



**FRESENIUS
MEDICAL CARE**

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

February 11, 2015

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

**Re: Supplemental Information
Project #14-029, Fresenius Medical Care Grayslake**

Dear Ms. Avery,

The enclosed pages contain supplemental information in response to the Intent to Deny given to the above mentioned project at the December 16, 2014 meeting.

Thank you for your time and consideration of this information.

Sincerely,

Lori Wright
Senior CON Specialist

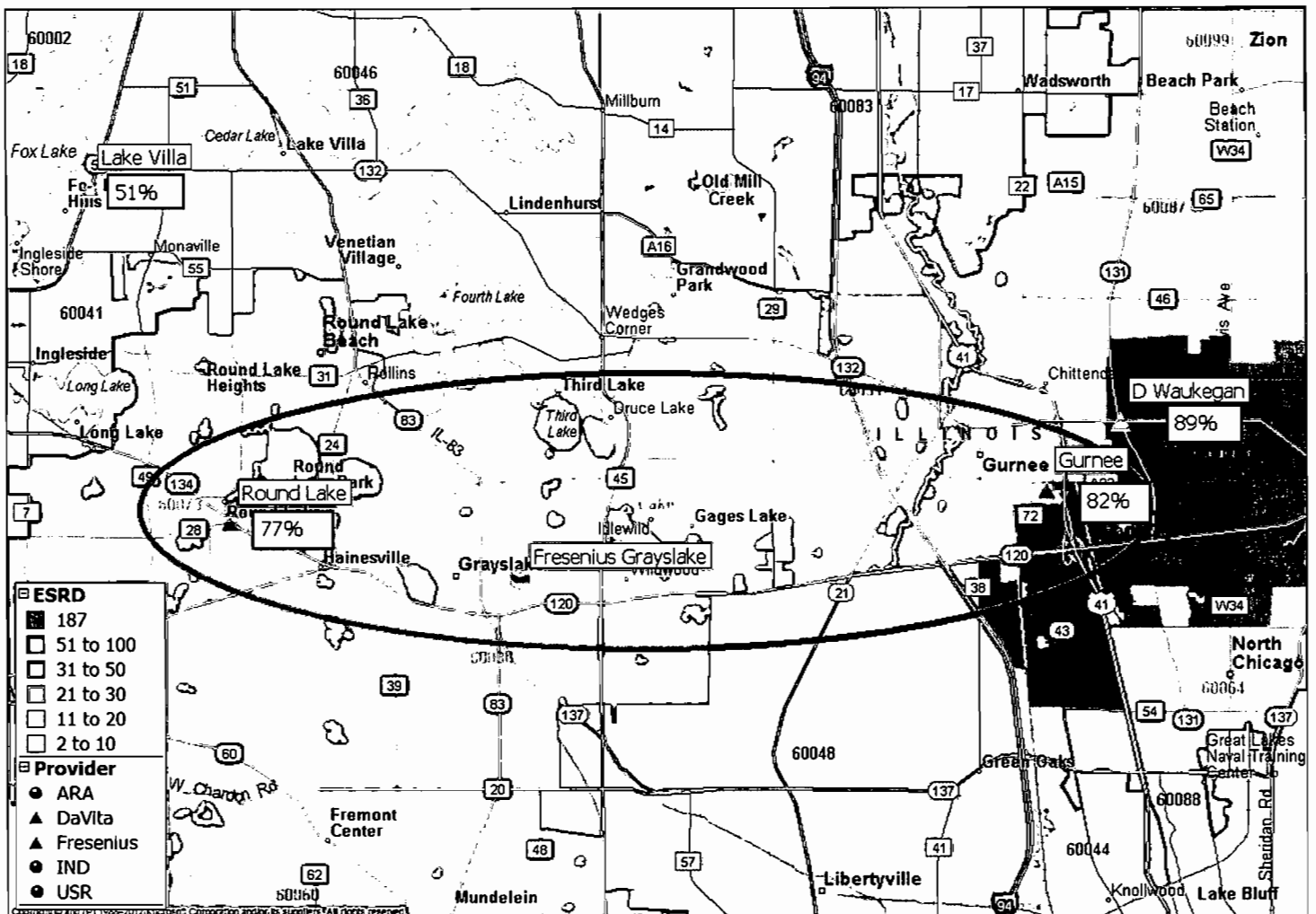
cc: Clare Ranalli

**SUPPLEMENTAL INFORMATION FOR
#14-029 Fresenius Medical Care Grayslake**

In response to the Intent to Deny issued to project #14-029 at the December 16, 2014 meeting, Fresenius Medical Care is submitting this additional information. We note that the application met all but two criteria. It did not meet Planning Area Need because there is an excess of stations in HSA 8, although the station to population ratio demonstrates a need in Grayslake, which will be examined further below. It also did not meet Unnecessary Duplication of Services because there are facilities within 30 minutes operating under 80% utilization.

This project meets maldistribution criteria evidenced by the station to population ratio, which is one station for every 5,295 residents in the 30-minute travel area. The overall State ratio as of January 2015 is 1 for every 3,079 residents. Maldistribution criteria states that the 30-minute ratio should not be more than 1.5 times the State ratio. While there may be surplus of stations according to the HSA 8 inventory, there is not a surplus within 30 minutes of Grayslake. As the Board Staff Report shows, *"It does not appear the proposed facility will create a surplus of stations in this 30-minute area"*. Rather it expresses a need in the immediate area, also evidenced by ongoing high utilization.

Darker shaded areas below near the Round Lake and Gurnee facilities show a higher number of dialysis patients than other areas. This is also reflected in clinic utilization. Fresenius Gurnee and Round Lake have been operating near or above 80% for many years. Utilization rates often dip slightly at the end of the year (as seen below) when many patients are considered “snow-birds”. These patients go to warmer climates and receive treatment at out of town clinics during the winter months, but return to their clinic in spring.



As can be seen on the previous map, the proposed Fresenius Grayslake facility is located between these two areas of high utilization based on a high percentage of residents with ESRD. Dr. Nora and Dr. Patel admit patients to both of these facilities and see area patients out of their Grayslake office. Establishing the Grayslake facility will alleviate area high utilization and give Grayslake area patients shorter transportation times and greater choice of treatment shift times that better suit their home/work life and transportation options.

The chart below illustrates the year-end utilization of the Gurnee and Round Lake facilities. A decline is seen, not due to less demand but due to expansion in the area. The Gurnee facility was recently approved to add 2 stations per #14-012. Also, the Fresenius Waukegan (75%) and Mundelein (74%) facilities opened two years ago accepting transfer patients from Gurnee and opening up additional stations for Round Lake area patients. What has not changed is high utilization at Gurnee and Round Lake despite the addition of stations in the region.

Facility	Utilization					Utilization Average
	2010	2011	2012	2013	2014	
Fresenius Round Lake	91%	82%	82%	85%	77%	83%
Fresenius Gurnee	101%	102%	100%	94%	82%	96%

Additionally it seems clear that if the DaVita Lake Villa facility (or other facilities under 80%) were reasonable options for the Grayslake area patients of Dr. Patel and Dr. Nora, they would be admitting their patients there. They currently admit patients to a clinic closest to the patient's home or per the patients choosing. The Lake Villa facility is a long (10-mile) drive on a two-lane road of which over half runs through open or wooded land and is a lonely stretch in dark or inclement weather especially for ill/elderly dialysis patients. It is for this reason that these patients of Drs. Patel and Nora are not going there now.

We, therefore, urge the Board to take this information into consideration and approve the 12-station Fresenius Grayslake dialysis facility and bring access into this highly utilized area.