Hospital - St. Louis, MO	12/04/2001 to present
St. Clare Hospital - St. Louis, MO	09/24/2009 to present
Missouri Baptist Medical Center - St. Louis, MO	01/26/2004 to present
St. John's Mercy Medical Center - St. Louis, MO	01/01/2004 to present
Jerseyville Hospital, Jerseyville, IL 62052	01/01/2004 to present
Medical Director of Davita Dialysis Unit Jerseyville, IL	01/01/2010 to present

LICENSURE

State of Missouri #2001009904	Active
State of Illinois #036099093	Active

PERSONAL

Birthdate: May 2, 1957
Place of Birth: Pakistan
Citizenship: United States of America
Languages: English, Urdu
Family Status: Married/Three Children
Home Address: 1505 Schoettler Drive
Chesterfield, MO 63017
Phone (Home) [REDACTED]
(Cell) [REDACTED]
(Work) 314-843-3449

PROGRAM DESCRIPTION

Introduction to Program

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

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

DaVita hires both non-experienced and experienced teammates.

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

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

An **experienced teammate** is defined as:

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

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

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

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

Program Description

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Process of Program Evaluation

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



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

March 12, 2012

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

Re: Certification of Support Services

Dear Chairman Galassie:

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

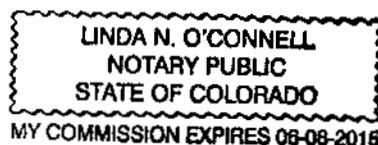
I also certify the following with regard to needed support services:

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

Sincerely,

Luis Borgen
Chief Financial Officer
DaVita Inc.
Total Renal Care, Inc.

Subscribed and sworn to me
This 12th day of March, 2012

Notary Public

Attachment – 26E

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

PATIENT TRANSFER AGREEMENT

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

WITNESSETH

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

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

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

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

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

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

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

4/18/07
(a) Hospital agrees to exercise its best efforts to provide for prompt admission of patients provided that all usual, reasonable conditions of admission are met. All transfers between the facilities shall be made in accordance with applicable federal and state laws and regulations, the standards of the Joint Commission on the Accreditation of Healthcare Organizations ("JCAHO") and any other applicable accrediting bodies, and reasonable policies and procedures of the facilities. Transfer record forms shall be completed in detail and signed by the physician or nurse in charge at Company and must accompany the patient to the receiving institution.

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

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

2. COMPANY OBLIGATIONS.

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

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

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

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

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

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

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

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

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

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

7. **INDEMNIFICATION.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

COMPANY:

Total Renal Care, Inc.

By: Cindy EmeryName: CINDY EMERYTitle: Regional Operations Director**HOSPITAL:**Southwestern Illinois Health
Facilities, Inc. dba Anderson
HospitalBy: Patricia A. PeverlyName: Patricia A. PeverlyTitle: Chief Nursing Officer**APPROVED AS TO FORM ONLY:**By: Steven E. LiebName: Steven E. LiebTitle: Group General Counsel



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

March 12, 2012

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

Re: In-Center Hemodialysis Assurances

Dear Chairman Galassie:

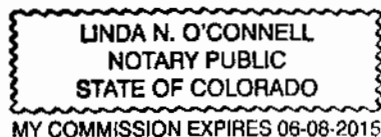
Pursuant to 77 Ill. Admin. Code § 1110.1430(j), I hereby certify the following:

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

Sincerely,

Luis Borgen
Chief Financial Officer
DaVita Inc.
Total Renal Care, Inc.

Subscribed and sworn to me
This 12th day of March, 2012

Notary Public

Attachment – 26G

Section VIII, Financial Feasibility
Criterion 1120.120 Availability of Funds

The project will be funded with \$1,517,480 in cash and securities and a lease with OGA Acquisition, LLC for \$849,593. A copy of DaVita's 2011 10-K Statement, evidencing sufficient funds to finance the proposed project is included as a supplement to this application. A letter of intent to lease the facility is attached at Attachments – 39A.



USI REAL ESTATE BROKERAGE SERVICES INC.

A USI COMPANY

2215 YORK RD, SUITE 110
OAKBROOK, IL 60523

TELEPHONE: 630-990-3675
FACSIMILE: 630-990-2300

March 5, 2012

Mr. Bond Oman
Oman-Gibson
P. O. Box 925
Brentwood, TN 37024-0925

RE: Request For Proposal
Project Development
Red Bud, IL 62278

Dear Bond:

USI Real Estate Brokerage Services, Inc., in conjunction with Balke Brown Transwestern has been exclusively authorized by DaVita Inc. to assist in securing a lease requirement for the company. DaVita Inc. is a Fortune 500 company with over 1,700 locations across the country and revenues in excess of \$8 billion.

We are currently surveying the Red Bud, IL area to identify all of the alternatives available that best suit the Tenant's business and operational needs. Of the properties reviewed the development site owned by the City of Red Bud has been identified as one that potentially meets the necessary requirements. We are requesting that you provide a written response to lease the above referenced Property to be built by you through the DaVita Preferred Developer Program ("PDP"). We request that you deliver your response no later than **March 6, 2012**. Please prepare the proposal to respond to the following terms:

<u>PREMISES:</u>	1500 East Market Street, Red Bud, IL 62278
<u>TENANT (or "Lessee"):</u>	DaVita, Inc.
<u>LANDLORD (or "Lessor"):</u>	OGA Acquisitions, LLC (entity TBD)
<u>SPACE REQUIREMENT:</u>	Requirement is for approximately 6,000 contiguous rentable square feet. Tenant shall have the right to measure space based on most recent BOMA standards.
<u>PRIMARY TERM:</u>	15 years

<u>BASE RENT:</u>	\$14.50 per square foot initial rent NNN 10% rent increase at the end of each 5 year period
<u>ADDITIONAL EXPENSES:</u>	<u>Taxes and Insurance Estimated at \$3.00 per square foot</u> <i>Please indicate what, if any, utility costs Tenant will be responsible for paying that are not included in operating expenses or Base Rent.</i> <u>100%</u> Landlord agrees to limit the cumulative operating expense costs to no greater than five (5) percent increase annually.
<u>LANDLORD'S MAINTENANCE:</u>	Landlord, at its sole cost and expense, shall be responsible for the structural and capitalized items (per GAAP standards) for the Property.
<u>POSSESSION AND RENT COMMENCEMENT:</u>	Landlord shall deliver Possession of the Premises to the Tenant upon the later of completion of Landlord's required work or mutual lease execution. Rent Commencement shall be the earlier of seven (7) months from Possession or until: a. Construction improvements within the Premises have been completed in accordance with the final construction documents (except for nominal punch list items); and b. A certificate of occupancy for the Premises has been obtained from the city or county; and c. Tenant has obtained all necessary licenses and permits to operate its business.
<u>LEASE FORM:</u>	Tenant's standard lease form to match PDP requirements.
<u>USE:</u>	The Use is for a Dialysis Clinic, medical offices or other lawfully permitted use.
<u>PARKING:</u>	Tenant requests four (4) stalls per 1,000 rsf, and two (2) dedicated handicapped stalls.
<u>BASE BUILDING:</u>	Landlord shall deliver to the premises the Base Building improvements included in the attached Exhibit B.
<u>TENANT IMPROVEMENTS:</u>	<i>Please provide the tenant improvement allowance offered (psf).</i> <u>None.</u>
<u>OPTION TO RENEW:</u>	Two (2), five (5) year options to renew the lease. Renewal terms to follow standard PDP requirements.

<u>RIGHT OF FIRST OPPORTUNITY ON ADJACENT SPACE:</u>	Tenant shall have the on-going right of first opportunity on any adjacent space that may become available during the initial term of the lease and any extension thereof, under the same terms and conditions of Tenant's existing lease.
<u>FAILURE TO DELIVER PREMISES:</u>	If Landlord has not delivered the Premises to Tenant with all base building items substantially completed by ninety (90) days from lease execution, Tenant may elect to a) terminate the lease by written notice to Landlord or b) elect to receive two days of rent abatement for every day of delay beyond the ninety (90) day delivery period.
<u>HOLDING OVER:</u>	Terms to match standard PD program.
<u>TENANT SIGNAGE:</u>	Tenant shall have the right to install building, monument and pylon signage at the Premises, subject to compliance with all applicable laws and regulations. Landlord, at Landlord's expense, will furnish Tenant with any standard building directory signage.
<u>BUILDING HOURS:</u>	Tenant requires building hours of 24 hours a day, 7 days a week.
<u>SUBLEASE/ASSIGNMENT:</u>	Sublease/Assignment terms to be detailed in the Lease and will follow standard PDP provisions.
<u>ROOF RIGHTS:</u>	Tenant shall have the right to place a satellite dish on the roof at no additional fee.
<u>NON COMPETE:</u>	Landlord agrees not to lease space to another dialysis provider within a five (5) mile radius of Premises.
<u>HVAC:</u>	<i>See Exhibit B</i>
<u>DELIVERIES:</u>	<i>See Exhibit B</i>
<u>OTHER CONCESSIONS:</u>	None.
<u>GOVERNMENTAL COMPLIANCE:</u>	Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause the Premises, common areas, the building and parking facilities to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA) and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s).
<u>CONTINGENCIES:</u>	Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need

(CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to July 5, 2012. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises by July 5, 2012 neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE:

Landlord recognizes USI Real Estate Brokerage Services Inc. and Balke Brown Transwestern as the Tenant's sole representatives and shall pay a brokerage fee per separate commission agreement based on the standard PDP Agreement.

PLANS:

Please provide copies of site and construction plans or drawings.

Please submit your response to this Request for Proposal via e-mail and hard copy to:

Edgar Levin
JCI Real Estate Alliance
2215 York Road, Suite 110
Oak Brook, IL 60521
edgar.levin@jci.com

It should be understood that this Request for Proposal is subject to the terms of Exhibit A attached hereto. The information in this email is confidential and may be legally privileged. It is intended solely for the addressee. Access to this email by anyone else is unauthorized.

Thank you for your time and consideration to partner with DaVita.

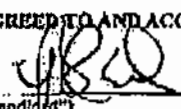
Sincerely,



Edgar Levin
Global Real Estate Alliance
Johnson Controls, Inc.

cc: David Cleary
Christian Masse

AGREED TO AND ACCEPTED THIS 6th DAY OF MARCH 2012

By: 
("Landlord")

AGREED TO AND ACCEPTED THIS 6th DAY OF MARCH 2012

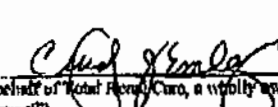
By: 
On behalf of Total Rent Care, a wholly owned subsidiary of DaVita, Inc.
("Tenant").

EXHIBIT A

NON-BINDING NOTICE

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

EXHIBIT B

SCHEDULE A - TO WORK LETTER

MINIMUM BASE BUILDING IMPROVEMENT REQUIREMENTS

At a minimum, the Lessor shall provide the following Base Building and Site Development Improvements to meet Lessee's Building and Site Development specifications at Lessor's sole cost:

All MBBI work completed by the Lessor will need to be coordinated and approved by the Lessee and there Consultants prior to any work being completed, including shop drawings and submittal reviews.

1.0 - Building Codes & Design

All Minimum Base Building Improvements (MBBI) and Site Development are to be performed in accordance with all current local, state, and federal building codes including any related amendments, fire and life safety codes, ADA regulations, State Department of Public Health, and other applicable codes as it pertains to Dialysis. All Lessor's work will have Governmental Authorities Having Jurisdiction ("GAHJ") approved architectural and engineering (Mechanical, Plumbing, Electrical, Structural, Civil, Environmental) plans and specifications prepared by a licensed architect and engineer and must be coordinated with the Lessee Improvement plans and specifications.

2.0 - Zoning & Permitting

Building and premises must be zoned to perform services as a dialysis clinic. Lessor to provide all permitting related to the base building and site improvements.

3.0 - Common Areas

Lessee will have access and use of all common areas i.e. Lobbies Hallways, Corridors, Restrooms, Stairwells, Utility Rooms, Roof Access, Emergency Access Points and Elevators. All common areas must be code and ADA compliant for Life Safety per current federal, state and local code requirements.

4.0 Foundation and Floor

The foundation and floor of the building shall be in accordance with local code requirements. The foundation and concrete slab shall be designed by the Lessor's engineer to accommodate site-specific Climate and soil conditions and recommendations per Lessor's soil engineering and exploration report (To be reviewed and approved by Lessee's engineer).

Foundation to consist of formed concrete spread footing with horizontal reinforcing sized per geotechnical engineering report. Foundation wall, sized according to exterior wall systems used and to consist of formed and poured concrete with reinforcing bars or a running bond masonry block with proper horizontal and vertical reinforcing within courses and cells. Internal masonry cells to be concrete filled full depth entire building perimeter. Foundation wall to receive poly board R-10 insulation on interior side of wall on entire building perimeter (if required by code). Provide proper foundation drainage.

The floor shall be concrete slab on grad and shall be a minimum five-inch (5") thick with minimum concrete strength of 3,000-psi and proper wire mesh, fiber mesh, and/or rebar reinforcement over vapor barrier and granular fill per Lessor's soils and/or structural engineering team whichever is more stringent. Finish floor elevation to be a minimum of 8" above finish grade. Include proper expansion control joints. Floor shall be level (1/8" with 10' of run), smooth, broom clean with no adhesive residues, in a condition that is acceptable to install floor coverings in accordance with the flooring manufacturer's specifications. Concrete floor shall be constructed so that no more than 3-lbs.of moisture per 1000sf/24 hours is emitted per completed calcium chloride testing results after 28 day cure time. Means and methods to achieve this

level will be responsibility of the Lessor. Under slab plumbing shall be installed by Lessee's General Contractor in coordination with Lessor's General Contractor, inspected by municipality and Lessee for approval prior to pouring the building slab.

5.0 - Structural

Structural systems shall be designed to provide a minimum 13'-0" clearance (for 10'-0" finished ceiling height and 15' clearance for a 12" ceiling height) to the underside of the lowest structural member from finished slab and meet building steel (Type II construction or better) erection requirements, standards and codes. Structural design to allow for ceiling heights (as indicated above) while accommodating all Mechanical, Plumbing, Electrical above ceiling. Structure to include all necessary members including, but not limited to, columns, beams, joists; load bearing walls, and demising walls. Provide necessary bridging, bracing, and reinforcing supports to accommodate all Mechanical systems (Typical for flat roofs - minimum of four (4) HVAC roof top openings, one (1) roof hatch opening, and four (4) exhaust fans openings).

The floor and roof structure shall be fireproofed as needed to meet local building code and regulatory requirements.

Roof hatch shall be provided and equipped with ladders meeting all local, state and federal requirements.

6.0 - Exterior walls

Exterior walls to be fire rated if required by local or State code requirements. If no fire rating is required, walls shall be left as exposed on the interior side of the metal studs or masonry/concrete with exterior insulation as required to meet code requirements and for an energy efficient building shell. Lessee shall be responsible for interior gyp board, taping and finish.

7.0 - Demising walls

All demising walls shall be a 1 or 2hr fire rated wall depending on local, state and/or regulatory (NFPA 101 - 2000) codes requirements whichever is more stringent. Walls will be installed per UL design and taped (Lessee shall be responsible for final finish preparation of gypsum board walls on Lessee side only). At Lessee's option and as agreed upon by Lessor, the interior drywall finish of demising walls shall not be installed until after Lessee's improvements are complete in the wall. Walls to be fire caulked in accordance with UL standards at floor and roof deck. Demising walls will have sound attenuation batts from floor to underside of deck.

8.0 - Roof Covering

The roof system shall have a minimum of a fifteen (15) year life span with full (no dollar limit - NDL) manufacturer's warranty against leakage due to ordinary wear and tear. Roof system to include a minimum of R-30 insulation. Ice control measures mechanically or electrically controlled to be considered in climates subject to these conditions. Downspouts to be connected into controlled underground discharge for the rain leaders into the storm system for the site or as otherwise required meeting local storm water treatment requirements. Storm water will be discharged away from the building, sidewalks, and pavement. Roof and all related systems to be maintained by the Lessor for the duration of the lease. Lessor to provide Lessee copy of material and labor roof warranty for record.

9.0 - Parapet

Lessor to provide a parapet wall based on building designed/type. HVAC Rooftop units should be concealed from public view if required by local code.

10.0 - Façade

Lessor to provide specifications for building façade for lessee review and approval. All wall system to be signed off by a Lessor's Structural Engineer. Wall system options include, but not limited to:

4" Face brick Veneer on 6" 16 or 18ga metal studs (or wood equal), R- 19 or higher batt wall insulation, on Tyvek (commercial grade) over 5/8" exterior grade gypsum board (or plywood).

Or

2" EIFS on 6" 16 or 18ga metal studs (or wood equal), R- 19 or higher batt wall insulation, on ½" cement board or equal

Or

8" Split faced block with 3-1/2" to 6" 20ga metal stud furring (or wood equal), batt wall insulation to meet energy code and depth of mtl stud used.

11.0 - Canopy

Covered drop off canopy at Lessee's front entry door. Approximate size to be 16' width by 21' length with 10'-9" minimum clearance to structure with full drive thru capacity. Canopy to accommodate patient drop off with a level grade ADA compliant transition to the finish floor elevation. Canopy roof to be an extension of the main building with blending rooflines. Controlled storm water drainage requirements of gutters with downspouts connected to site storm sewer system or properly discharged away from the building, sidewalks, and pavement. Canopy structural system to consist of a reinforced concrete footing, structural columns and beam frame, joists, decking and matching roof covering. Canopy columns clad with cementitious board and masonry veneer piers, matching masonry to main building. Steel bollards at column locations.

12.0 - Waterproofing and Weatherproofing

Lessor shall provide complete water tight building shell inclusive but not limited to, Flashing and/or sealant around windows, doors, parapet walls, Mechanical / Plumbing / Electrical penetrations. Lessor shall properly seal the building's exterior walls, footings, slabs as required in high moisture conditions such as (including but not limited to) finish floor sub-grade, raised planters, and high water table. Lessor shall be responsible for replacing any damaged items and repairing any deficiencies exposed during / after construction of tenant improvement.

13.0 - Windows

Lessor to provide code compliant energy efficient windows and storefront systems to be 1" tinted insulated glass with thermally broken insulated aluminum mullions. Window size and locations to be determined by Lessee's architectural floor plan and shall be coordinate with Lessee's Architect.

14.0 - Thermal Insulation

All exterior walls to have a vapor barrier and insulation that meets or exceeds the local and national energy codes. The R value to be determined by the size of the stud cavity and should extend from finish floor to bottom of floor or ceiling deck. Roof deck to have a minimum R-30 insulation mechanically fastened.

15.0 - Exterior Doors

All doors to have weather-stripping and commercial grade hardware (equal to Schlage L Series or better). Doors shall meet American Disability Act (ADA), and State Department of Health requirements. Lessor shall change the keys (reset tumblers) on all doors with locks after construction, but prior to commencement of the Lease, and shall provide Lessee with three (3) sets of keys. Final location of doors to be determined by Lessee architectural floor plan and shall be coordinate with Lessee's Architect. At a minimum, the following doors, frames and hardware shall be provided by the Lessor:

- Patient Entry Doors: Provide Storefront with insulated glass doors and Aluminum framing to be 42" width including push paddle/panic bar hardware, continuous hinge and lock mechanism. Door to be prepped to accept power assist opener and push button keypad lock provided by Lessee.
- Service Doors: Provide 72" wide double door (Alternates for approval by Lessee's Project Manager to include: 60" Roll up door, or a 48" wide single door or double door with 36" and 24" doors) with 20 gauge insulated hollow metal (double doors), Flush bolts, T astragal, Heavy Duty Aluminum threshold, continuous hinge each leaf, prepped for panic bar hardware (as required by code) painted with rust inhibiting paint and prepped to receive a push button keypad lock provided by Lessee. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Lessee.
- Fire Egress Doors: Provide 36" wide door with 20 gauge insulated hollow metal door or Aluminum frame/glass door with panic bar hardware, lock, hinges, closer and painted with rust inhibiting paint. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Lessee.

16.0 - Utilities

All utilities to be provided at designated utility entrance points into the building at locations approved by the Lessee. Lessor is responsible for all tap/connection and impact fees for all utilities. All Utilities to be coordinated with Lessee's Architect. Lessor shall have contained within the building a common main room to accommodate the utility services which include, but not limited, to electrical, fire alarm, security alarm and fire riser if in a multi tenant building.

17.0 - Plumbing

Lessor to provide a segregated/dedicated 2" water line (not tied-in to any other lessee spaces, fire suppression systems, or irrigation systems) with a shut off valve, 2 (two) 2" back flow preventors (with floor drain under BFP) in parallel, and 2" meter (1-1/2" meter under special circumstances which must be approved by Lessee) to provide a continuous minimum 50 psi, with a minimum flow rate of 30 gallons per minute to Lessee space. Lessor to provide Lessee with the most recent water flow and pressure test results (gallons per minute and psi) for approval. Lessor shall perform water flow and pressure test prior to lease execution. Lessor shall stub the dedicated water line into the building per location coordinated by Lessee. Lessor to provide and pay for all tap fees related to new sanitary sewer and water services in accordance with local building and regulatory agencies.

Exterior (anti-freeze when required) hose bibs (minimum of 2) in locations approved by Lessee.

Sanitary sewer line to be minimum of four-inch (4") and shall be stubbed into the building per location coordinated by Lessee at finished floor elevation with a cleanout structure at sufficient depth to continuously waste 30 gallons per minute. Invert level of new 4" sanitary line will be a minimum of 4'-6" and a maximum of 10'-0" below finished floor at the point of entry, coordinate actual depth and location with Lessee's Architect and Engineer. New sanitary line will be properly pitched to accommodate Lessee's sanitary system per Lessee's plumbing plans.

Sanitary sampling manhole to be installed by Lessor if required by local municipality.

18.0 - Fire Suppression System

Single story stand alone buildings under 10,000sf will not require a Sprinkler System unless requested by Lessee. Single story stand alone buildings greater than 10,000 will require a sprinkler system. Lessor shall design and install a complete turnkey sprinkler system (less drops and heads in Lessee's space) that meets all local building and life safety codes per NFPA 101-2000. This system will be on a dedicated water line independent of Lessee's water line requirements, including municipal approved shop drawings, service drops and sprinkler heads at heights per Lessee's reflective ceiling plan, flow control switches

wired and tested, alarms including wiring and an electrically/telephonically controlled fire alarm control panel connected to a monitoring systems for emergency dispatch.

Lessor to provide main Fire Alarm panel that serves the Lessee space and will have the capacity to accommodate devices in Lessee space based on final approved Fire Alarm system approved by local Building or Fire Department. If lease space is in a multi tenant building then Lessor to provide Fire Alarm panel to accommodate all tenants and locate panel in a common room with conduit stub into lessee space.

Fire Suppression and Alarm system equipment shall be equipped for double detection activation per GAHJ.

19.0 - Electrical

Provide underground service with a dedicated meter via a new CT cabinet. Service size to be determined by Lessee's engineer dependant on facility size and gas availability (400amp to 800amp service) 120/208 volt, 3 phase, 4 wire to a load center in the Lessee's utility room (location to be per Code and coordinated with Lessee and their Architect) for Lessee's exclusive use in powering equipment, appliances, lighting, heating, cooling and miscellaneous use. Transformer coordination with utility company, transformer pad, and underground conduit sized for service, circuit termination cabinet, grounding rod, main panel with breaker, conduit and wire inclusive of excavation, trenching and restoration. Lessee's engineer shall have the final approval on the electrical service size and location.

Lessor will allow Lessee to have installed, at Lessee cost, Transfer Switch for temporary generator hook-up, or permanent generator.

20.0 - Gas

Natural gas service, at a minimum, will be rated to have 6" water column pressure and supply 800,000-BTU's. Natural gas pipeline shall be stubbed into the building per location coordinated with Lessee and shall be individually metered and sized per demand. Additional electrical service capacity will be required if natural gas service is not available to the building.

21.0 - Mechanical /Heating Ventilation Air Conditioning

Lessor to be responsible for the cost of the HVAC system based on the below criteria.

Lessee will be responsible for the purchase and installation of the HVAC system based on below criteria.

The criteria is as follows: Equipment to be Carrier or Trane. Equipment will be new and come with a full warranty on parts (minimum of 5yrs) including labor. Supply air shall be provided to the Premises sufficient for cooling at the rate of 325 square feet per ton to meet Lessee's demands for a dialysis facility. Ductwork shall be extended 5' into the space for supply and return air. System to be a ducted return air design. All ductwork to be externally lined except for the drops from the units. Work to include, but not limited to, the purchase of the units, installation, roof framing, mechanical curbs, flashings, gas & electrical hook-up, thermostats and start-up. Anticipate minimum up to five (5) zones with programmable thermostat. Lessee's engineer shall have the final approval on the sizes, tonnages, zoning, location and number of HVAC units based on design criteria and local and state codes.

Lessor to furnish steel framing members, roof curbs and flashing to support Lessee exhaust fans (minimum of 4) to be located by Lessee's architect.

22.0 - Telephone

Lessor shall provide a single 2" PVC underground conduit entrance into Lessee's utility room to serve as chase way for new telephone service. Entrance conduit location shall be coordinated with Lessee.

23.0 - Cable TV

Lessor shall provide a single 2" PVC underground conduit entrance into Lessee utility room to serve as chase way for new cable television service. Entrance conduit location shall be coordinated with Lessee. Cable television to be provided from pedestal to building, direct burial and fed thru to Lessee's utility entrance. Lessor to coordinate with utility provider to arrange for service, should it not be immediately available. Lessor will need to grant right of access to cable company for new service. Lessor will also allow for a satellite dish on the roof regardless if cable is present or not.

24.0 - Handicap Accessibility

Full compliance with ADA and all local jurisdictions' handicap requirements. Lessor shall comply with all ADA regulations affecting the Building and entrance to Lessee space including, but not limited to, the elevator, exterior and interior doors, concrete curb cuts, ramps and walk approaches to / from the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) HC stalls for units over 20 stations handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

Finish floor elevation is to be determined per Lessee's architectural plan in conjunction with Lessor's civil engineering and grading plans. If required, Lessor to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide a gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition according to accessible standards.

25.0 - Exiting

Lessor shall provide at the main entrance and rear doors safety lights, exterior service lights, exit sign with battery backup signs per doorway, in accordance with applicable building codes, local fire codes and other applicable regulations, ordinances and codes. The exiting shall encompass all routes from access points terminating at public right of way.

26.0 - Site Development Scope of Requirements

Lessor to provide Lessee with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Lessee Architect for coordination purposes. Site development is to include the following:

- Utility extensions, service entrance locations, inspection manholes;
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with Storm water management control measures (detention / retention / restrictions);
- Refuse enclosure location & construction details for trash and recycling;
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Lessee signage;
- Site and parking to accommodate tractor trailer 18 wheel truck delivery access to service entrance;
- Ramps and curb depressions.
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Lessor so desires and will be designed by landscape architect and approved by planning department;

- Construction details, specifications / standards of installation and legends;
- Final grade will be sloped away from building.

27.0 - Refuse Enclosure

Lessor to provide a minimum 6" thick reinforced concrete pad approx 100 to 150SF based on Lessee's requirements' and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.

28.0 - Generator

Lessor to allow a generator to be installed onsite if required by code or Lessee chooses to provide one.

29.0 - Site Lighting

Lessor to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Lessee power panel. Location of pole fixtures per Lessor civil plan to maximize illumination coverage across site. Parking lot lighting to include timer (to be programmed per Lessee hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Lessor house panel (if in a Multi tenant building) and equipped with a code compliant 90 minute battery back up at all access points.

30.0 - Exterior Building Lighting

Lessor to provide adequate lighting and power per code and to illuminate the building main, exit and service entrance, landings and related sidewalks. Lighting shall be connected to and powered by Lessor house panel and equipped with a code compliant 90 minute battery back up at all access points.

31.0 - Parking Lot

Provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment.

Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway.

Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into & out of new patient drop off canopy and provide positive drainage to in place storm catch basins leaving surface free of standing water, bird baths or ice buildup potential.

32.0 - Site Signage

Lessor to allow for an illuminated site and/or façade mounted signs. A monument and/or the pylon structure to be provided by Lessor with power and a receptacle. Final sign layout to be approved by Lessee and the City.



Oman-Gibson
ASSOCIATES

March 21, 2012

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

Re: Red Bud Dialysis

Dear Mr. Galassie:

OGA Acquisitions, LLC ("OGA") is developing the building that will house the proposed Red Bud Dialysis facility to be located at 1500 East Market Street, Red Bud, Illinois. The building has not been constructed and will be located on an empty lot. Based on the site conditions and planned square footage, OGA anticipates the construction costs for the proposed Red Bud Dialysis facility will be \$849,593. These costs are based on past projects, anticipated building finishes and design requirements of the City of Red Bud and the Centers for Medicare and Medicaid Services.

Sincerely,

Bond E. Oman, CEO
OGA Acquisitions, LLC

Section IX, Financial Feasibility
Criterion 1120.130 – Financial Viability Waiver

All project capital expenses will be funded through internal resources. A copy of DaVita's 2011 10-K Statement evidencing sufficient funds to finance the proposed project is included as a supplement to this application.

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

Attached at Attachment 42-A is a letter from Luis Borgen, Chief Financial Officer of DaVita Inc. attesting that the total estimated project costs and related costs will be funded in total with cash and cash equivalents.



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

March 12, 2012

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

Re: Reasonableness of Financing Arrangements

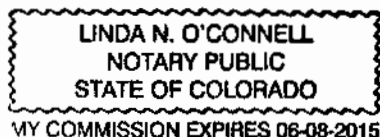
Dear Chairman Galassie:

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

Sincerely,

Luis Borgen
Chief Financial Officer
DaVita Inc.
Total Renal Care, Inc.

Subscribed and sworn to me
This 12th day of March, 2012

Notary Public

Attachment – 42A

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

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

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

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

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	\$148.33		6,000				\$890,000		\$890,000
Contingency	\$14.83		6,000				\$89,000		\$89,000
TOTALS	\$163.17		6,000				\$797,000		\$979,000

* Include the percentage (%) of space for circulation

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

Table 1120.310(c)			
	Proposed Project	State Standard	Above/Below State Standard
Construction Contracts	\$890,000	$\$213.21 \text{ per gsf} =$ $\$213.21 \times 6,000 =$ $\$968,087$	Below State Standard
Contingencies	\$89,000	$10\% \text{ of Construction Contracts} =$ $10\% \times \$890,000 =$ $\$89,000$	Meets State Standard
Architectural/Engineering Fees	\$90,000	$6.90\% - 10.36\% \times$ $(\text{Modernization Costs} +$ $\text{Contingencies}) =$ $6.95\% - 10.43\% \times$ $(\$890,000 + \$89,000) =$ $6.95\% - 10.43\% \times$ $\$979,000$	Below State Standard

Table 1120.310(c)			
	Proposed Project	State Standard	Above/Below State Standard
		\$68,040 - \$102,110	
Consulting and Other Fees	\$50,000	No State Standard	
Moveable Equipment	\$315,755	$\$39,945 \text{ per station} \times 8 \text{ stations}$ $\$39,945 \times 8 =$ $\$319,560$	Below State Standard
Other Costs to be Capitalized	\$82,725	No State Standard	

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

Operating Expenses: \$1,688,478

Treatments: 6,084

Operating Expense per Treatment: \$277.53

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

Capital Costs:

Depreciation:	\$88,782
Amortization	\$ 5,828
Total Capital Costs:	\$94,609

Treatments: 6,084

Capital Costs per Treatment: \$15.55

Section XI, Safety Net Impact Statement

1. This criterion is required for all substantive and discontinuation projects. DaVita Inc. and its affiliates are safety net providers of dialysis services to residents of the State of Illinois. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2010 Community Care report, which details DaVita's commitment to quality, patient centric focus and community outreach, was previously submitted on January 25, 2012 as part of Applicants' application for Proj. No. 12-008. DaVita has taken on many initiatives to improve the lives of patients suffering from CKD and ESRD. These programs include the EMPOWER, IMPACT, CathAway, and transplant assistance programs. Furthermore, DaVita is an industry leader in the rate of fistula use and had the lowest day-90 catheter rates among large dialysis providers in 2010. Its commitment to improving clinical outcomes directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which is \$509 million in savings to the health care system and the American taxpayer in 2010.

DaVita accepts and dialyzes patients with renal failure needing a regular course of dialysis without regard to race, color, national origin, gender, sexual orientation, age, religion, disability or ability to pay. Because of the life sustaining nature of dialysis, federal government guidelines define renal failure as a condition that qualifies an individual for Medicare benefits eligibility regardless of their age and subject to having met certain minimum eligibility requirements including having earned the necessary number of work credits. Indigent ESRD patients who are not eligible for Medicare and who are not covered by commercial insurance are eligible for Medicaid benefits. If there are gaps in coverage under these programs during coordination of benefits periods or prior to having qualified for program benefits, grants are available to these patients from both the American Kidney Foundation and the National Kidney Foundation. If none of these reimbursement mechanisms are available for a period of dialysis, financially needy patients may qualify for assistance from DaVita in the form of free care. DaVita submits the following information regarding the amount of charity and Medicaid care provided over the most recent three years.

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

2. The proposed project will not impact the ability of other health care providers or health care systems to cross-subsidize safety net services. In fact, the Proposed Facility will bolster the community's health care services system. There is currently a critical access hospital and skilled nursing facility in Red Bud, both of which have a significant Medicare and Medicaid patient base. The presence of another health care provider in community, which is not competitive with their core services, will help to preserve the health care system in the community.
3. The proposed project is for the establishment of an 8-station dialysis facility. There will be no discontinuation of any services. Accordingly, this criterion is not applicable.

Section XII, Charity Care Information

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

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

Appendix I – Time & Distance Determination

Attached as Appendix I are the distance and normal travel time from the proposed facility to all existing dialysis facilities in HSA 5 as determined by MapQuest. There are no existing in-center hemodialysis facilities in the Proposed Facility's GSA.

MAPQUEST.

Notes

Trip to DaVita Benton Dialysis

1151 Route 14 W, Benton, IL 62812 - (866)

571-6766

65.48 miles - about 1 hour 26 minutes

**1500 E Market St, Red Bud, IL 62278-2143**

1. Start out going east on E Market St / IL-154 toward B&E Industrial Dr. Continue to follow IL-154.

go 54.0 mi



2. Turn right onto IL-148 / 525 E. Continue to follow IL-148.

go 4.0 mi



3. Turn left onto CR-37.

go 3.7 mi



4. Turn right onto CR-9.

go 2.1 mi



5. Turn left onto IL-14.

go 1.6 mi



6. 1151 ROUTE 14 W.

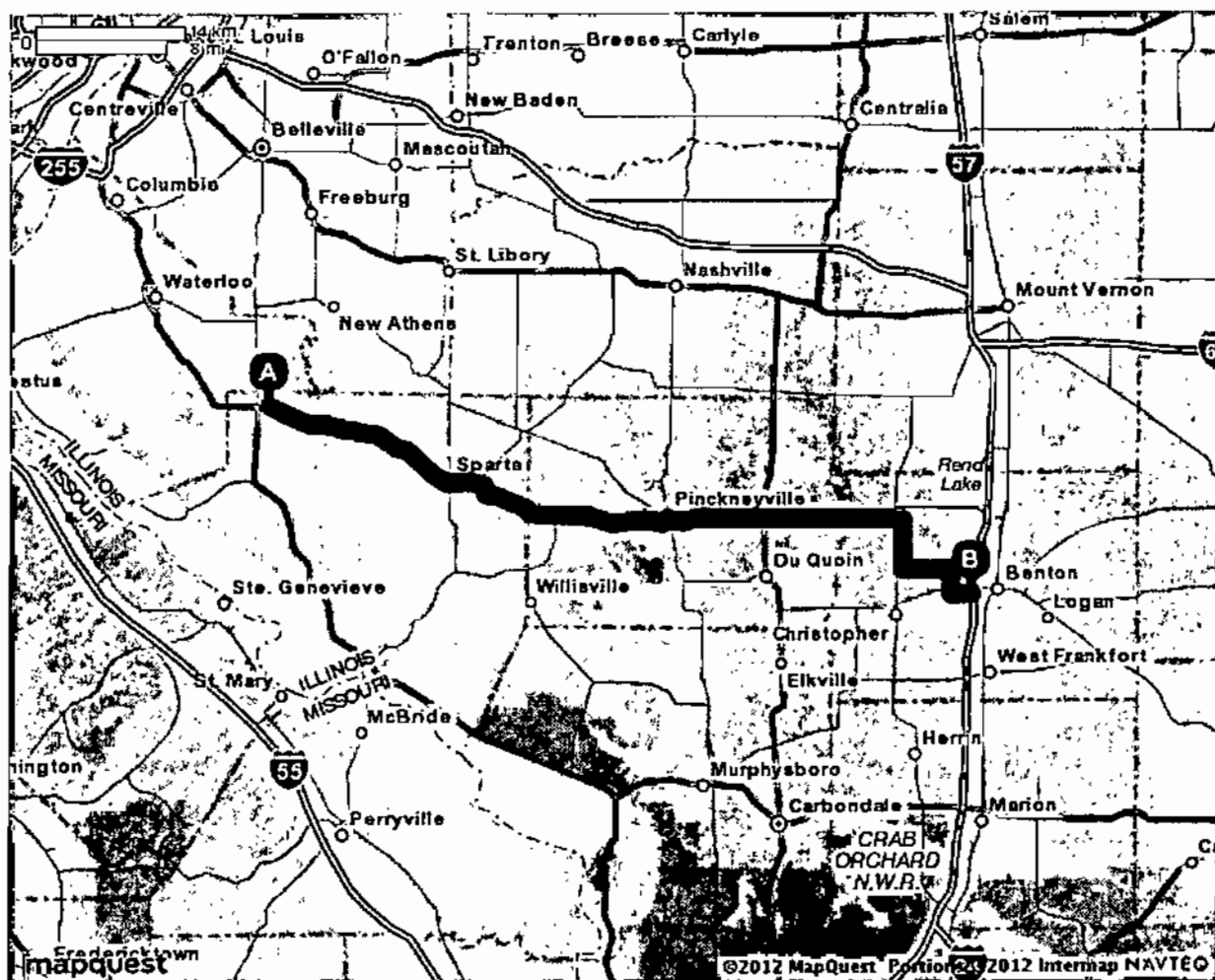
go 0.0 mi

**DaVita Benton Dialysis - (866) 571-6766**

1151 Route 14 W, Benton, IL 62812

Total Travel Estimate : 65.48 miles - about 1 hour 26 minutes

Route Map [Hide](#)



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MAPQUEST.

Trip to 1231 State Route 161

Centralia, IL 62801-6739

73.79 miles - about 1 hour 37 minutes

Notes

DaVita Centralia Dialysis



1500 E Market St, Red Bud, IL 62278-2143



1. Start out going west on E Market St / IL-154 toward Lockwood Dr.

go 0.7 mi



2. Turn right onto N Main St / IL-159. Continue to follow IL-159.

go 7.8 mi



3. Turn right onto IL-156.

go 4.8 mi



4. Turn right onto IL-13 E.

go 2.8 mi



5. Turn left onto Baldwin Rd.

go 0.0 mi



6. Baldwin Rd becomes New Baldwin Rd / CR-R28.

go 0.4 mi



7. Turn right onto Spotsylvania St / Old IL-13. Continue to follow Old IL-13.

go 0.6 mi



8. Turn slight left onto New Athens Darmstadt Rd.

go 7.3 mi



9. Turn left onto IL-4.

go 3.0 mi



10. Turn right onto IL-15.

go 19.0 mi



11. Turn left onto IL-127 / N Mill St. Continue to follow IL-127 N.

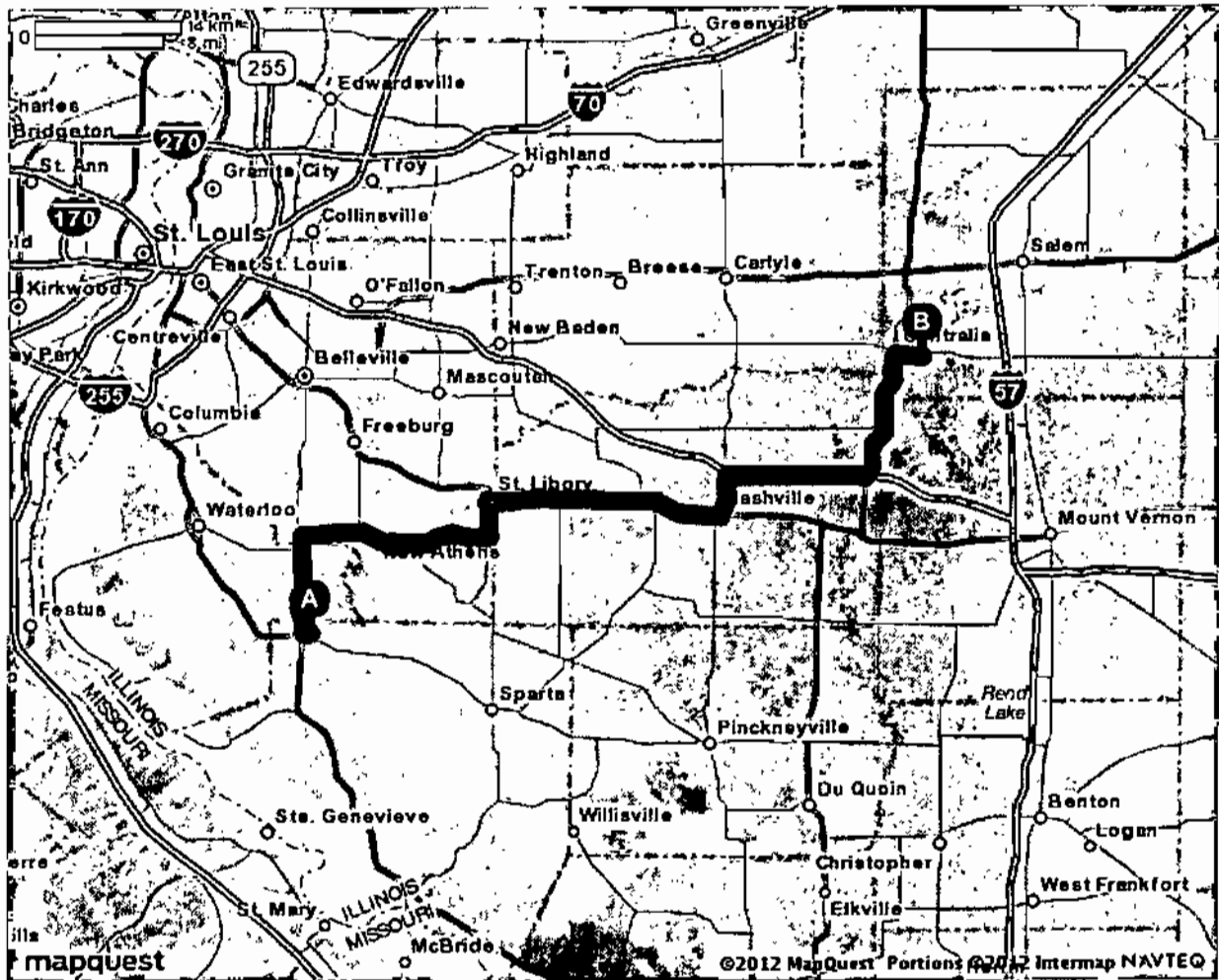
go 3.4 mi

- | | | | |
|---|---|---|------------|
|  |  | 12. Merge onto I-64 E. | go 10.6 mi |
| <hr/> | | | |
|  | | 13. Take the US-51 exit, EXIT 61, toward Centralia / Ashley. | go 0.3 mi |
| <hr/> | | | |
|  |  | 14. Turn left onto US-51 N. | go 10.6 mi |
| <hr/> | | | |
|  |  | 15. Turn right onto IL-161 E / E Noleman St. Continue to follow IL-161 E. | go 2.4 mi |
| <hr/> | | | |
|  | | 16. 1231 STATE ROUTE 161. | go 0.0 mi |

**1231 State Route 161, Centralia, IL 62801-6739**

Total Travel Estimate : 73.79 miles - about 1 hour 37 minutes

Route Map [Hide](#)



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MAPQUEST.

Notes

Trip to Effingham Dialysis Center Da Vita904 Medical Park Dr # 1, Effingham,
IL 62401 - (217) 342-5906

127.93 miles - about 2 hours 17 minutes

**1500 E Market St, Red Bud, IL 62278-2143**

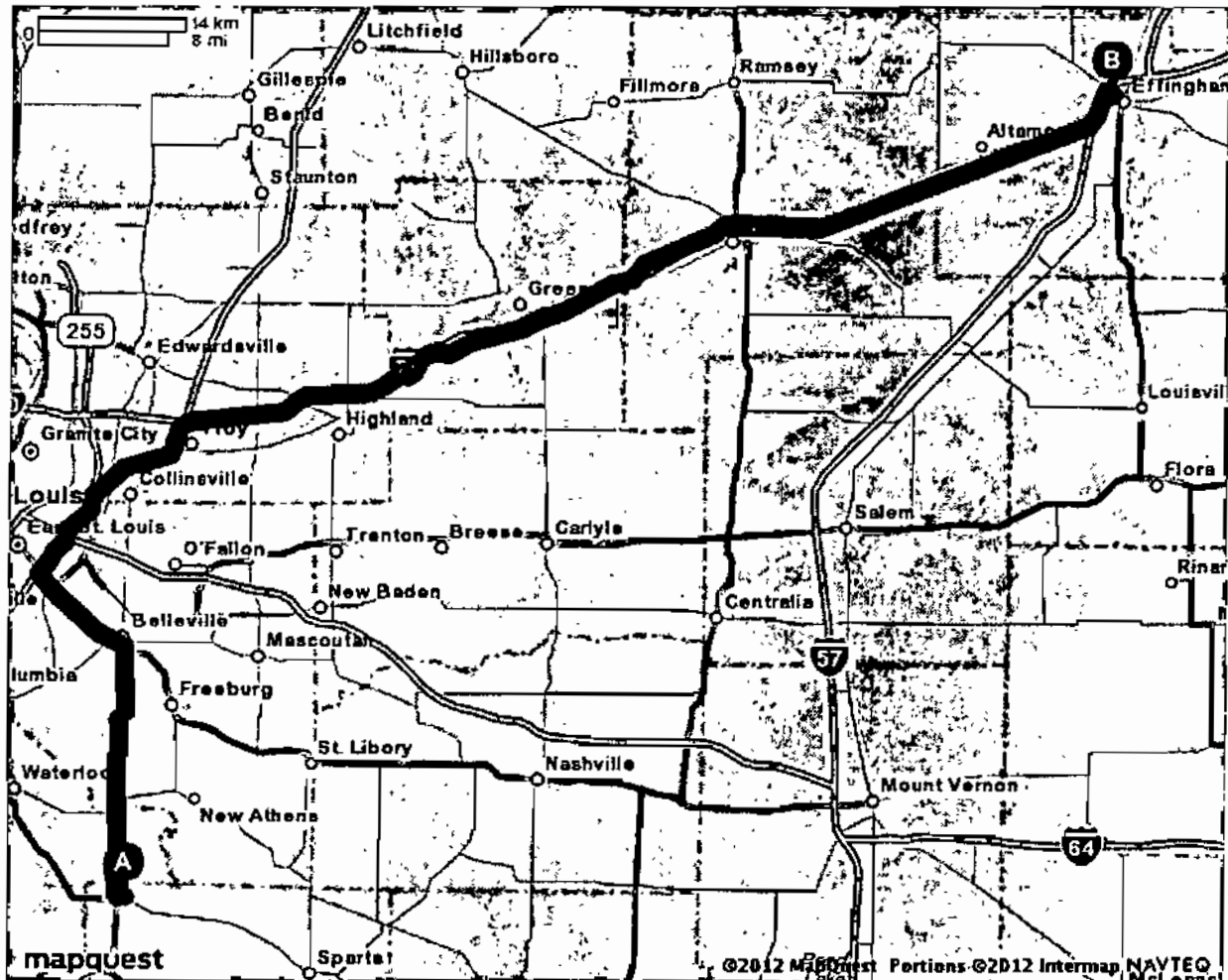
- | | | |
|---|--|------------|
|  | 1. Start out going west on E Market St / IL-154 toward Lockwood Dr. | go 0.7 mi |
|   | 2. Turn right onto N Main St / IL-159 . Continue to follow IL-159 N. | go 20.3 mi |
|   | 3. Merge onto IL-15 W via the ramp on the left toward E St Louis. | go 8.5 mi |
|   | 4. Merge onto I-255 N toward Chicago. | go 7.9 mi |
|   | 5. Merge onto I-55 N / I-70 E via EXIT 25A toward Chicago / Indianapolis. | go 9.1 mi |
|   | 6. Merge onto I-70 E via EXIT 20A toward Indianapolis. | go 80.5 mi |
|  | 7. Take the IL-32 / IL-33 exit, EXIT 160. | go 0.3 mi |
|   | 8. Turn right onto N Keller Dr / IL-32 S / IL-33 E. | go 0.4 mi |
|  | 9. Turn left onto W Temple Ave. | go 0.3 mi |
|  | 10. Turn left onto Medical Park Dr. | go 0.0 mi |
|  | 11. 904 MEDICAL PARK DR # 1 is on the right. | go 0.0 mi |



Effingham Dialysis Center Da Vita - (217) 342-5906
904 Medical Park Dr # 1, Effingham, IL 62401

Total Travel Estimate : 127.93 miles - about 2 hours 17 minutes

Route Map [Hide](#)



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MAPQUEST.

Notes

Trip to Da Vita Marion Dialysis

324 S 4th St, Marion, IL 62959 - (618) 997-8410

80.44 miles - about 1 hour 48 minutes

**1500 E Market St, Red Bud, IL 62278-2143**1. Start out going **southeast** on **E Market St / IL-154** toward **B&E Industrial Dr.** Continue to follow **IL-154.**

go 2.4 mi

2. Turn **right** onto **S Prairie Rd / CR-10.**

go 6.9 mi

3. Turn **left** onto **IL-3 / The Great River Rd.** Continue to follow **IL-3.**

go 16.7 mi

4. Turn **right** onto **State St / IL-3 / IL-150 / Great River Rd.**

go 0.2 mi

5. Turn **left** onto **Opdyke St / IL-3 / Great River Rd.** Continue to follow **IL-3 S / Great River Rd.**

go 22.9 mi

6. Turn **left** onto **IL-149 E.**

go 8.3 mi

7. **IL-149 E** becomes **IL-13 E.**

go 21.4 mi

8. Merge onto **I-57 S** toward **Cairo.**

go 0.7 mi

9. Take the **Main St** exit, **EXIT 53**, toward **Marion.**

go 0.2 mi

10. Keep **left** at the fork to go on **W Main St.**

go 0.6 mi

11. Turn **right** onto **S 3rd St.**

go 0.1 mi



12. Turn right onto W Cherry St.

go 0.0 mi



13. Turn left onto S 4th St.

go 0.1 mi



14. 324 S 4TH ST is on the right.

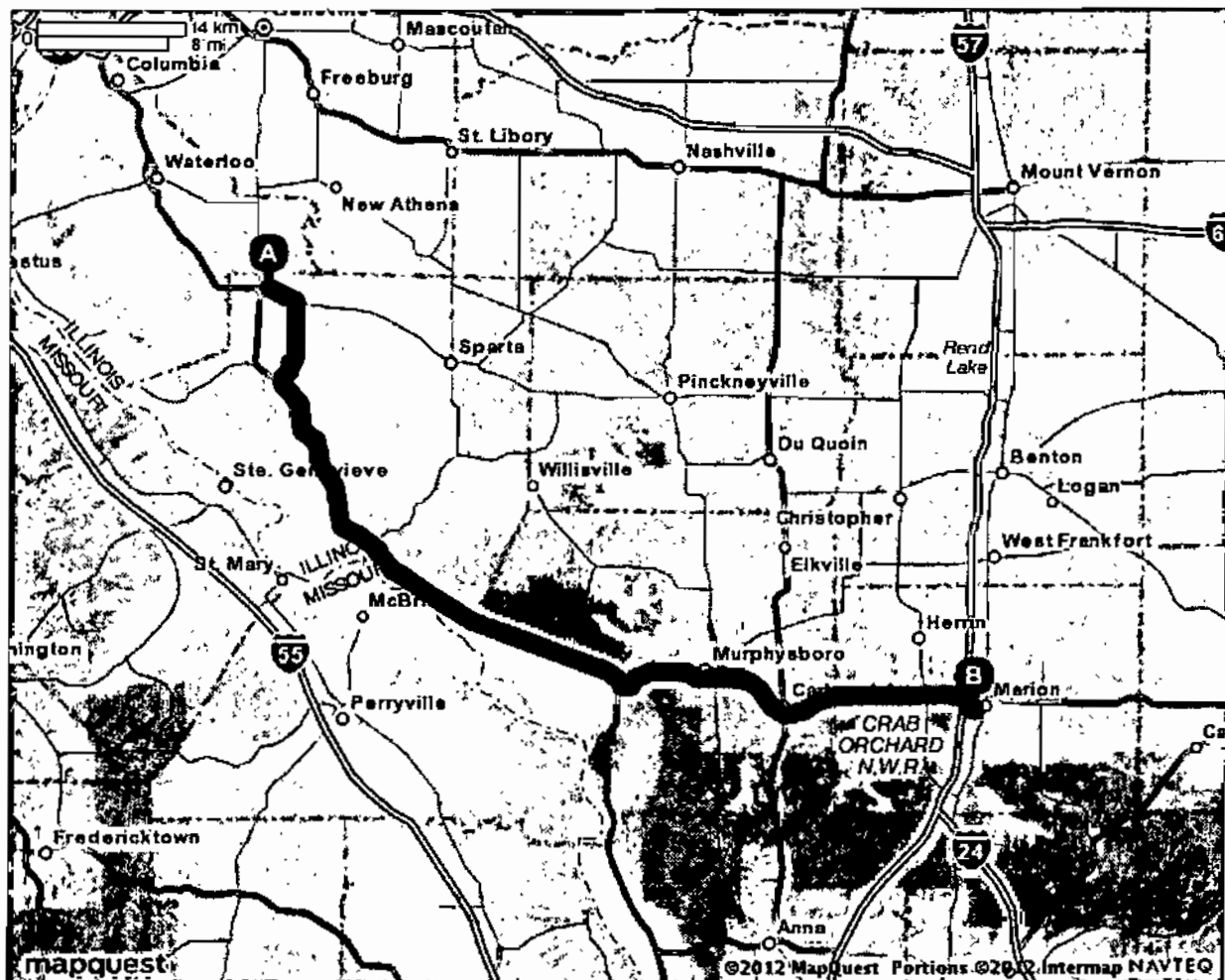
go 0.0 mi



Da Vita Marion Dialysis - (618) 997-8410
324 S 4th St, Marion, IL 62959

Total Travel Estimate : 80.44 miles - about 1 hour 48 minutes

Route Map [Hide](#)



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MAPQUEST.

Trip to Mt Vernon Dialysis

1800 Jefferson Ave, Mt Vernon, IL 62864 -
(618) 244-4852

77.57 miles - about 1 hour 38 minutes

Notes



1500 E Market St, Red Bud, IL 62278-2143

- | | | |
|---|---|------------|
|  | 1. Start out going west on E Market St / IL-154 toward Lockwood Dr. | go 0.7 mi |
|   | 2. Turn right onto N Main St / IL-159. Continue to follow IL-159. | go 7.8 mi |
|   | 3. Turn right onto IL-156. | go 4.8 mi |
|   | 4. Turn right onto IL-13 E. | go 2.8 mi |
|  | 5. Turn left onto Baldwin Rd. | go 0.0 mi |
|  | 6. Baldwin Rd becomes New Baldwin Rd / CR-R28. | go 0.4 mi |
|  | 7. Turn right onto Spotsylvania St / Old IL-13. Continue to follow Old IL-13. | go 0.6 mi |
|  | 8. Turn slight left onto New Athens Darmstadt Rd. | go 7.3 mi |
|   | 9. Turn left onto IL-4. | go 3.0 mi |
|   | 10. Turn right onto IL-15. | go 19.0 mi |
|   | 11. Turn left onto IL-127 / N Mill St. Continue to follow IL-127 N. | go 3.4 mi |

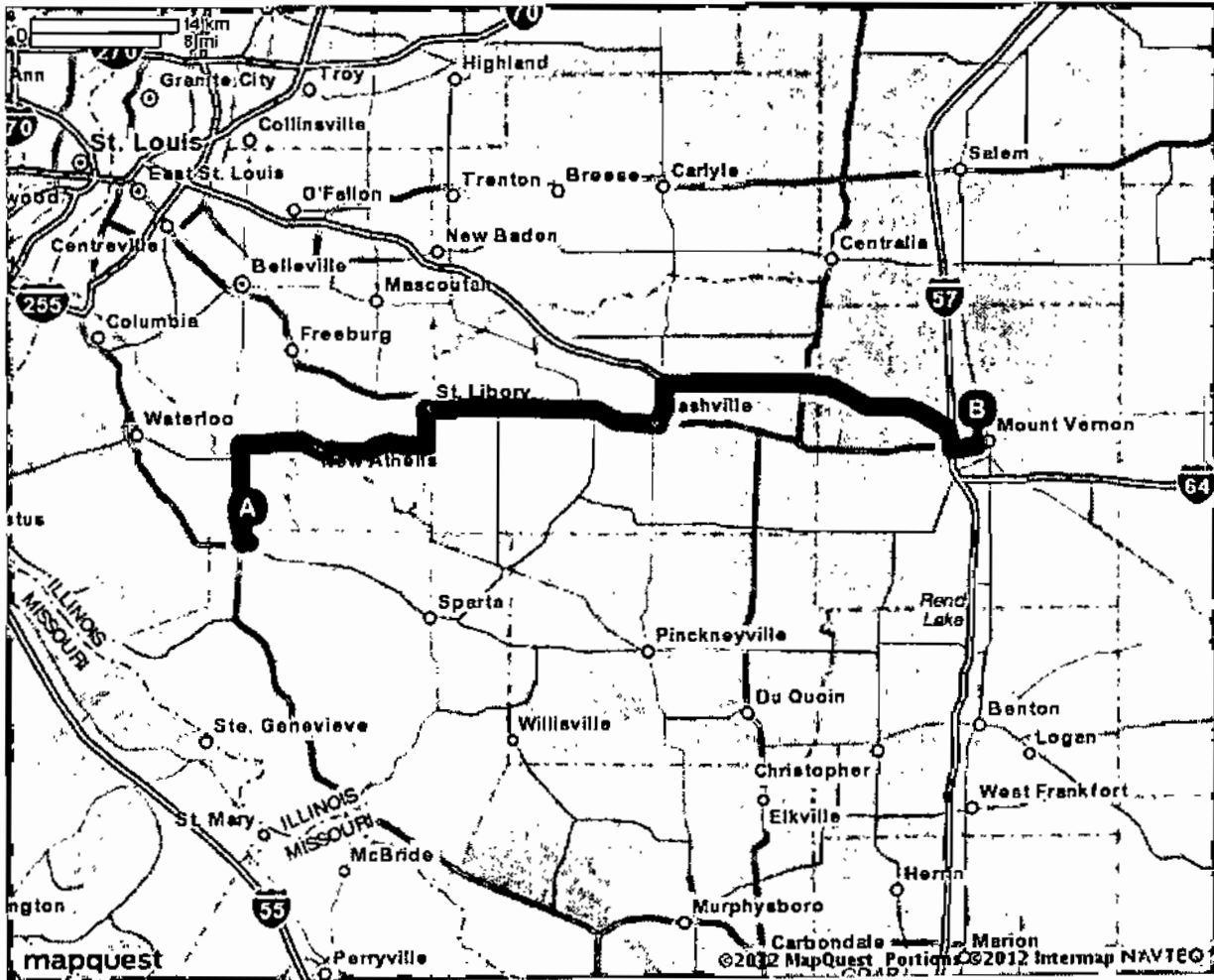
- | | | |
|---|--|------------|
|  | 12. Merge onto I-64 E. | go 24.8 mi |
| <hr/> | | |
|  | 13. Take the IL-15 exit, EXIT 95, toward Mt Vernon / Ashley. | go 0.3 mi |
| <hr/> | | |
|  | 14. Turn left onto IL-15 E / Broadway. | go 2.2 mi |
| <hr/> | | |
|  | 15. Turn left onto S 20th St. | go 0.3 mi |
| <hr/> | | |
|  | 16. Turn right onto Waterworks Rd. | go 0.1 mi |
| <hr/> | | |
|  | 17. Turn left onto N 18th St. | go 0.0 mi |
| <hr/> | | |
|  | 18. N 18th St becomes Jefferson Ave. | go 0.0 mi |
| <hr/> | | |
|  | 19. Turn left to stay on Jefferson Ave. | go 0.0 mi |
| <hr/> | | |
|  | 20. 1800 JEFFERSON AVE is on the right. | go 0.0 mi |



Mt Vernon Dialysis - (618) 244-4852
1800 Jefferson Ave, Mt Vernon, IL 62864

Total Travel Estimate : 77.57 miles - about 1 hour 38 minutes

Route Map [Hide](#)



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MAPQUEST.

Notes

Trip to DaVita Olney Dialysis Center

117 N Boone St, Olney, IL 62450 - (866)

571-6766

144.91 miles - about 2 hours 54 minutes



1500 E Market St, Red Bud, IL 62278-2143



1. Start out going west on E Market St / IL-154 toward Lockwood Dr.

go 0.7 mi



2. Turn right onto N Main St / IL-159. Continue to follow IL-159.

go 7.8 mi



3. Turn right onto IL-156.

go 4.8 mi



4. Turn right onto IL-13 E.

go 2.8 mi



5. Turn left onto Baldwin Rd.

go 0.0 mi



6. Baldwin Rd becomes New Baldwin Rd / CR-R28.

go 0.4 mi



7. Turn right onto Spotsylvania St / Old IL-13. Continue to follow Old IL-13.

go 0.6 mi



8. Turn slight left onto New Athens Darmstadt Rd.

go 7.3 mi



9. Turn left onto IL-4.

go 3.0 mi



10. Turn right onto IL-15.

go 19.0 mi



11. Turn left onto IL-127 / N Mill St. Continue to follow IL-127 N.

go 3.4 mi

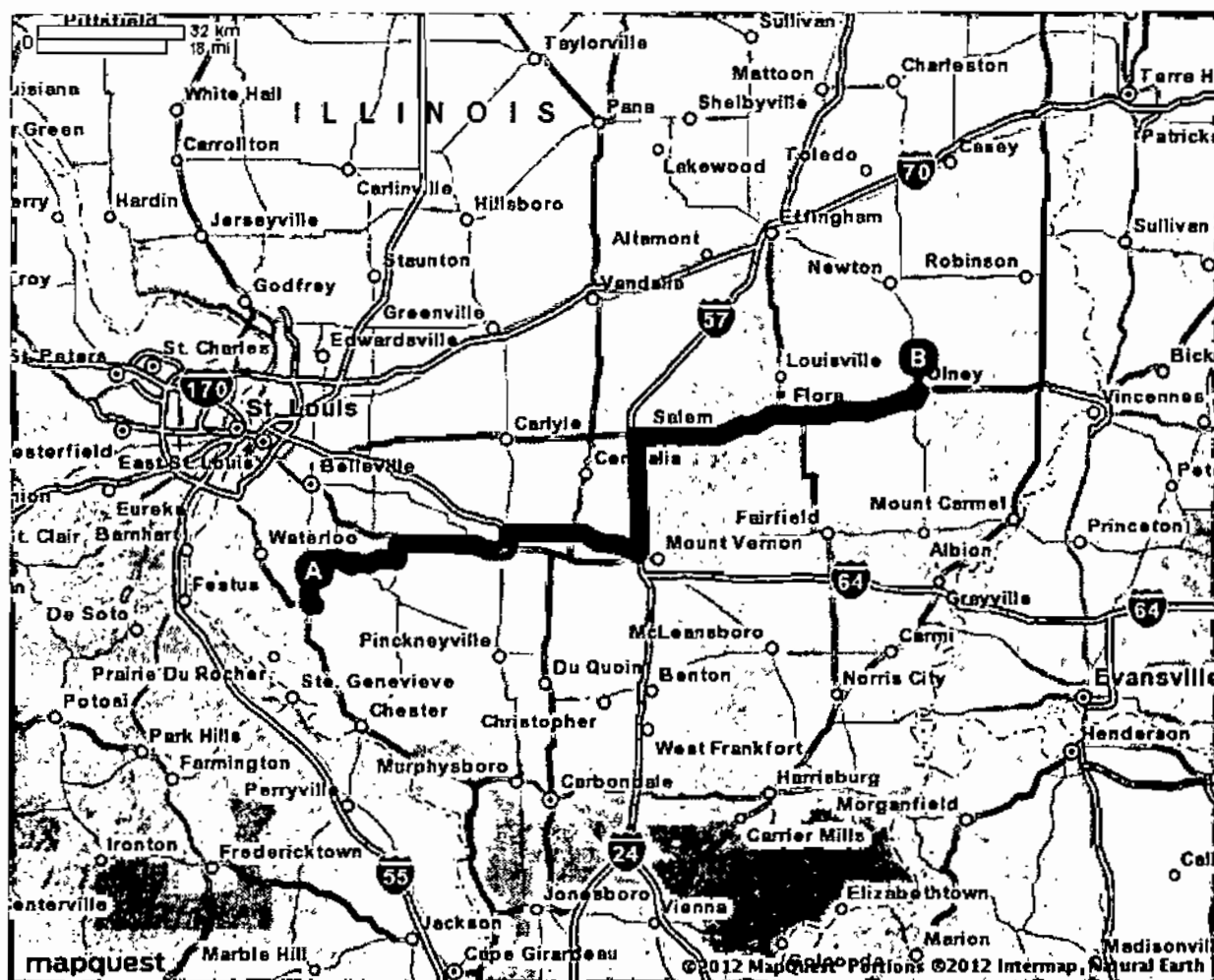
- | | | | |
|---|---|---|------------|
|  |  | 12. Merge onto I-64 E. | go 23.2 mi |
|  |  | 13. Merge onto I-57 N via EXIT 73 on the left toward Chicago. | go 20.5 mi |
|  | | 14. Take the US-50 E exit, EXIT 116, toward Salem. | go 0.4 mi |
|  |  | 15. Turn left onto US-50 / W Main St. Continue to follow US-50 E. | go 49.2 mi |
|  |  | 16. Turn left onto S West St / IL-130. | go 1.1 mi |
|  |  | 17. Turn right onto W Main St / IL-250. | go 0.6 mi |
|  | | 18. Turn left onto N Boone St. | go 0.0 mi |
|  | | 19. 117 N BOONE ST is on the left. | go 0.0 mi |



DaVita Olney Dialysis Center - (866) 571-6766
117 N Boone St, Olney, IL 62450

Total Travel Estimate : 144.91 miles - about 2 hours 54 minutes

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MAPQUEST.**Trip to 1215 N Allen St**

Robinson, IL 62454-1100

178.45 miles - about 3 hours 27 minutes

Notes

Robinson Dialysis

**1500 E Market St, Red Bud, IL 62278-2143**

- | | | |
|--|---|------------|
| | 1. Start out going west on E Market St / IL-154 toward Lockwood Dr. | go 0.7 mi |
| | 2. Turn right onto N Main St / IL-159. Continue to follow IL-159 N. | go 20.3 mi |
| | 3. Merge onto IL-15 W via the ramp on the left toward E St Louis. | go 8.5 mi |
| | 4. Merge onto I-255 N toward Chicago. | go 7.9 mi |
| | 5. Merge onto I-55 N / I-70 E via EXIT 25A toward Chicago / Indianapolis. | go 9.1 mi |
| | 6. Merge onto I-70 E via EXIT 20A toward Indianapolis. | go 82.7 mi |
| | 7. Take the US-45 exit, EXIT 162, toward Sigel. | go 0.4 mi |
| | 8. Keep left to take the US-45 S ramp toward Effingham. | go 0.0 mi |
| | 9. Turn left onto N 3rd St / US-45 S. | go 1.7 mi |
| | 10. Turn left onto E Fayette Ave / US-40 / IL-33. | go 0.2 mi |
| | 11. Turn right onto S Willow St / IL-33. Continue to follow IL-33. | go 25.2 mi |



12. Turn slight right onto IL-33 E.

go 21.3 mi



13. Turn left onto N Allen St.

go 0.5 mi

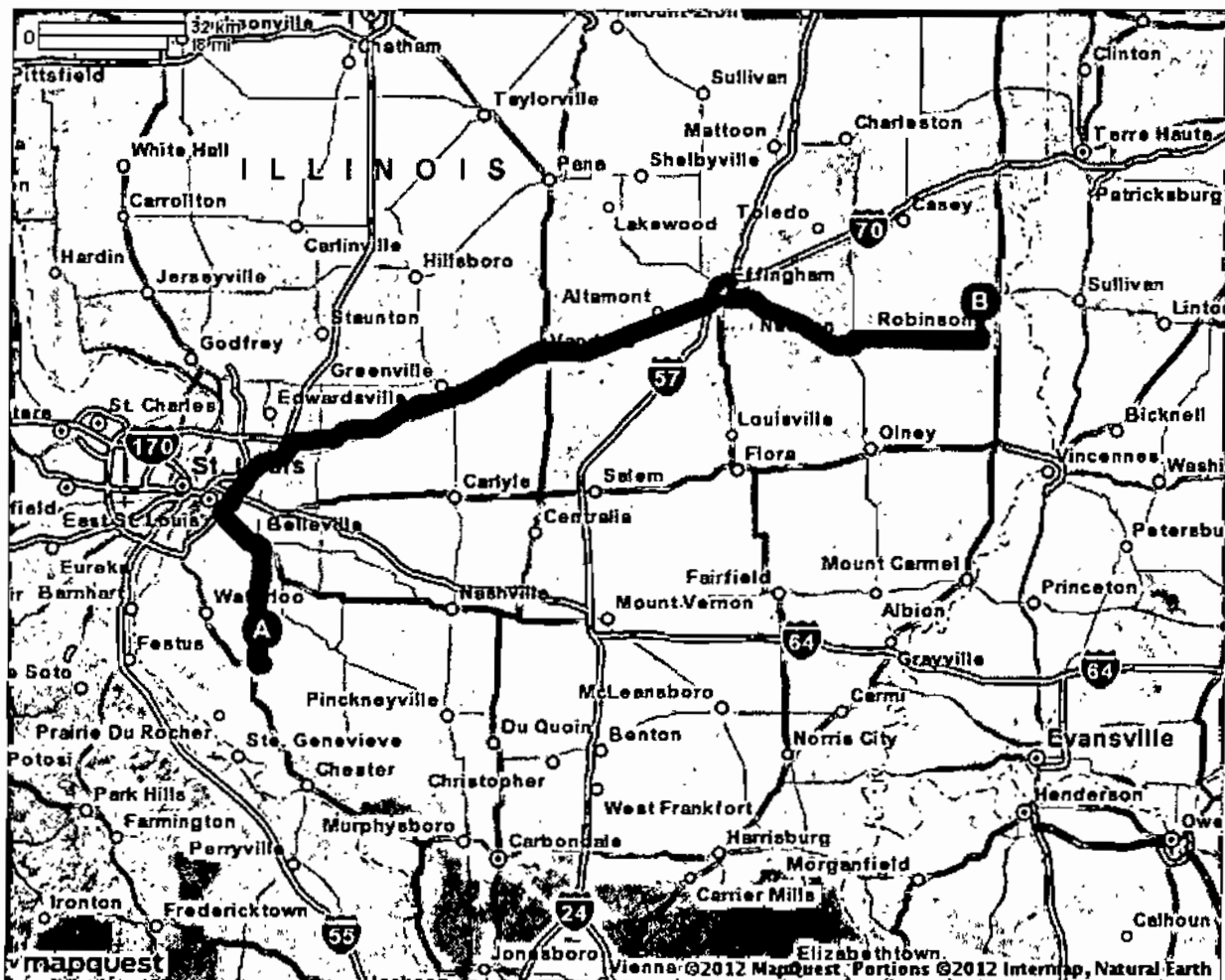


14. 1215 N ALLEN ST is on the left.

go 0.0 mi

**1215 N Allen St, Robinson, IL 62454-1100**

Total Travel Estimate : 178.45 miles - about 3 hours 27 minutes

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MAPQUEST.

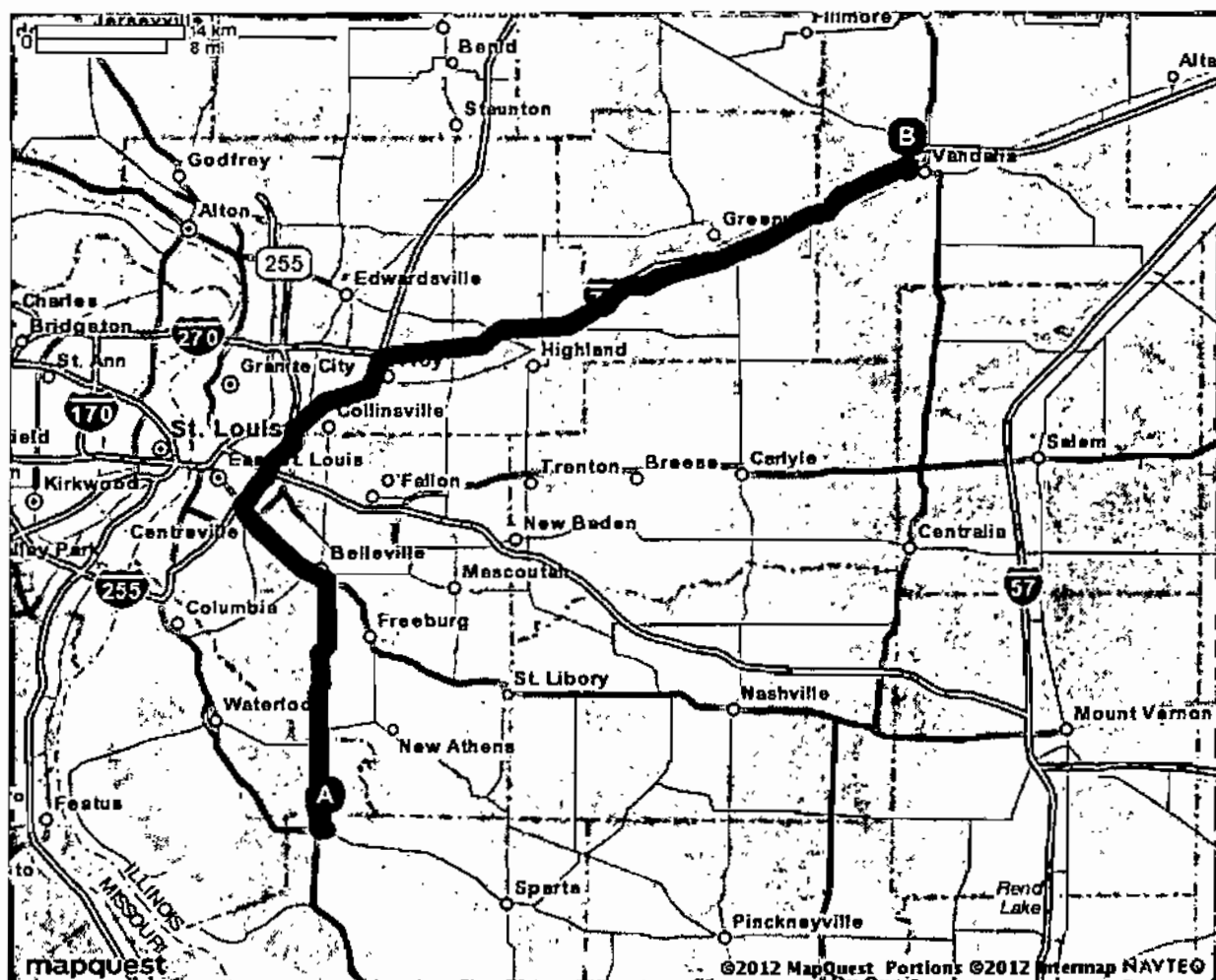
Notes

Trip to DaVita Vandalia Dialysis

301 Mattes Ave, Vandalia, IL 62471 - (866)

571-6766

93.25 miles - about 1 hour 43 minutes

Route Map [Hide](#)

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MAPQUEST.

Trip to Da Vita Wayne Cty Dialysis

303 NW 11th St # 1, Fairfield, IL 62837 -

(618) 842-7204

119.39 miles - about 2 hours 17 minutes

Notes



1500 E Market St, Red Bud, IL 62278-2143

- | | | |
|--|---|------------|
| | 1. Start out going west on E Market St / IL-154 toward Lockwood Dr. | go 0.7 mi |
| | 2. Turn right onto N Main St / IL-159. Continue to follow IL-159. | go 7.8 mi |
| | 3. Turn right onto IL-156. | go 4.8 mi |
| | 4. Turn right onto IL-13 E. | go 2.8 mi |
| | 5. Turn left onto Baldwin Rd. | go 0.0 mi |
| | 6. Baldwin Rd becomes New Baldwin Rd / CR-R28. | go 0.4 mi |
| | 7. Turn right onto Spotsylvania St / Old IL-13. Continue to follow Old IL-13. | go 0.6 mi |
| | 8. Turn slight left onto New Athens Darmstadt Rd. | go 7.3 mi |
| | 9. Turn left onto IL-4. | go 3.0 mi |
| | 10. Turn right onto IL-15. | go 19.0 mi |
| | 11. Turn left onto IL-127 / N Mill St. Continue to follow IL-127 N. | go 3.4 mi |

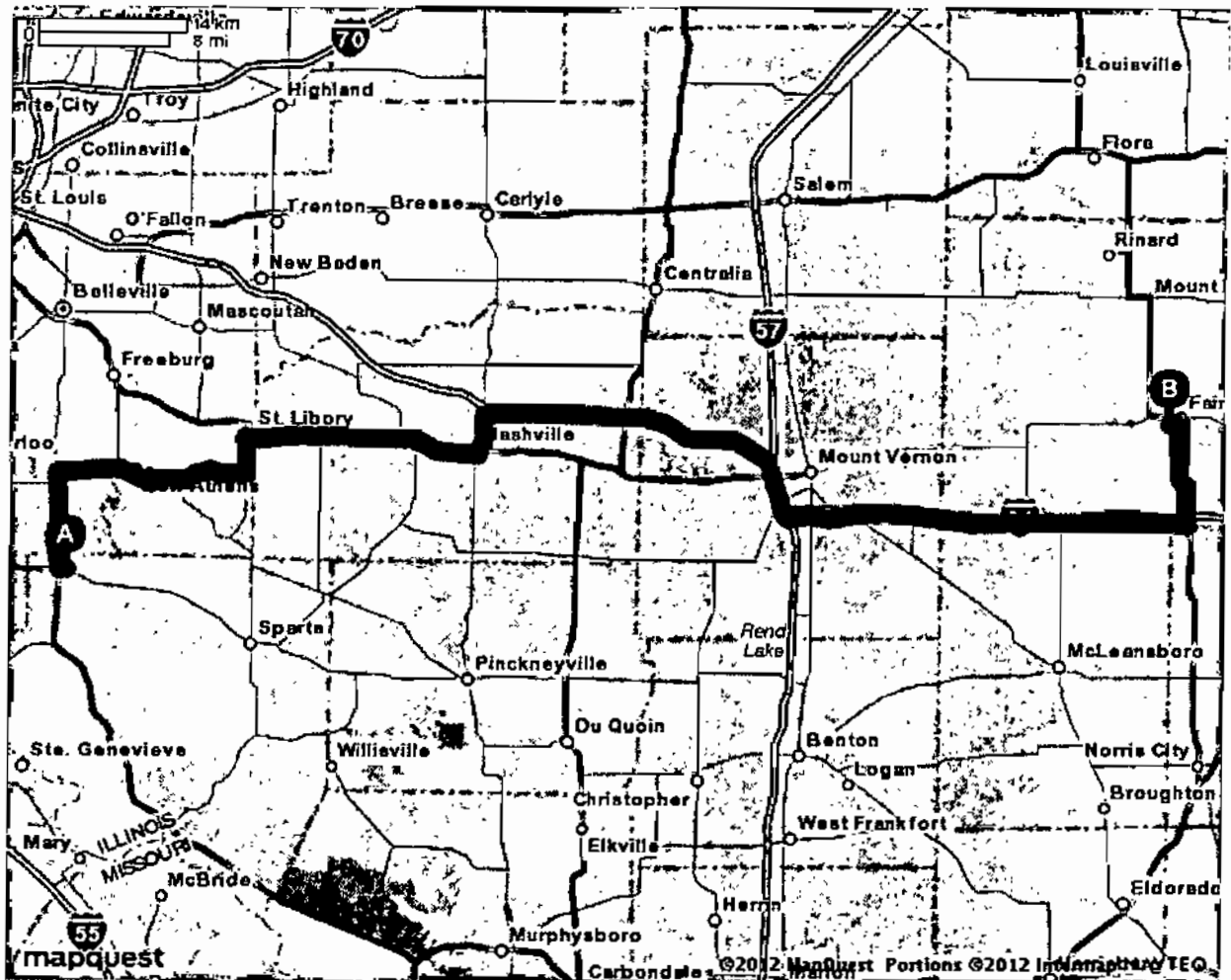
- | | | | |
|---|---|--|------------|
|  |  | 12. Merge onto I-64 E. | go 27.8 mi |
|  |  | 13. Keep left to take I-64 E via EXIT 92 toward Louisville. | go 32.3 mi |
|  | | 14. Take the US-45 exit, EXIT 110, toward Norris City / Fairfield. | go 0.3 mi |
|  |  | 15. Turn left onto US-45. | go 8.2 mi |
|  |  | 16. Turn left onto US-45 N / W Main St / IL-15 W. | go 0.8 mi |
|  | | 17. Turn right onto NW 11th St. | go 0.0 mi |
|  | | 18. 303 NW 11TH ST # 1 is on the left. | go 0.0 mi |



Da Vita Wayne Cty Dialysis - (618) 842-7204
303 NW 11th St # 1, Fairfield, IL 62837

Total Travel Estimate : 119.39 miles - about 2 hours 17 minutes

Route Map [Hide](#)



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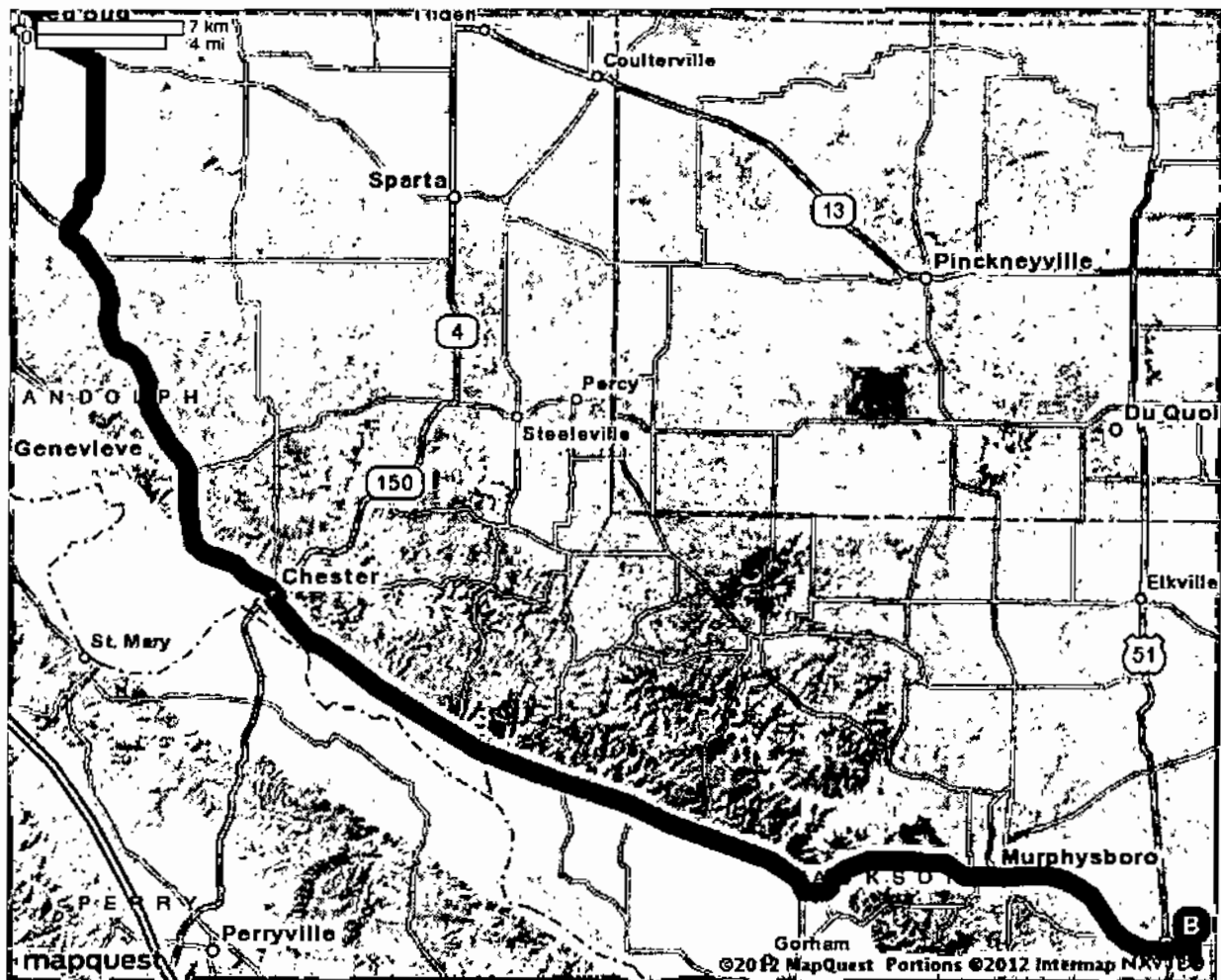
MAPQUEST.**Trip to 725 S Lewis Ln**

Carbondale, IL 62901-3344

65.82 miles - about 1 hour 28 minutes

Notes

FMC Carbondale

Route Map [Hide](#)

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MAPQUEST.

Trip to 102 Memorial Dr

Chester, IL 62233-1470

26.55 miles - about 34 minutes

Notes

FMC Randolph County



1500 E Market St, Red Bud, IL 62278-2143



1. Start out going **southeast** on **E Market St / IL-154**
toward **B&E Industrial Dr**. Continue to follow **IL-154**.

go 2.4 mi



2. Turn **right** onto **S Prairie Rd / CR-10**.

go 6.9 mi



3. Turn **left** onto **IL-3 / The Great River Rd**. Continue to
follow **IL-3**.

go 16.7 mi



4. Turn **left** onto **State St / IL-150**.

go 0.5 mi



5. Turn **right** onto **Memorial Dr**.

go 0.0 mi



6. **102 MEMORIAL DR** is on the **right**.

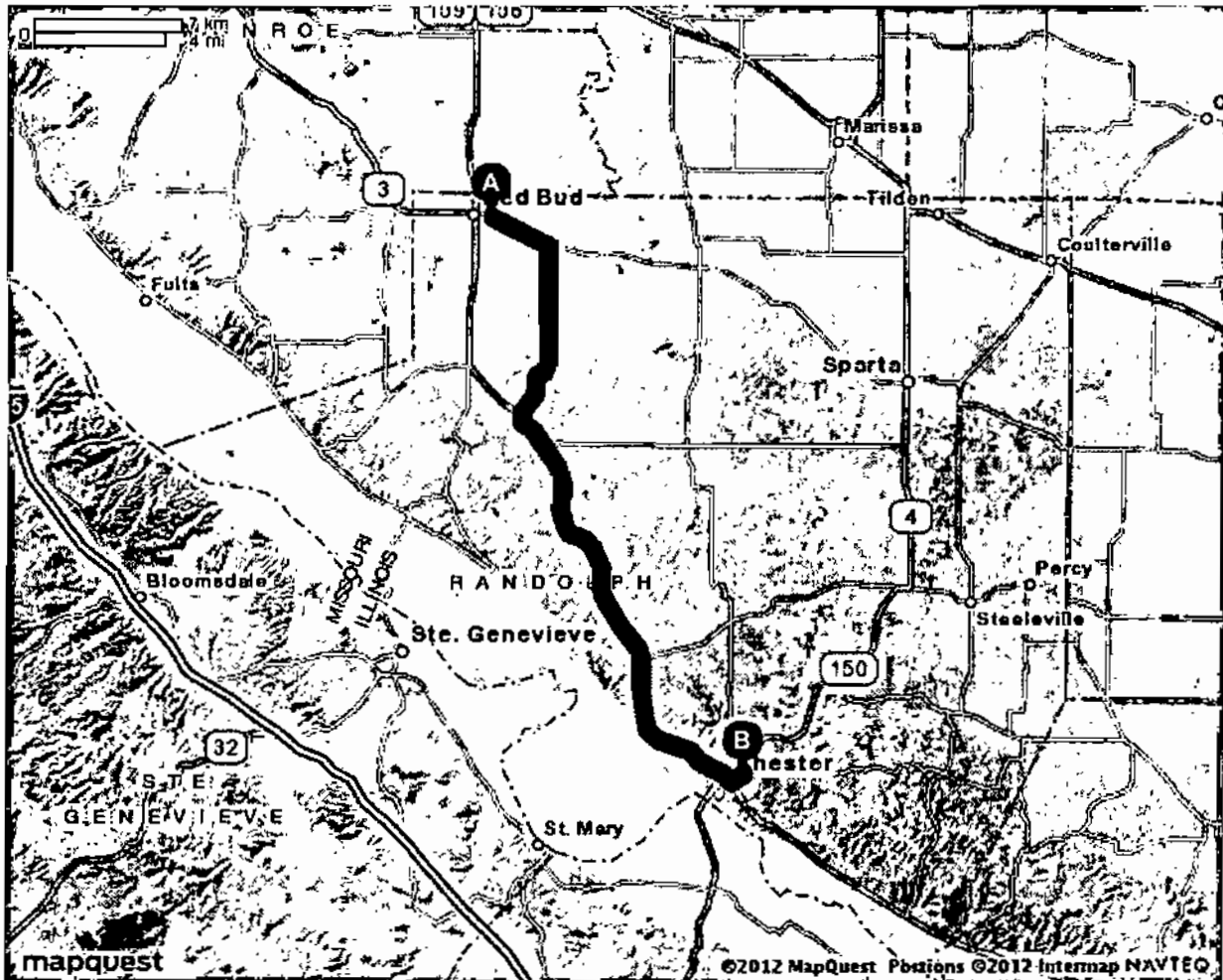
go 0.0 mi



102 Memorial Dr, Chester, IL 62233-1470

Total Travel Estimate : 26.55 miles - about 34 minutes

Route Map [Hide](#)



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MAPQUEST.

Trip to 50 Hospital Dr

Harrisburg, IL 62946-2453

103.91 miles - about 2 hours 19 minutes

Notes

FMC Saline County Harrisburg



1500 E Market St, Red Bud, IL 62278-2143

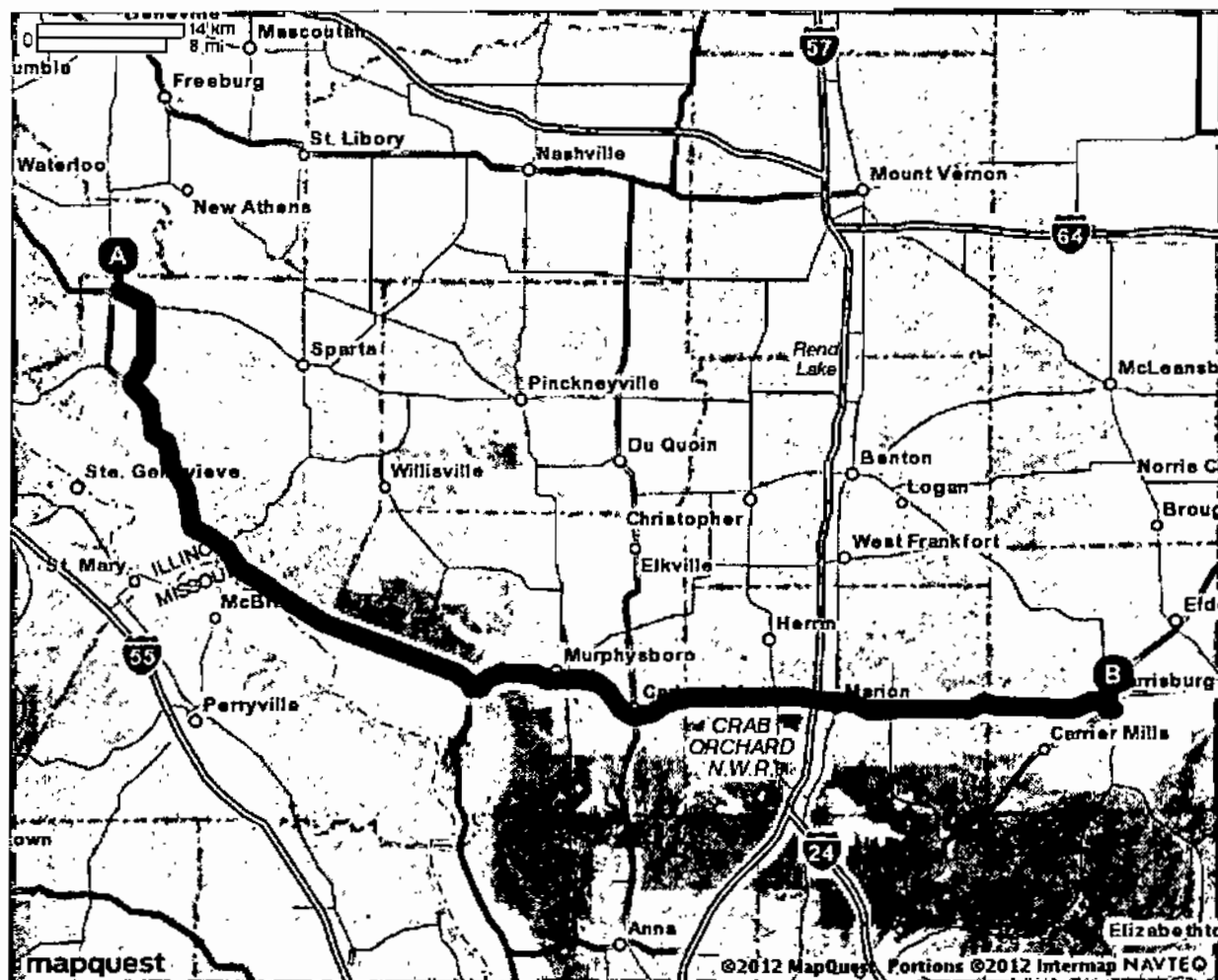
- | | | |
|--|---|------------|
| | 1. Start out going southeast on E Market St / IL-154 toward B&E Industrial Dr. Continue to follow IL-154. | go 2.4 mi |
| | 2. Turn right onto S Prairie Rd / CR-10. | go 6.9 mi |
| | 3. Turn left onto IL-3 / The Great River Rd. Continue to follow IL-3. | go 16.7 mi |
| | 4. Turn right onto State St / IL-3 / IL-150 / Great River Rd. | go 0.2 mi |
| | 5. Turn left onto Opdyke St / IL-3 / Great River Rd. Continue to follow IL-3 S / Great River Rd. | go 22.9 mi |
| | 6. Turn left onto IL-149 E. | go 8.3 mi |
| | 7. IL-149 E becomes IL-13 E. | go 45.6 mi |
| | 8. Turn right onto Main St / S Commercial St / US-45 / IL-34. | go 0.5 mi |
| | 9. Turn left onto E Sloan St. | go 0.5 mi |
| | 10. E Sloan St becomes Hospital Dr. | go 0.0 mi |
| | 11. 50 HOSPITAL DR is on the left. | go 0.0 mi |



50 Hospital Dr, Harrisburg, IL 62946-2453

Total Travel Estimate : 103.91 miles - about 2 hours 19 minutes

Route Map [Hide](#)



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MAPQUEST.**Trip to 900 Skyline Dr**

Marion, IL 62959-4972

77.70 miles - about 1 hour 42 minutes

Notes

FMC Williamson County

**1500 E Market St, Red Bud, IL 62278-2143**1. Start out going **southeast** on **E Market St / IL-154**
toward **B&E Industrial Dr**. Continue to follow **IL-154**.

go 2.4 mi

2. Turn **right** onto **S Prairie Rd / CR-10**.

go 6.9 mi

3. Turn **left** onto **IL-3 / The Great River Rd**. Continue to
follow **IL-3**.

go 16.7 mi

4. Turn **right** onto **State St / IL-3 / IL-150 / Great River Rd**.

go 0.2 mi

5. Turn **left** onto **Opdyke St / IL-3 / Great River Rd**.
Continue to follow **IL-3 S / Great River Rd**.

go 22.9 mi

6. Turn **left** onto **IL-149 E**.

go 8.3 mi

7. **IL-149 E** becomes **IL-13 E**.

go 20.2 mi

8. Turn **right** onto **Skyline Dr**.

go 0.2 mi

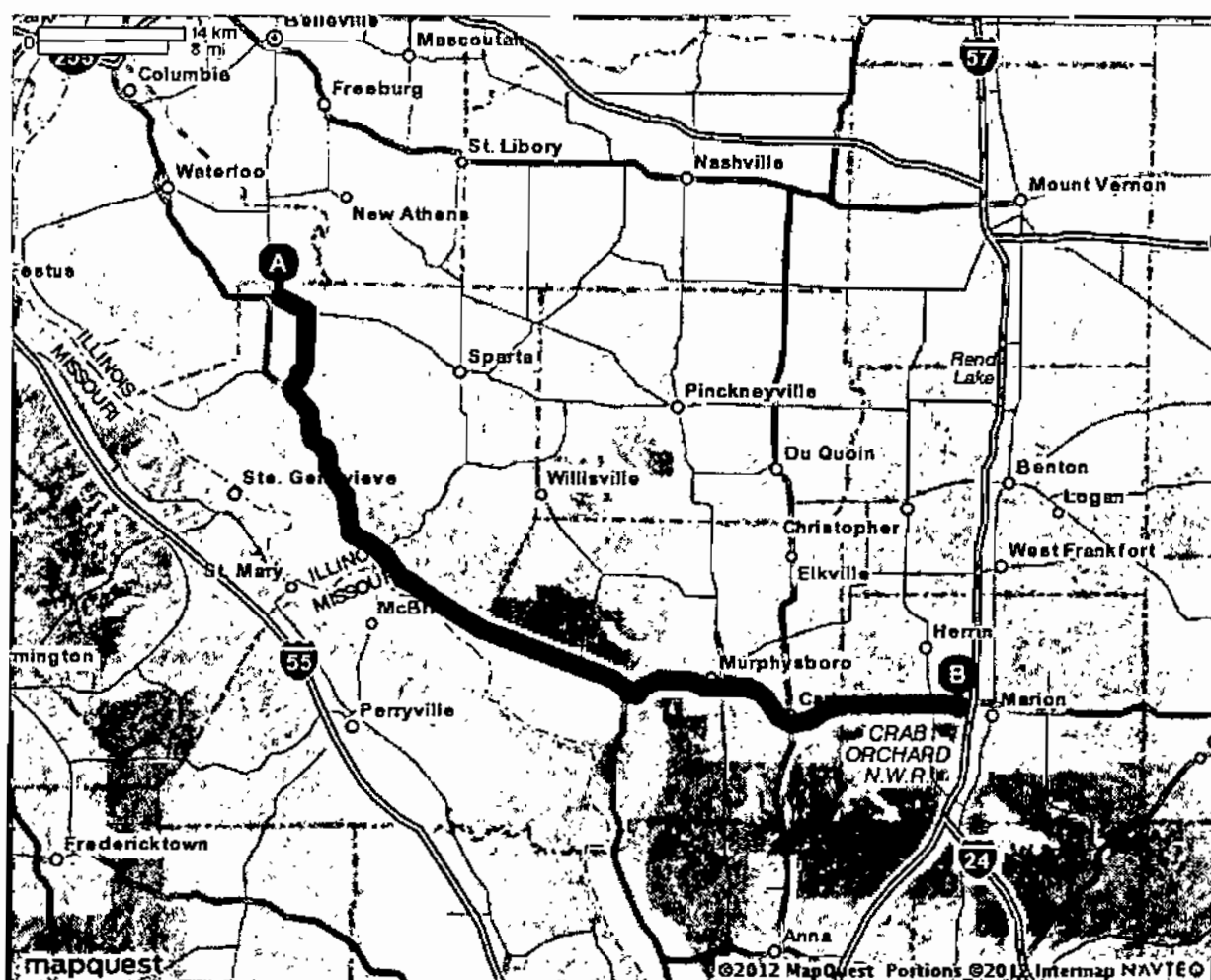
9. **900 SKYLINE DR** is on the right.

go 0.0 mi

**900 Skyline Dr, Marion, IL 62959-4972**

Total Travel Estimate : 77.70 miles - about 1 hour 42 minutes

Route Map [Hide](#)



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MAPQUEST.

Trip to 4 W Main St

Du Quoin, IL 62832-1611

49.85 miles - about 1 hour 6 minutes

Notes

FMC DuQuoin



1500 E Market St, Red Bud, IL 62278-2143



1. Start out going east on E Market St / IL-154 toward B&E Industrial Dr. Continue to follow IL-154.

go 24.3 mi



2. Turn right onto CR-11 / County Line Rd.

go 4.5 mi



3. CR-11 / County Line Rd becomes IL-4.

go 1.0 mi



4. Turn left onto Pyatt-Cutler Rd / CR-4. Continue to follow CR-4.

go 13.0 mi



5. CR-4 becomes IL-152.

go 6.8 mi



6. IL-152 becomes W Main St.

go 0.2 mi



7. 4 W MAIN ST is on the left.

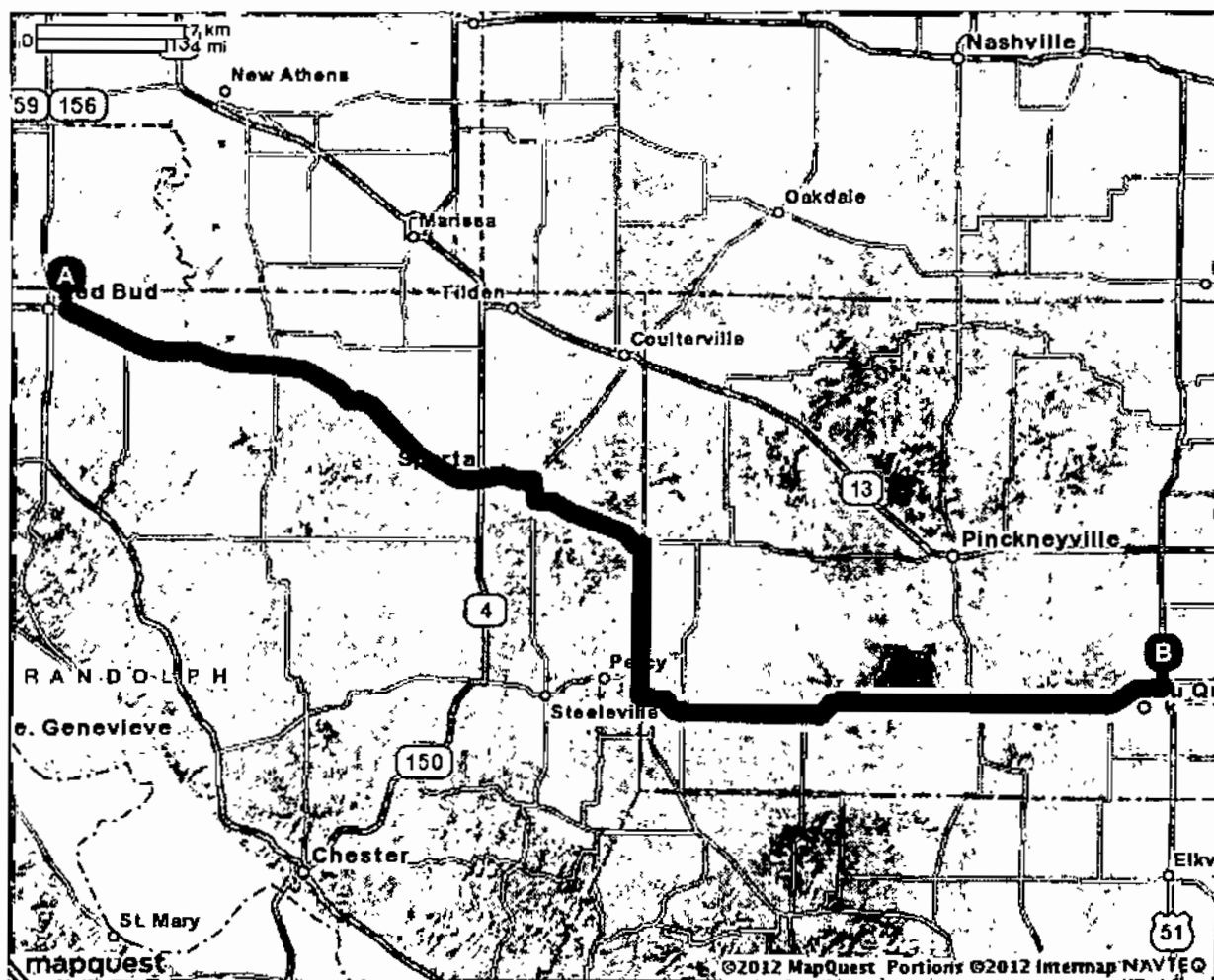
go 0.0 mi



4 W Main St, Du Quoin, IL 62832-1611

Total Travel Estimate : 49.85 miles - about 1 hour 6 minutes

Route Map [Hide](#)



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MAPQUEST.

Trip to 20 Hospital Dr

Metropolis, IL 62960-2462

121.83 miles - about 2 hours 36 minutes

Notes

FMC Metropolis



1500 E Market St, Red Bud, IL 62278-2143

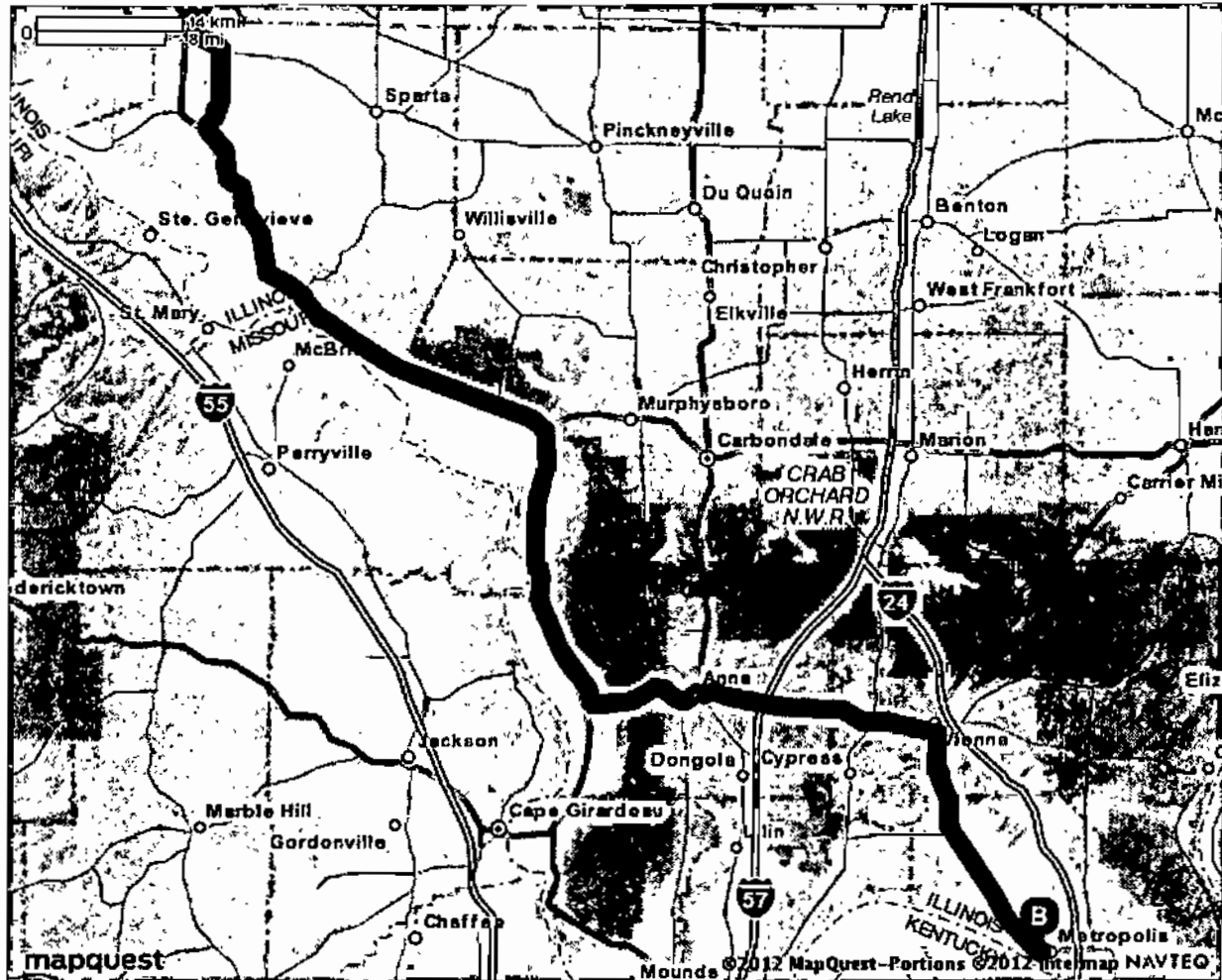
- | | | |
|--|---|------------|
| | 1. Start out going southeast on E Market St / IL-154 toward B&E Industrial Dr. Continue to follow IL-154. | go 2.4 mi |
| | 2. Turn right onto S Prairie Rd / CR-10. | go 6.9 mi |
| | 3. Turn left onto IL-3 / The Great River Rd. Continue to follow IL-3. | go 16.7 mi |
| | 4. Turn right onto State St / IL-3 / IL-150 / Great River Rd. | go 0.2 mi |
| | 5. Turn left onto Opdyke St / IL-3 / Great River Rd. Continue to follow IL-3 S. | go 45.7 mi |
| | 6. Turn left onto IL-146. Pass through 1 roundabout. | go 9.3 mi |
| | 7. Turn right onto IL-146 / E Vienna St. Continue to follow IL-146. | go 20.1 mi |
| | 8. Turn right onto US-45. | go 20.4 mi |
| | 9. Turn left onto Jon St. | go 0.2 mi |
| | 10. Turn left onto Hospital Dr. | go 0.0 mi |
| | 11. 20 HOSPITAL DR is on the right. | go 0.0 mi |



20 Hospital Dr, Metropolis, IL 62960-2462

Total Travel Estimate : 121.83 miles - about 2 hours 36 minutes

Route Map [Hide](#)



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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	26-28
2	Site Ownership	29-42
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	43-44
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	45-46
5	Flood Plain Requirements	47-48
6	Historic Preservation Act Requirements	49-50
7	Project and Sources of Funds Itemization	51-52
8	Obligation Document if required	
9	Cost Space Requirements	53
10	Discontinuation	
11	Background of the Applicant	54-69
12	Purpose of the Project	70-82
13	Alternatives to the Project	83-94
14	Size of the Project	95
15	Project Service Utilization	96
16	Unfinished or Shell Space	97
17	Assurances for Unfinished/Shell Space	98
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	99-134
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	135-149
40	Financial Waiver	150
41	Financial Viability	
42	Economic Feasibility	151-157
43	Safety Net Impact Statement	158-159
44	Charity Care Information	160
Appendix 1	Time & Distance Determination	161-196