

Original

12-075

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

AUG 16 2012

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

Facility Name: <i>Oak Park Dialysis Center*</i>			
Street Address: <i>733 Madison Street</i>			
City and Zip Code: <i>Oak Park 60302</i>			
County: <i>Cook</i>	Health Service Area: <i>7</i>	Health Planning Area:	

*Facility currently operates as Oak Park Dialysis Center and will be renamed Fresenius Medical Care Oak Park after change of ownership.

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

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

Type of Ownership of Applicant

☐ Non-profit Corporation	☐ Partnership	
☐ For-profit Corporation	☐ Governmental	
☐ Limited Liability Company	☐ Sole Proprietorship	☐ Other

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

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**Primary Contact****[Person to receive all correspondence or inquiries during the review period]**

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

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

Name: <i>Coleen Muldoon</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154</i>
Telephone Number: <i>708-498-9118</i>
E-mail Address: <i>coleen.muldoon@fmc-na.com</i>
Fax Number: <i>708-498-9283</i>

Co-Applicant Identification

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

Exact Legal Name: *Fresenius Medical Care Holdings, Inc.*Address: *920 Winter Street, Waltham, MA 02451*Name of Registered Agent: *CT Systems*Name of Chief Executive Officer: *Rice Powell*CEO Address: *920 Winter Street, Waltham, MA 02451*Telephone Number: *800-662-1237***Type of Ownership of Co-Applicant**

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

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

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

Name: *Coleen Muldoon*Title: *Regional Vice President*Company Name: *Fresenius Medical Care*Address: *One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154*Telephone Number: *708-498-9118*E-mail Address: *coleen.muldoon@fmc-na.com*Fax Number: *708-498-9283*

C0-Applicant Identification

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

Exact Legal Name: <i>WSKC Dialysis Services, Inc. d/b/a Oak Park Dialysis Center</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Rice Powell</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>
Telephone Number: <i>800-662-1237</i>

Type of Ownership of Co-Applicant

- | | | |
|--|--|--------------------------------|
| ☐ Non-profit Corporation | ☐ Partnership | |
| ☐ For-profit Corporation | ☐ Governmental | |
| ☐ Limited Liability Company | ☐ Sole Proprietorship | ☐ Other |
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 - 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.

Post Permit Contact

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

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

Additional Contact

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

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

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: *Three M & L Partnership*Address of Site Owner: *855 Madison Street, Oak Park, IL 60203*Street Address or Legal Description of Site: *733 Madison Street, Oak Park, IL 60302*

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: *Fresenius Medical Care River Forest, LLC d/b/a Fresenius Medical Care Oak Park*Address: *920 Winter Street, Waltham, MA 02451*

- | | | |
|--|--|--------------------------------|
| ☐ Non-profit Corporation | ☐ Partnership | |
| ☐ For-profit Corporation | ☐ Governmental | |
| ☐ Limited Liability Company | ☐ Sole Proprietorship | ☐ Other |

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

APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.] **NOT APPLICABLE/ CHANGE OF OWNERSHIP**

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.] **NOT APPLICABLE/CHANGE OF OWNERSHIP**

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.

Oak Park Dialysis Center (currently a 32-station ESRD facility) is currently operated by WSKC Dialysis Services, Inc., a Delaware corporation that is qualified to do business in Illinois. The facility is located at 733 Madison Street, Oak Park. All of the assets specific to WSKC Dialysis Services Inc. d/b/a Oak Park Dialysis Center will be transferred to Fresenius Medical Care River Forest, LLC, also a Delaware corporation that is qualified to do business in Illinois.*

There is no cost associated with this transaction as it entails the transfer of assets only.

This project is "non-substantive" under Planning Board rule 1110.10(b) as it entails the change of ownership of an existing in-center hemodialysis facility.

**Per permit #10-012, 20 stations will be transferred to the Fresenius Medical Care River Forest facility upon its certification, leaving 12 stations at the Oak Park 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	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	N/A	N/A	N/A
Contingencies	N/A	N/A	N/A
Architectural/Engineering Fees	N/A	N/A	N/A
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	N/A	N/A	N/A
Bond Issuance Expense (project related)	N/A	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	N/A	N/A	N/A
Other Costs To Be Capitalized	N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)	N/A	N/A	N/A
TOTAL USES OF FUNDS	\$0	N/A	\$0
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	N/A	N/A	N/A
Pledges	N/A	N/A	N/A
Gifts and Bequests	N/A	N/A	N/A
Bond Issues (project related)	N/A	N/A	N/A
Mortgages	N/A	N/A	N/A
Leases (fair market value)	N/A	N/A	N/A
Governmental Appropriations	N/A	N/A	N/A
Grants	N/A	N/A	N/A
Other Funds and Sources	N/A	N/A	N/A
TOTAL SOURCES OF FUNDS	N/A	N/A	N/A
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 \$ _____ N/A _____.

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, 2013

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

- ☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
☒ Project obligation will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable:

- ☐ Cancer Registry
☐ APORS
☐ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements *NOT APPLICABLE – CHANGE OF OWNERSHIP*

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							

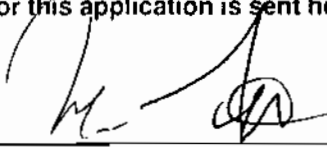
APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

CERTIFICATION

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

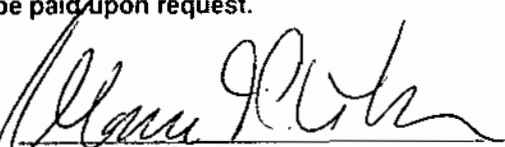
- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of 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 Fresenius Medical Care River Forest, LLC * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.


SIGNATURE

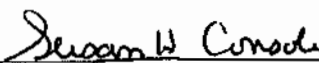
PRINTED NAME Mark Fawcett
Vice President & Treasurer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 13 day of Aug 2012


SIGNATURE

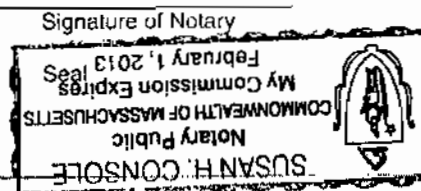
Maria T. C. Gillis
PRINTED NAME
Assistant Treasurer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 13 day of Aug 2012


Signature of Notary

Seal

*Insert EXACT legal name of the applicant



CERTIFICATION

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

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

Mark Fawcett
Vice President & Asst. Treasurer
PRINTED NAME

PRINTED TITLE

SIGNATURE

Maria T. C. Gillis
Assistant Treasurer
PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 13 day of Aug 2012

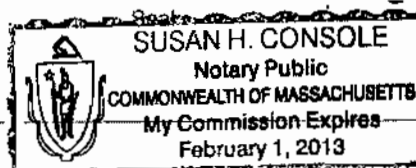
Notarization:

Subscribed and sworn to before me
this 13 day of Aug 2012

Signature of Notary

Seal

Signature of Notary



*Insert EXACT legal name of the applicant

CERTIFICATION

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- 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 WSKC Dialysis Services, 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

PRINTED NAME Mark Fawcett
Vice President & Treasurer

PRINTED TITLE

SIGNATURE

PRINTED NAME Maria T. C. Gillis
Assistant Treasurer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
 this 13 day of Aug 2012

Notarization:

Subscribed and sworn to before me
 this 13 day of Aug 2012

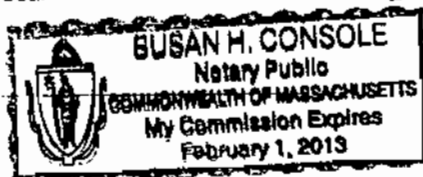
Signature of Notary

Seal

Signature of Notary

Seal

*Insert EXACT legal name of the applicant



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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

PURPOSE OF PROJECT NOT APPLICABLE – THE PROJECT WILL NOT IMPACT PATIENT CARE, QUALITY OR ACCESS TO SERVICES OFFERED BY THE CLINIC. IT IS SIMPLY A CHANGE TO THE BUSINESS STRUCTURE/OWNERSHIP OF THE ENTITY THAT OWNS/OPERATES THE DIALYSIS FACILITY.

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 VI - MERGERS, CONSOLIDATIONS AND ACQUISITIONS/CHANGES OF OWNERSHIP

This Section is applicable to projects involving merger, consolidation or acquisition/change of ownership.

NOTE: For all projects involving a change of ownership THE TRANSACTION DOCUMENT must be submitted with the application for permit. The transaction document must be signed dated and contain the appropriate contingency language.

A. Criterion 1110.240(b), Impact Statement

Read the criterion and provide an impact statement that contains the following information:

1. Any change in the number of beds or services currently offered.
2. Who the operating entity will be.
3. The reason for the transaction.
4. Any anticipated additions or reductions in employees now and for the two years following completion of the transaction.
5. A cost-benefit analysis for the proposed transaction.

B. Criterion 1110.240(c), Access

Read the criterion and provide the following:

1. The current admission policies for the facilities involved in the proposed transaction.
2. The proposed admission policies for the facilities.
3. A letter from the CEO certifying that the admission policies of the facilities involved will not become more restrictive.

C. Criterion 1110.240(d), Health Care System NOT APPLICABLE – APPLICANT IS NOT A HEALTH CARE SYSTEM

Read the criterion and address the following:

1. Explain what the impact of the proposed transaction will be on the other area providers.
2. List all of the facilities within the applicant's health care system and provide the following for each facility.
 - a. the location (town and street address);
 - b. the number of beds;
 - c. a list of services; and
 - d. the utilization figures for each of those services for the last 12 month period.
3. Provide copies of all present and proposed referral agreements for the facilities involved in this transaction.
4. Provide time and distance information for the proposed referrals within the system.
5. Explain the organization policy regarding the use of the care system providers over area providers.
6. Explain how duplication of services within the care system will be resolved.
7. Indicate what services the proposed project will make available to the community that are not now available.

APPEND DOCUMENTATION AS ATTACHMENT-19, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

G.

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

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

VIII. - 1120.120 - Availability of Funds

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

<u>N/A</u>	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
<u>N/A</u>	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
<u>N/A</u>	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>N/A</u>	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
<u>N/A</u>	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
<u>N/A</u>	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
<u>N/A</u>	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
N/A	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	APPLICANT MEETS THE FINANCIAL VIABILITY WAIVER CRITERIA IN THAT ALL OF THE PROJECTS CAPITAL EXPENDITURES ARE COMPLETELY FUNDED THROUGH INTERNAL SOURCES, THEREFORE NO RATIOS ARE PROVIDED.			
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

2. Variance NOT APPLICABLE

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

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

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements NOT APPLICABLE - THERE IS NO COST ASSOCIATED WITH THIS PROJECT

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 NOT APPLICABLE - THERE IS NO COST ASSOCIATED WITH THIS PROJECT

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 NOT APPLICABLE - THERE IS NO COST ASSOCIATED WITH THIS PROJECT

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 NOT APPLICABLE

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

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

XI. Safety Net Impact Statement

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

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

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

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

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

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

Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

XII. Charity Care Information

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

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

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

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

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

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

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Co-applicant Identification including Certificate of Good Standing	22-24
2	Site Ownership	25
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	26
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	27
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	28
8	Obligation Document if required	29
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	30-35
12	Purpose of the Project	36
13	Alternatives to the Project	37
14	Size of the Project	
15	Project Service Utilization	
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	38-51
	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	
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	
40	Financial Waiver	52-53
41	Financial Viability	
42	Economic Feasibility	54
43	Safety Net Impact Statement	55-56
44	Charity Care Information	57-64



To all to whom these Presents Shall Come, Greeting:

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

FRESENIUS MEDICAL CARE RIVER FOREST, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 14, 2010, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 1222601630

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

*In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 13TH
day of AUGUST A.D. 2012 .*

Jesse White

SECRETARY OF STATE

Certificate of Good Standing
ATTACHMENT - 1

C0-Applicant Identification

Co-Applicant Identification

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

Exact Legal Name: <i>Fresenius Medical Care Holdings, Inc.</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Rice Powell</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>
Telephone Number: <i>800-662-1237</i>

Type of Ownership of Co-Applicant

- | | |
|--|--|
| ☐ Non-profit Corporation | ☐ Partnership |
| ☐ For-profit Corporation | ☐ Governmental |
| ☐ Limited Liability Company | ☐ Sole Proprietorship |
| ☐ Other | |

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

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

CO-Applicant Identification

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

Exact Legal Name: <i>WSKC Dialysis Services, Inc. d/b/a Oak Park Dialysis Center</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Rice Powell</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>
Telephone Number: <i>800-662-1237</i>

Type of Ownership of 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.

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>Three M & L Partnership</i>
Address of Site Owner: <i>855 Madison Street, Oak Park, IL 60203</i>
Street Address or Legal Description of Site: <i>733 Madison Street, Oak Park, IL 60302</i> Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS <u>ATTACHMENT-2</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

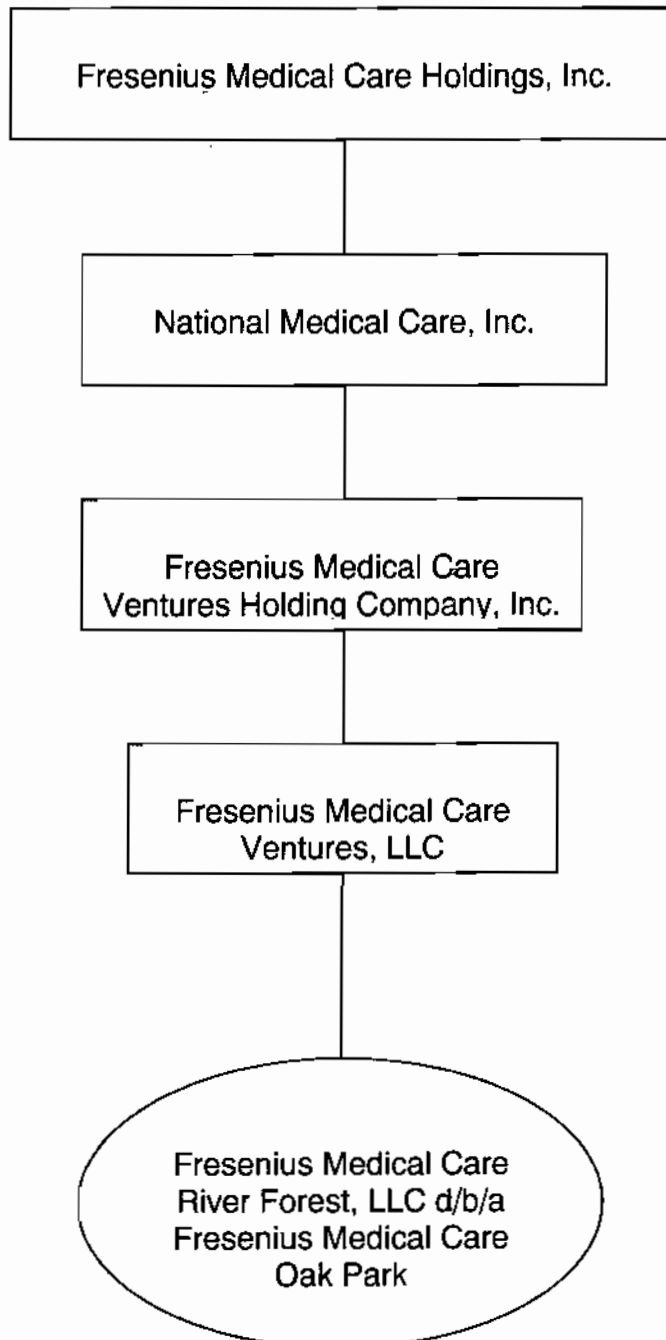
Exact Legal Name: *Fresenius Medical Care River Forest, LLC d/b/a Fresenius Medical Care Oak Park*

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

- | | | | | |
|-------------------------------------|---------------------------|--------------------------|---------------------|--------------------------------|
| ☐ | 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.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

Certificate of Good Standing at Attachment – 1.



SUMMARY OF PROJECT COSTS

Not applicable – there are no costs associated with this project.

Project obligation will occur after permit issuance.

Fresenius Medical Care

Fresenius Medical Care is the leading provider of dialysis products and services in the world and as such has a long-standing commitment to adhere to quality standards that are higher than required by regulatory bodies, to provide compassionate patient centered care, educate patients to become in charge of their health decisions, implement programs to improve clinical outcomes while reducing mortality & hospitalizations and to stay on the cutting edge of technology in development of dialysis related products.

The size of the company and range of services provides healthcare partners/employees and patients with an expansive range of resources from which to draw experience, knowledge and best practices.

Quality Measures – Fresenius Medical Care continually tracks five quality measures on all patients. These are:

- eKrt/V – tells us if the patient is getting an adequate treatment
- Hemoglobin – monitors patients for anemia
- Albumin – monitors the patient's nutrition intake
- Phosphorus – monitors patient's bone health and mineral metabolism
- Catheters – tracks patients access for treatment, the goal is no catheters which leads to better outcomes

The above measures as well as other clinic operations are discussed each month with the Medical Directors, Clinic Managers, Social Workers, Dietitians, Area Managers and referring nephrologists at each clinic's Quality Assessment Performance Improvement (QAI) meeting to ensure the provision of high quality care, patient safety, and regulatory compliance.

Some of the initiatives that Fresenius has implemented to bring about better outcomes and increase the patient's quality of life are the TOPS program, Right Start Program and The Catheter Reduction Program.

TOPs Program (Treatment Options) – This is a company-wide program designed to reach the pre-ESRD patient (also known as CKD – Chronic Kidney Disease) to educate them about available treatment options when they enter end stage renal disease. TOPs programs are held routinely at local hospitals and physician offices. Treatment options include transplantation, in-center hemodialysis, home hemodialysis, peritoneal dialysis and nocturnal dialysis.

Right Start Program – This is an intensive 90-day intervention program for the new dialysis patient centering on education, anemia management, adequate dialysis dose, nutrition, reduction of catheter use, review of medications and logistical and psychosocial support. The Right Start Program results in improved morbidity and mortality in the long term but also notably in the first 90 days of the start of dialysis.

Catheter Reduction Program – This is a key strategic clinical initiative to support nephrologists and clinical staff with increasing the number of patients dialyzed with a permanent access, preferably a venous fistula (AVF) versus a central venous catheter (CVC) venous fistula). Starting dialysis with or converting patients to an AVF can significantly lower serious complications, hospitalizations and mortality rates. Overall adequacy of dialysis treatment also increases with the use of the AVF.

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

Clinic	Provider #	Address	City	Zip
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002
Aurora	14-2515	455 Mercy Lane	Aurora	60506
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406
Bolingbrook	14-2605	538 E. Boughton Road	Bolingbrook	60440
Breese		160 N. Main Street	Breese	62230
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609
Burbank	14-2641	4811 W. 77th Street	Burbank	60459
Carbondale	14-2514	725 South Lewis Lane	Carbondale	62901
Champaign	14-2588	1405 W. Park Street	Champaign	61801
Chatham		333 W. 87th Street	Chicago	60620
Chicago Dialysis	14-2506	820 West Jackson Blvd.	Chicago	60607
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608
Cicero		3030 S. Cicero	Chicago	60804
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624
Crestwood	14-2538	4861W. Cal Sag Road	Crestwood	60445
Decatur East	14-2503	1830 S. 44th St.	Decatur	62521
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015
Des Plaines		1625 Oakton Place	Des Plaines	60018
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185
DuQuoin	14-2595	#4 West Main Street	DuQuoin	62832
East Peoria	14-2562	3300 North Main Street	East Peoria	61611
Elgin	14-2726	2130 Point Boulevard	Elgin	60123
Elk Grove	14-2507	901 Biesterfield Road, Ste. 400	Elk Grove	60007
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805
Fairview Heights		821 Lincoln Highway	Fairview Heights	62208
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609
Glendale Heights	14-2617	520 E. North Avenue	Glendale Heights	60139
Glenview	14-2551	4248 Commercial Way	Glenview	60025
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619
Gurnee	14-2549	101 Greenleaf	Gurnee	60031
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649
Joliet		721 E. Jackson Street	Joliet	60432
Kewanee	14-2578	230 W. South Street	Kewanee	61443
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613
Lincolnland		1112 Centre West Drive	Springfield	62704
Logan Square		2734 N. Milwaukee Avenue	Chicago	60647
Lombard	14-2722	1940 Springer Drive	Lombard	60148
Macomb	14-2591	523 E. Grant Street	Macomb	61455
Marquette Park	14-2566	6515 S. Western	Chicago	60636
McHenry	14-2672	4312 W. Elm St.	McHenry	60050
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704
Melrose Park	14-2554	1111 Superior St., Ste. 204	Melrose Park	60160
Merrionette Park	14-2667	11630 S. Kedzie Ave.	Merrionette Park	60803
Metropolis	14-2705	20 Hospital Drive	Metropolis	62960
Midway	14-2713	6201 W. 63rd Street	Chicago	60638
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448
Morris	14-2596	1401 Lakewood Dr., Ste. B	Morris	60450
Mundelein	14-2731	1400 Townline Road	Mundelein	60060
Naperbrook		2451 S Washington	Naperville	60565
Naperville	14-2543	100 Spalding Drive Ste. 108	Naperville	60566
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714
Norridge	14-2521	4701 N. Cumberland	Norridge	60656
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160

North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630
Northcenter	14-2531	2620 W. Addison	Chicago	60618
Northfield		480 Central Avenue	Northfield	60093
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611
Oak Park	14-2504	773 W. Madison Street	Oak Park	60302
Orland Park	14-2550	9160 W. 159th St.	Orland Park	60462
Oswego	14-2677	1051 Station Drive	Oswego	60543
Ottawa	14-2576	1601 Mercury Circle Drive, Ste. 3	Ottawa	61350
Palatine	14-2723	691 E. Dundee Road	Palatine	60074
Pekin	14-2571	600 S. 13th Street	Pekin	61554
Peoria Downtown	14-2574	410 W. Romeo B. Garrett Ave.	Peoria	61605
Peoria North	14-2613	10405 N. Juliet Court	Peoria	61615
Plainfield	14-2707	2320 Michas Drive	Plainfield	60544
Polk	14-2502	557 W. Polk St.	Chicago	60607
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764
Prairie	14-2569	1717 S. Wabash	Chicago	60616
Randolph County	14-2589	102 Memorial Drive	Chester	62233
River Forest		103 Forest Avenue	River Forest	60305
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008
Roseland	14-2690	135 W. 111th Street	Chicago	60628
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621
Round Lake	14-2616	401 Nippersink	Round Lake	60073
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946
Sandwich	14-2700	1310 Main Street	Sandwich	60548
Skokie	14-2618	9801 Wood Dr.	Skokie	60077
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617
South Deering		10559 S. Torrence Ave.	Chicago	60617
South Holland	14-2542	17225 S. Paxton	South Holland	60473
South Shore	14-2572	2420 E. 79th Street	Chicago	60649
South Side	14-2508	3134 W. 76th St.	Chicago	60652
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461
Southwestern Illinois	14-2535	Illinois Rts 3&143, #7 Eastgate Plz.	East Alton	62024
Spoon River	14-2565	210 W. Walnut Street	Canton	61520
Spring Valley	14-2564	12 Wolfer Industrial Drive	Spring Valley	61362
Steger	14-2725	219 E. 34th Street	Steger	60475
Streator	14-2695	2356 N. Bloomington Street	Streator	61364
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640
Waukegan Harbor	14-2727	101 North West Street	Waukegan	60085
West Batavia	14-2729	2580 W. Fabyan Parkway	Batavia	60510
West Belmont	14-2523	4943 W. Belmont	Chicago	60641
West Chicago	14-2702	1859 N. Neilnor	West Chicago	60185
West Metro	14-2536	1044 North Mozart Street	Chicago	60622
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302
West Willow	14-2730	1444 W. Willow	Chicago	60620
Westchester	14-2520	2400 Wolf Road, Ste. 101A	Westchester	60154
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959
Willowbrook	14-2632	6300 S. Kingery Hwy, Ste. 408	Willowbrook	60527

Certification & Authorization

Fresenius Medical Care River Forest, LLC

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

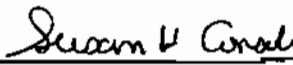
In regards to section III, A (3) of the Illinois Health Facilities Planning Board Application for Certificate of Need; I do hereby authorize the State Board and Agency access to information in order to verify any documentation or information submitted in response to the requirements of this subsection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

By: 
ITS: Mark Fawcett
Vice President & Treasurer

By: 
ITS: Maria T. C. Gillis
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 13 day of Aug, 2012

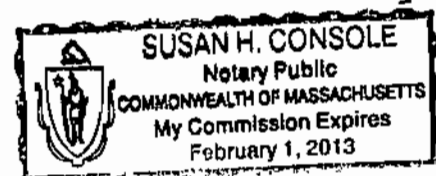
Notarization:
Subscribed and sworn to before me
this 13 day of Aug, 2012


Signature of Notary

Signature of Notary

Seal

Seal



Certification & Authorization

Fresenius Medical Care Holdings, Inc.

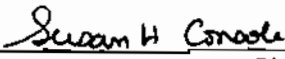
In accordance with Section III, A (2) of the Illinois Health Facilities Planning Board Application for Certificate of Need; I do hereby certify that no adverse actions have been taken against Fresenius Medical Care Holdings, Inc. by either Medicare or Medicaid, or any State or Federal regulatory authority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

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

By: 

ITS: Mark Fawcett
Vice President & Asst. Treasurer

Notarization:
Subscribed and sworn to before me
this 13 day of Aug, 2012

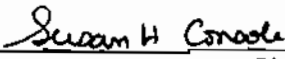

Signature of Notary

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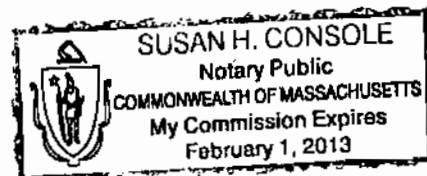
By: 

ITS: Maria T. C. Gillis
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 13 day of Aug, 2012


Signature of Notary

Seal



Certification & Authorization

WSKC Dialysis Services, Inc.

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

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

By: [Signature]
ITS: _____

By: [Signature]
ITS: **Maria T. C. Gillis**
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 13 day of Aug, 2012

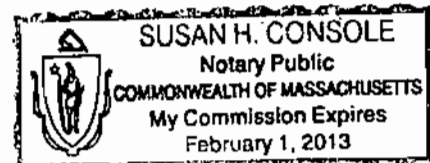
Notarization:
Subscribed and sworn to before me
this 13 day of Aug, 2012

[Signature]
Signature of Notary

[Signature]
Signature of Notary

Seal

Seal



Criterion 1110.230 – Purpose of Project

The purpose of this project is to allow the Oak Park facility to have an ownership structure that would give it the flexibility to allow for physician investment.

The market area that Fresenius Medical Care Oak Park serves is mainly Oak Park and the surrounding suburbs which lie in Cook County in HSA 7 as well as the west side of the city of Chicago. This facility has been serving the area for 30 years. Physicians who are interested in possibly investing in the facility are unable to do so in its current ownership structure.

Fresenius Medical Care is committed to providing ongoing dialysis services to Oak Park and to all patient populations. There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications.

Currently this facility has quality outcomes that are above average. It is expected that this facility would continue to experience these outcomes as listed below:

- 93% of patients had a URR $\geq$ 65%
- 95% of patients had a Kt/V $\geq$ 1.2

Alternatives

1) All Alternatives

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

- There are no alternatives that would entail a lesser cost since there is no cost to the internal transfer of assets from WSKC Dialysis Services, Inc. to the wholly owned Fresenius Medical Care River Forest, LLC.

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

The typical Fresenius model of ownership is for our facilities to be wholly owned, however we do enter into joint ventures on occasion. Fresenius Medical Care always maintains control of the governance, assets and operations of a facility it enters into a joint venture agreement with. The Oak Park facility could potentially become a joint venture as physicians have shown an interest in investing in the facility. Changing the current ownership to a wholly owned Limited Liability Company will allow for physicians, if they choose to do so, to invest in the facility as minority members.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Maintain Status Quo	\$0	No Change or effect	No Change or effect	No Change or effect
Change ownership by internal transfer of assets	\$0	No Change or effect	No Change or effect	No Change or effect

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

There is no direct empirical evidence relating to this project since it is merely an internal transfer of assets. Oak Park Dialysis Center had the following quality outcomes for 2011.

- 93% of patients had a URR $\geq$ 65%
- 95% of patients had a Kt/V $\geq$ 1.2

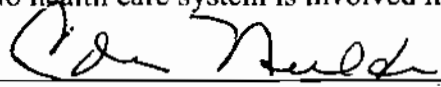
IMPACT AND ACCESS STATEMENT PER PART 1110.240

The proposed change of ownership will not result in the reduction or addition of stations at the existing certified dialysis facility. (The facility currently operates 32 stations, however per permit #10-012, 20 of the stations will be transferred to the Fresenius Medical Care River Forest facility upon its certification, leaving the Oak Park facility with 12 stations.) The current owner/operator of the facility is WSKC Dialysis Services, Inc., (whose ultimate parent entity is Fresenius Medical Care Holdings, Inc.) and will be owned/operated by Fresenius Medical Care River Forest, LLC, (whose ultimate parent entity is also Fresenius Medical Care Holdings, Inc.), after the change of ownership. There will be no reduction in employees at the facility for a period of two years from the date of change of ownership other than in the normal course of business. There is no cost associated with this transaction.

There will be no changes to patient admissions and no reduction in access to dialysis services as a result of the change of ownership. The admission policies of the facility involved will not become more restrictive. Facilities owned and operated by Fresenius Medical Care River Forest, LLC accept all patients regardless of ability to pay. They are "open" facilities from the standpoint of granting privileges to any physician who wishes to admit patients to the facility. The facility currently operates under the Fresenius Medical Care Holdings, Inc. Admissions Policies and will remain operating under the Fresenius Medical Care Holdings, Inc. Policies, a copy of which are attached. These policies will not change.

The preferred Fresenius model of ownership is for our facilities to be wholly owned, however we do enter into Joint Ventures on occasion. The Oak Park facility will likely be one of those occasions due to the fact that the physicians desire to serve this community as well as investing in the facility. Changing ownership of the Oak Park facility from WSKC Dialysis Services, Inc. to Fresenius Medical Care River Forest, LLC will allow for this investment should it occur. Fresenius Medical Care will maintain control of the governance, assets and operations of the facility as if physicians do invest in this facility their investment will be a minority interest only and will not allow them control of the facility.

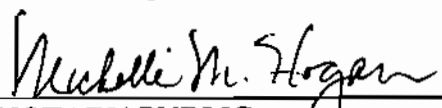
No health care system is involved in this transaction.



Signature
Coleen Muldoon, Regional Vice President
Printed Name/Title

Date: 8-13-12

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



NOTARY PUBLIC



BILL OF SALE; ASSIGNMENT AND ASSUMPTION AGREEMENT

This **BILL OF SALE; ASSIGNMENT AND ASSUMPTION AGREEMENT**, dated as of _____, 2012, is made between WSKC Dialysis Services, Inc., an Illinois corporation (the "Member"), and Fresenius Medical Care River Forest, LLC, a Delaware limited liability company (the "Company").

For good and valuable consideration of ten dollars (\$10.00) the receipt and sufficiency of which are hereby acknowledged, (a) the Member hereby intends to sell, assign, transfer and convey to the Company and its successors and assigns all of the Member's right, title and interest in and to the Pre-Development Assets and Facility Assets, which Pre-Development Assets and Facility Assets include without limitation those assets listed on **Exhibit A** attached hereto, and (b) the Company hereby assumes all of the obligations of the Member arising under or relating to the Pre-Development Assets and the Facility Assets, as of the closing date, yet to be determined. The sale/assignment of assets will not take place until after approval of the change of ownership of the dialysis facility currently known as Fresenius Medical Care River Forest, LLC is approved by the Illinois Health Facilities and Services Review Board.

This Bill of Sale; Assignment and Assumption Agreement is executed and delivered pursuant to, and is subject to the terms of, the Operating Agreement, and nothing contained herein is intended to alter, modify, expand or diminish the terms set forth in the Operating Agreement, including the representations and warranties relating to the Pre-Development Assets and Facility Assets.

[signature page follows]

IN WITNESS WHEREOF, the Member and the Company have executed this Bill of Sale; Assignment and Assumption Agreement as of the date hereof.

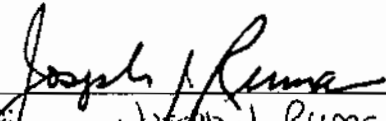
THE MEMBER:

WSKC DIALYSIS SERVICES, INC.

By: _____

Name: _____

Title: _____



Joseph J. Ruma

Vice President

[signatures continued next page]

THE COMPANY:

**FRESENIUS MEDICAL CARE RIVER FOREST,
LLC**

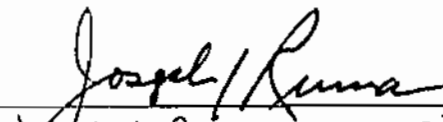
By: 
Joseph J. Ruma, a Manager

EXHIBIT A
PRE-DEVELOPMENT ASSETS

All of the assets, tangible and intangible, that are owned by Member relating to the dialysis facility of Member operated in Oak Park, Illinois that are transferable or assignable, but specifically excluding (i) all working capital assets (including cash, accounts receivable, prepaids, inventory and rebates earned prior to the date hereof), (ii) all assets not used exclusively in such dialysis facility, and (iii) equipment leases for all equipment other than **[dialysis, copier and computer]** equipment.

ADMISSION, TRANSFER, AND DISCHARGE POLICY**1. ADMISSION**

It is the policy of this dialysis facility to admit and to treat all patients referred by physician members of its Medical Staff without regard to race, creed, color, age, sex, handicap, disability, national origin or social status. All persons and organizations having the occasion to refer patients to physician members of this facility's medical staff for admission to this dialysis facility are advised to do so without regard to the patient's race, creed, color, age, sex, handicap, disability, national origin or social status.

Each patient admitted will be followed by a physician member of the facility's Medical Staff. Prior to admission to this dialysis facility, or with reasonable concurrence thereto, there shall be documented consideration of the most appropriate mode of treatment, including full-maintenance hemodialysis, self-care hemodialysis, home training and home dialysis, renal transplantation, continuous ambulatory peritoneal dialysis, continuous cycling peritoneal dialysis and intermittent peritoneal dialysis. The patient shall be made aware and afforded access to all of the above modes of treatment provided by other facilities that are not provided by this dialysis facility.

Patients shall be medically cleared for treatment in this dialysis facility when such treatment is deemed indicated and appropriate according to the clinical judgment of that patient's attending physician. No arbitrary criteria with respect to patient's age or magnitude of complicating medical problems are established. It is intended that appropriateness of dialysis shall be a decision to be made by the patient's attending physician in accordance with his or her best clinical judgment, and in compliance with the ESRD program and the facility's policies.

Prior to admission to this dialysis facility, all appropriate paperwork must be completed as outlined in section 122-040-020 of the FMCNA Financial Procedure Manual. All appropriate medical and financial records must be received prior to the patient's admission to the facility. Upon referral, the Admissions Coordinator collects all demographic and insurance information from the referral source and the prospective patient and forwards it immediately to the designated staff at the billing group office. Within two days, the billing group staff will verify the patient's insurance coverage and identify any

coverage gaps which exist. Billing office staff will then notify the Admissions Coordinator of the results of the insurance verification and will discuss with the Coordinator the facility's plans for obtaining appropriate coverage, as necessary.

Financial approval for admission is based upon the patient's insurance coverage and his/her willingness to pursue enrollment in insurance or assistance programs for which he/she qualifies.

The billing office will deny financial clearance to individuals who a) cannot obtain Medicare or other coverage or b) indicate an unwillingness to enroll in programs for which he/she is potentially eligible or c) are uncooperative and refuse to disclose insurance information.

In such an event, the billing office representative will notify the Admissions Coordinator, the Administrator and the Region Manager. The patient's physician should be contacted to obtain his/her assistance. The final decision concerning the admission will be made in such cases by the Region Manager.

Medical clearance and financial approval are required prior to admission. Once admission approval has been granted, the Admissions Coordinator must forward the following items from the Patient Admissions Checklist to the billing group office:

- Signed Admission Agreement
- Signed Release of Information/Assignment of Benefits
- Signed LifeChem Assignment of Benefits Form
- Copies of all insurance cards
- Dates of application for Medicare and/or other Insurance

For Home Patients only:

- Signed ESRD Beneficiary Selection Form
- MPD/ERIKA Assignment of Benefits Form

Medical Records, which must be sent to the facility prior to the patient's admission, will contain at least the following:

Long Term Program, Patient Care Plan, History and Physical, Discharge Summary if transferring from hospital unit, Physician's Progress Notes, Social Service Summary, Dietary History, Current Labwork including Chemistries and CBC. **HbsAg**

results within 30 days unless the patient has HBV antibodies, then an HbsAg is not needed, but a documented HbsAb within the past 12 months is required instead, EKG, Chest X-Ray reports if available or most recent, and Hemodialysis Sheets.

A Consent for Chronic Hemodialysis (or consent appropriate for modality chosen) must be signed by the patient prior to the patient's first treatment at the facility. The signed consent form is binding until the patient is discharged from the facility, withdraws consent for treatment, or his/her dialysis modality changes at which time a new consent must be signed. Consent forms from other FMCNA facilities or non-FMCNA's shall not be used as consent for treatment at this facility.

Each patient shall be evaluated annually by an interdisciplinary team as to appropriateness and effectiveness of the treatment modality received, and the need for continuation of or change in treatment. This team will consist of at least a physician, transplant surgeon or his/her designee, nurse, social worker, dietitian and patient.

Patients who exhibit inappropriate behavior such that they constitute a danger to themselves or to others, or who do not agree to follow the policies and procedures of this facility, may be denied admission to this dialysis facility or may be discharged for same, at the discretion of the Medical Director.

The Director of Nursing or designee shall be responsible for checking the patient's incoming medical records for completeness, and for opening the patient's medical record. The Director of Nursing or designee shall attempt to obtain missing information, and shall notify the patient's physician and/or the Medical Records Supervisor as to any unobtainable data.

The Director of Nursing or designee shall be responsible for scheduling the patient for dialysis treatments in a manner consistent with the attending physician's dialysis prescription, patient needs, and with regard to available time slots.

The patient and/or his or her family shall designate a person to notify in case of emergency. This dialysis facility shall make every effort to notify the appropriate person of any change in a patient's condition considered significant by the physician.

2. TRANSFER AND DISCHARGE

Patients temporarily admitted to the hospital, or in a transient

status at another out-patient hemodialysis facility, shall not be discharged from this dialysis facility. In these cases, and in the case of a patient being discharged for permanent transfer to another facility, this dialysis facility shall provide the hospital or the receiving facility with appropriate records summarizing the interim medical course and records concerning the patient's dialysis treatments. These include, but are not limited to: Long Term Program and Patient Care Plans, Hemodialysis Sheets, History and Physical, Physician Progress Notes, Social Services Summary, Dietary History, Current Labwork and Physician Order Sheets. Transfer of such records shall occur within one working day after the patient transfers. Should a patient be permanently transferred to another facility, transplanted, discontinue dialysis or expire, the patient's medical record shall be closed by the Medical Records Supervisor within 30 days from the time the patient leaves the facility. The patient's primary physician shall complete a Patient Discharge Summary within 30 days of the patient's discharge. (Exhibit-Discharge Summary). This discharge summary shall be placed at the front of the patient's closed medical record. The billing office should immediately be notified of all temporary/permanent transfers or discharges.

All patients admitted to this dialysis facility are admitted voluntarily. Any patient who insists on terminating a treatment early will be asked to sign an "Against Medical Advice" form. If a patient cancels a scheduled dialysis treatment, either by calling to inform the dialysis facility, or by not showing up for a scheduled treatment, the charge nurse or other licensed nurse shall attempt to inform the patient of the consequences of missing a scheduled treatment. The patient's physician should be notified of the cancellation, and should make the decision as to whether the treatment needs to be rescheduled. (See Early Termination or Cancellation of Treatment Policy).

If a patient chooses to withdraw from dialysis, every effort will be made to ensure the patient has been informed of his/her treatment options and understands the consequences of withdrawing from dialysis. (See Withdrawal From Dialysis Policy).

The Charge Nurse shall be responsible for immediately notifying the attending physician, the Director of Nursing and/or Administrator at any time a patient leaves the Hemodialysis Unit against medical advice.

In cases of patient emergencies occurring at this dialysis facility, the physician responsible for the patient's care at

the time of the emergency shall arrange for the transfer of the patient to the hospital. He or she shall notify the attending physician, if applicable, and this dialysis facility shall promptly provide the hospital with appropriate medical records.

When circumstances warrant, these responsibilities shall be carried out by the Charge Nurse on duty at the time of the emergency.

Personal effects of a patient who is transferred to a hospital and/or expires will be recorded on a "Patient's Personal Effects" check list, placed in an envelope or bag, and stored in a safe location in the facility. The Administrator, Director of Nursing, or Charge Nurse will contact the patient's family and request that they pick up the personal effects. (See Patient's Personal Effects Policy).

In the event of death occurring at the facility, the patient's next of kin or responsible party, as designated, shall be promptly notified. The attending physician shall sign the death certificate, as appropriate. Remains shall be released to the appropriate undertaker only after the persons responsible have signed a release form.

If required by state and/or local law, the Department of Health and/or County Coroner will be notified of a death on-site within the mandated time frame.

Request for and permission for autopsy should be referred to the Administrator. Arrangements for the examination are the responsibility of the attending physician.

EXHIBIT**"DISCHARGE SUMMARY****FMCNA****DISCHARGE SUMMARY****ADDRESSOGRAPH**

Date of Discharge: _____

Discharge to:

1. Transferred to _____ Dialysis Unit
Address _____
Reason for transfer _____
Date records sent _____
2. Transplant Surgery Date _____ Hospital _____
3. Discontinued Dialysis Date _____
Reason _____
4. Expired Caused of Death: _____
Date of Death: _____
Place of Death: _____

Final Diagnosis: (includes both primary and secondary diagnoses)

1. _____
2. _____
3. _____

Prognosis: _____

Brief Summary: _____

PERSON COMPLETING SUMMARY/TITLE

DATE

ATTENDING PHYSICIAN

DATE

EMERGENCY TRANSFER GUIDELINES

Facilities may experience emergencies caused by severe weather, fire or other serious facility operating problems such as water treatment failure or other unexpected problems. These problems may require construction or repairs that are believed to be short-lived and may necessitate closure of a facility. Inability of facilities to provide services can result in the need for subsequent temporary arrangements for patients to be dialyzed at another FMCNA "host" facility. In addition, patients may require temporary care at another FMCNA facility based on their inability to safely get to their "home" facility.

Emergency Transfer is defined as:

- Not expected to extend beyond **30 days**.
- Patients are expected to return to their "home" facility to continue their treatments when operations are able to resume.

The treating clinic or "host" facility or facilities will provide services for the "home" facility according to the company wide agreement "Dialysis Unit Emergency Back Up Agreement" (established by Corporate Law Department). A fully executed "Dialysis Unit Emergency Back Up Agreement" is included with this policy.

Following the activation of the Emergency Back Up Agreement, the "home" facility patients must be assigned to a physician with privileges at the "host" facility, unless patient's attending physician already maintains privileges at the "host" dialysis facility. Dialysis treatment orders must be obtained from the assigned physician if the patient is assigned to a physician at the "host" facility.

When possible, copies of Medical Records such as Physician Order Sheets, Hemodialysis Treatment Sheets, current Lab Work, History and Physical, Multidisciplinary Progress Notes (including physician, nursing, social worker and dietary notes), Long Term Program and Patient Care Plans, Psychosocial Assessment (most recent), and Dietary Referral Sheet, must be sent to the "host" facility.

- If patient's paper medical records are destroyed due to fire, water or other serious facility damage, information

available in the Proton Information System should be printed from Proton. When the patient returns to their "home" facility, all medical record documentation that was created at the "host" facility should be copied and transferred to the patient's "home" facility medical record.

When a patient or patients require emergency transfer to another facility, the "home" facility (facility experiencing the emergency) must notify Spectra Customer Service of the emergency transfer in order for Spectra to send any laboratory reports to the "host" facility where patient is being treated.

Under normal facility operating procedures, when new patients are initially admitted into a facility, each patient is set up in the Spectra Lab system in their "home" facility so that lab resulting data and information system notification is sent to the facility of record.

Lab tests that are ordered for the patient while they are located in the "host" facility, **should be ordered with the "home" facility number**, so the lab results will be downloaded into Proton and can be used for clinical outcome reporting.

Staff can access the "home" facility Proton information and the patient lab results from **any** Proton facility database. As long as Spectra is notified that the patient is dialyzing in the "host" facility, the printed lab results can be sent directly to the "host" facility printer.

All services performed **must be entered into Proton in the "home" facility database**, as if the "home" facility provided the services. (Application Instructors should provide direction to the facility on performing the following procedures.)

- Patient information can be accessed in Proton from any facility database.
- The treatment sheet can print to the "host" facility.
- The "host" facility name must be written on the top of the treatment sheet and all medical records created at the "host" facility.
- A daily validation must be run on the "home" facility database.

NOTE: If patients are at several different local facilities, the Clinical Manager or Area Manager must communicate with each "host" facility to ensure treatment information has been entered into the correct Proton "home"

facility information system before validating treatments.

If the facility closure/emergency transfer exceeds **30 days**, the continuation of the "Dialysis Unit Emergency Back Up Agreement" must be reviewed and approved. The Regional Vice President must contact the FMS Vice President of Operations Support and the FMS Vice President of Clinical Services and provide a report on the status of the "home" facility. The need to extend the time of the Emergency Back Up Agreement will be approved on a case-by-case basis depending on the length of time that the "home" facility can return to normal operations.

If the "Dialysis Unit Emergency Back Up Agreement" continues past thirty days, Subpart U documentation requirements (such as Short Term Care Plan, Long Term Program, Progress notes) must be completed at the "host" facility according to the usual schedule.

If it is determined that the "Dialysis Unit Emergency Back Up Agreement" must be discontinued because the "home" facility will not be operational in a reasonable period of time and therefore unable to accept patients, each patient accepted into the "host" facility because of an emergency must be formally transferred to the "host" facility and the appropriate admission, clinical and billing forms (refer to Financial Procedure Manual #122-040-020 for direction on billing forms) must be completed.

Criterion 1120.310 Financial Viability

Financial Viability Waiver

This project has no cost and all Fresenius Medical Care projects are funded entirely through cash and securities thereby meeting the criteria for the financial waiver.

2011 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #12-056, Fresenius Medical Care RAI Lincoln Highway – Fairview Heights and are the same financials that pertain to this application. In order to reduce bulk these financials can be referred to if necessary.

Criterion 1120.310 (d) – Projected Operating Costs

Year 2014

Salaries \$560,123

Benefits 140,031

Supplies 168,352

Total \$868,506

Annual Treatments 8,986

Cost Per Treatment \$96.65

Safety Net Impact Statement

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

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

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

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

Safety Net Information Fresenius Medical Care Facilities in Illinois			
NET REVENUE	\$364,295,636	\$397,467,778	\$353,355,908
CHARITY CARE			
	2009	2010	2011
Charity Care (# of self-pay patients)	260	146	93
Charity (self-pay) Cost	\$3,642,751	\$1,307,966	632,154
% of Charity Care to Net Rev.	1.00%	.33%	0.2%
MEDICAID			
	2009	2010	2011
Medicaid (# of patients)	1,783	1,828	1,865
Medicaid (revenue)	\$40,401,403	\$44,001,539	\$42,367,328
% of Medicaid to Net Revenue	11.9%	11.07%	12%

2011 data accounts for in-center hemodialysis patients only. 2009 & 2010 included some home dialysis patients and we were unable to remove them from the above numbers. Going forward data on in-center patients only will be submitted

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

While it may appear that the uncompensated numbers went down at a much higher rate than the rate the Medicaid numbers rose, one has to look at the percentage of the total number of patients/treatments for accurate comparison because the volume of Medicaid patients is significantly higher than that of uncompensated patients. For example in 2011 vs 2010 the percentage of the total for Medicaid was 12% and 11.7% respectively. In the same comparison for uncompensated care there was .2% vs .33% of the total. The Medicaid numbers increased .5% and the uncompensated care numbers decreased .1% as they relate to the total.

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

Charity Care Information

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

The applicants do provide access to care at all of its clinics regardless of payer source or whether a patient is likely to receive treatments for which the applicants are not compensated. Uncompensated care occurs when a patient is not eligible for any type of insurance coverage (whether private or governmental) and receives treatment at our facilities. It is rare in Illinois for patients to have no coverage as patients who are not Medicare eligible are Medicaid eligible. This represents a small number of patients, as Medicare covers all dialysis services as long as an individual is entitled to receive Medicare benefits (i.e. has worked and paid into the social security system as a result) regardless of age. In addition, in Illinois Medicaid covers patients who are undocumented and/or who do not qualify for Medicare, and who otherwise qualify for public assistance. Also, the American Kidney Fund provides low cost insurance coverage for patients who meet the AKF's financial parameters and who suffer from end stage renal disease (see uncompensated care attachment). The applicants work with patients to procure coverage for them as possible whether it be Medicaid, Medicare and/or coverage through the AKF. The applicants donate to the AKF to support its initiatives.

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

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

Uncompensated Care By Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2009	2010	2011	2009	2010	2011
Fresenius Alsip	0	0	0	0	0	0
Fresenius Antioch	102	0	0	27,356	0	0
Fresenius Aurora	83	87	13	18,102	20,475	3,008
Fresenius Austin Community	140	0	0	38,748	0	0
Fresenius Berwyn	715	228	102	159,825	50,216	21,728
Fresenius Blue Island	174	80	0	47,787	22,092	0
Fresenius Bolingbrook	48	21	0	12,190	4,945	0
Fresenius Bridgeport	528	45	150	116,096	9,767	35,073
Fresenius Burbank	721	49	40	174,834	11,589	9,742
Fresenius Carbondale	79	42	0	21,053	11,058	0
Fresenius Chicago	328	45	1	87,584	13,006	294
Fresenius Chicago Westside	146	0	43	47,296	0	12,683
Fresenius Congress Parkway	176	14	0	45,015	3,555	0
Fresenius Crestwood	67	320	69	16,604	81,301	17,203
Fresenius Decatur	0	0	0	0	0	0
Fresenius Deerfield	0	0	0	0	0	0
Fresenius Downers Grove	20	233	0	4,604	55,040	0
Fresenius Du Page West	76	34	0	17,683	8,106	0
Fresenius Du Quoin	37	10	0	10,153	2,664	0
Fresenius East Peoria	52	0	0	11,791	0	0
Fresenius Elgin	0	0	0	0	0	0
Fresenius Elk Grove	127	53	51	28,162	11,934	12,501
Fresenius Evanston	194	215	90	48,763	55,760	22,969
Fresenius Evergreen Park	510	197	12	135,802	51,112	3,113
Fresenius Garfield	177	54	171	45,571	13,562	38,597
Fresenius Glendale Heights	159	15	9	34,921	3,565	2,023
Fresenius Glenview	87	46	169	19,416	9,809	37,965
Fresenius Greenwood	251	179	26	60,119	42,049	6,103
Fresenius Gurnee	122	35	25	28,363	7,609	5,350
Fresenius Hazel Crest	34	22	83	8,927	5,874	20,550
Fresenius Hoffman Estates	33	17	19	7,219	3,783	4,173
Fresenius Jackson Park	528	3	0	121,478	637	0
Fresenius Kewanee	0	72	0	0	20,269	0
Fresenius Lake Bluff	65	5	21	16,903	1,052	4,824
Fresenius Lakeview	27	13	11	7,284	3,026	2,712
Fresenius Lombard	0	0	0	0	0	0
Fresenius Macomb	0	0	0	0	0	0
Fresenius Marquette Park	362	0	0	90,374	0	0
Fresenius McHenry	186	5	1	53,929	1,240	265
Fresenius McLean County	67	19	23	16,821	4,012	5,111
Fresenius Melrose Park	19	0	2	5,048	0	479
Fresenius Merrionette Park	105	41	46	27,067	9,535	10,728
Fresenius Midway	0	0	0	0	0	0
Fresenius Mokena	44	3	0	15,784	976	0
Fresenius Morris	42	104	0	11,078	27,519	0
Fresenius Naperville	301	100	0	62,828	21,795	0
Fresenius Naperville North	183	0	18	45,371	0	3,887

Continued...

Continued Uncompensated Care by Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2009	2010	2011	2009	2010	2011
Fresenius Niles	152	26	10	36,586	5,912	2,274
Fresenius Norridge	6	3	0	1,433	718	0
Fresenius North Avenue	94	74	0	23,140	17,785	0
Fresenius North Kilpatrick	0	64	0	0	14,161	0
Fresenius Northcenter	121	78	0	33,725	19,191	0
Fresenius Northwestern	226	77	160	54,801	20,482	43,652
Fresenius Oak Park	126	6	0	29,782	1,370	0
Fresenius Orland Park	121	0	12	29,308	0	3,072
Fresenius Oswego	12	1	0	3,294	277	0
Fresenius Ottawa	8	2	3	2,377	443	844
Fresenius Palatine	0	0	0	0	0	0
Fresenius Pekin	0	20	100	0	4,582	22,951
Fresenius Peoria Downtown	46	45	24	10,787	10,650	5,674
Fresenius Peoria North	54	13	0	12,693	3,116	0
Fresenius Plainfield	0	8	7	0	4,776	1,803
Fresenius Polk	231	104	102	57,903	25,023	25,642
Fresenius Pontiac	19	0	0	4,664	0	0
Fresenius Prairie	114	54	215	29,278	13,918	50,109
Fresenius Randolph County	4	32	0	1,200	8,794	0
Fresenius Rockford	74	24	0	23,729	6,932	0
Fresenius Rodgers Park	328	224	48	85,308	55,507	11,633
Fresenius Rolling Meadows	0	204	215	0	50,445	52,184
Fresenius Roseland	164	99	9	60,432	29,927	2,593
Fresenius Ross Dialysis Englewood	184	8	12	51,398	2,031	3,151
Fresenius Round Lake	182	1	54	42,228	231	12,274
Fresenius Saline County	21	11	0	5,679	2,892	0
Fresenius Sandwich	18	3	0	8,054	966	0
Fresenius Skokie	18	10	25	4,418	2,606	6,609
Fresenius South Chicago	747	278	135	196,277	67,614	31,622
Fresenius South Holland	127	104	0	29,620	24,321	0
Fresenius South Shore	110	8	0	29,182	1,943	0
Fresenius South Suburban	566	241	41	139,684	57,649	9,809
Fresenius Southside	483	137	27	120,241	32,823	6,263
Fresenius Southwestern Illinois	0	0	0	0	0	0
Fresenius Spoon River	38	35	0	8,910	8,633	0
Fresenius Spring Valley	1	31	9	221	6,446	1,952
Fresenius Streator	0	0	34	0	0	11,545
Fresenius Uptown	134	110	2	43,063	32,398	533
Fresenius Villa Park	369	27	0	91,054	6,488	0
Fresenius West Belmont	191	70	76	51,405	17,653	18,057
Fresenius West Chicago	44	0	0	23,875	0	0
Fresenius West Metro	880	237	143	178,477	47,199	29,431
Fresenius West Suburban	273	146	37	60,862	32,995	8,190
Fresenius Westchester	0	0	0	0	0	0
Fresenius Williamson County	0	28	0	0	7,360	0
Fresenius Willowbrook	45	0	0	10,771	0	0
Totals	13,448	5,037	2,695	3,343,810	1,235,189	642,947

Medicaid Treatments/Costs By Facility

Facility	Medicaid Treatments			Medicaid Costs		
	2009	2010	2011	2009	2010	2011
Alsip	624	749	732	188,014	212,319	202,715
Antioch	148	937	763	39,693	228,932	187,329
Aurora	1,230	1,521	1,464	267,289	356,763	338,760
Austin Community	1,574	2,111	2,405	435,633	514,900	631,509
Berwyn	3,618	4,102	3,792	808,338	903,204	807,772
Blue Island	1,901	1,937	2,043	521,183	537,714	525,668
Bolingbrook	1,246	1,628	1,721	316,437	382,502	403,285
Bridgeport	4,570	5,610	6,674	1,004,278	1,223,924	1,560,507
Burbank	2,142	2,046	2,274	519,411	488,784	553,829
Carbondale	1,214	1,650	885	323,528	434,440	208,033
Chicago	5,466	5,279	4,898	1,459,549	1,525,782	1,439,559
Chicago Westside	3,509	3,807	4,690	1,136,730	1,095,994	1,383,369
Congress Parkway	3,685	4,197	4,713	942,506	1,065,797	1,136,642
Crestwood	1,166	1,072	1,090	288,958	272,784	271,757
Decatur	1	136	221	234	35,461	57,763
Deerfield	0	100	156	0	43,140	50,046
Downers Grove	1,010	995	1,166	232,543	234,923	271,484
Du Page West	2,086	2,725	2,097	484,530	645,664	501,321
Du Quoin	318	203	99	87,259	54,088	24,270
East Peoria	607	1,083	548	137,256	245,724	128,413
Elgin	0	0	90	0	0	73,782
Elk Grove	1,414	1,996	2,207	313,551	453,597	541,081
Evanston	1,513	1,535	1,592	380,303	397,971	406,302
Evergreen Park	2,284	3,231	2,730	608,498	836,493	708,304
Garfield	2,684	3,299	3,238	691,027	828,310	730,863
Glendale Heights	2,085	2,332	2,290	457,922	554,123	514,638
Glenview	984	992	1,055	219,602	213,744	236,999
Greenwood	3,349	3,712	3,894	802,189	872,008	914,042
Gurnee	1,859	2,143	2,688	432,191	472,662	575,243
Hazel Crest	979	657	585	257,041	179,494	144,844
Hoffman Estates	1,726	2,513	3,112	377,555	559,184	683,470
Jackson Park	5,444	5,972	5,101	1,252,508	1,521,259	1,210,846
Kewanee	182	146	220	50,299	41,100	61,426
Lake Bluff	1,541	1,354	1,402	400,725	316,621	322,029
Lakeview	1,398	1,516	1,811	377,127	352,907	446,470
Lombard	0	0	44	0	0	21,595
Macomb	212	116	145	55,286	29,952	40,553
Marquette Park	2,339	2,473	2,126	583,937	678,627	541,896
McHenry	457	546	406	132,590	150,364	107,459
McLean County	1,225	1,044	711	307,556	220,456	157,995
Melrose Park	1,015	1,390	1,573	269,659	346,195	376,797
Merrionette Park	1,001	749	526	258,043	176,214	122,674
Midway	0	28	304	0	35,664	105,702
Mokena	0	125	295	0	40,676	82,346
Morris	119	200	324	31,388	52,788	78,235
Naperville	512	544	536	106,931	119,021	118,367
Naperville North	494	654	719	122,478	149,538	155,271

Continued...

Continued Medicaid Treatments/Costs By Facility

Facility	Medicaid Treatments			Medicaid Costs		
	2009	2010	2011	2009	2010	2011
Niles	1,675	1,914	2,129	403,072	443,720	484,136
Norridge	858	1,037	1,079	204,977	248,143	254,192
North Avenue	1,818	1,854	1,472	447,539	445,567	320,511
North Kilpatrick	2,323	2,504	3,856	507,261	553,942	820,684
Northcenter	1,603	1,981	2,015	446,783	490,534	479,942
Northwestern	3,103	2,954	3,322	752,429	789,266	906,323
Oak Park	1,972	2,142	1,836	466,108	488,856	428,507
Orland Park	734	774	606	177,784	205,942	155,116
Oswego	454	482	239	124,620	133,606	63,061
Ottawa	141	70	118	41,889	20,685	33,187
Palatine	0	0	15	0	0	12,802
Pekin	24	136	168	5,392	31,957	38,557
Peoria Downtown	1,238	1,283	856	290,322	306,923	202,385
Peoria North	374	265	229	87,495	63,487	54,170
Plainfield	0	390	695	0	124,618	178,985
Polk	3,151	3,509	3,042	791,176	845,905	764,725
Pontiac	185	284	261	45,411	67,468	61,369
Prairie	1,067	1,108	1,994	274,030	288,116	464,734
Randolph County	190	251	157	57,007	68,980	41,764
Rockford	540	747	0	174,124	215,743	0
Rodgers Park	1,433	1,756	2,268	372,702	435,136	549,669
Rolling Meadows	1,543	2,100	1,629	358,921	519,165	395,386
Roseland	641	1,506	1,702	236,200	455,105	490,393
Ross Dialysis Englewood	814	1,936	2,153	227,382	491,305	565,256
Round Lake	1,909	2,661	2,007	442,931	615,524	456,196
Saline County	676	441	189	182,823	121,425	54,160
Sandwich	60	145	212	32,813	46,687	65,769
Skokie	850	1,096	443	208,691	285,530	117,111
South Chicago	3,995	5,002	5,628	1,049,703	1,216,563	1,318,286
South Holland	1,304	1,603	1,366	304,132	374,873	344,529
South Shore	2,143	1,900	1,858	568,522	492,073	480,279
South Suburban	1,392	1,804	1,917	343,534	431,533	458,639
Southside	5,249	6,248	5,999	1,306,722	1,502,272	1,391,565
Southwestern Illinois	296	428	425	73,467	111,204	113,186
Spoon River	11	30	26	2,579	7,400	6,120
Spring Valley	39	267	356	8,607	56,430	77,209
Streator	7	34	30	2,692	11,273	10,187
Uptown	701	1,037	1,427	225,278	306,675	380,027
Villa Park	922	1,037	988	227,334	249,280	218,544
West Belmont	2,495	3,388	3,950	671,493	860,433	938,469
West Chicago	8	429	579	4,341	146,150	176,609
West Metro	6,331	7,147	5,727	1,283,292	1,422,379	1,178,679
West Suburban	5,951	5,841	5,234	1,326,700	1,324,430	1,158,568
Westchester	669	429	246	167,778	112,477	65,140
Williamson County	363	435	420	88,017	116,421	103,203
Willowbrook	474	1,065	1,087	113,458	250,894	254,937
Totals	134,666	156,600	156,121	32,811,313	37,899,912	37,298,532

(see following page for patient coverage options)

61

Fresenius Medical Care North America Community Care

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

American Kidney Fund

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

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

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

Indigent Waiver Program

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

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

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

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

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

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

IL Medicaid and Undocumented patients

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

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

FMCNA Collection policy

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

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

Medicare and Medicaid Eligibility

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

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

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

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

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

Self-Pay

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

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