

Omar S. Dalloul, MD
1880 Winchester Court, Suite 106
Libertyville, IL 60048

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AUG 05 2015

HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 3, 2015

Ms. Kathryn Olson
Chair
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

Re: Fresenius Medical Care Grayslake (Proj. No. 14-029)

Dear Ms. Olson:

I am the Medical Director for Lake Villa Dialysis in Lake Villa, Illinois and I oppose the proposed Fresenius Medical Care Grayslake dialysis facility. There is currently an excess of stations in the area and capacity among existing dialysis centers. I see no need for the proposed 12-station dialysis facility at this time.

Lake Villa Dialysis is located within 20 minutes of the proposed Grayslake facility and has only recently been operating at 65% (based on the Board's standard of six shifts – 3 MWF and 3 TTS). However, due to slow growth in the area, Lake Villa Dialysis currently operates four shifts (2 MWF and 2 TTS). Once the need presents to open the additional two shifts, we can accommodate 25 additional patients, on top of our current census of 47. As such, I have obvious concerns that an additional dialysis facility in the area will lower utilization at my facility as well as other facilities in the area.

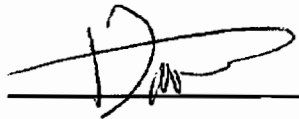
There is already an excess of 38 dialysis stations in the planning area where the proposed Grayslake facility will be located and only three of the thirteen facilities within 30 minutes of the proposed facility are operating at or above the State Board's 80% utilization standard. Accordingly, there is sufficient capacity among existing facilities to accommodate the projected referrals to the Grayslake dialysis facility.

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August 3, 2015
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Given that my own facility and others have capacity to accommodate the projected referrals, the State Board should deny Fresenius' application for the proposed Grayslake dialysis facility.

Thank you for your time and consideration of my comments on this project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Omar S. Dalloul', is written over a horizontal line.

Omar S. Dalloul, MD

George Hvostik, MD
6 E Phillip Road, Suite 1104
Vernon Hills, Illinois 60061
847-996-0836

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 3, 2015

Ms. Kathryn Olson
Chair
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

Re: Fresenius Medical Care Grayslake (Proj. No. 14-029)

Dear Ms. Olson:

I am the Medical Director for Lake County Dialysis in Vernon Hills, Illinois and I oppose the proposed Fresenius Medical Care Grayslake dialysis facility. There is currently an excess of stations in the area and capacity among existing dialysis centers. I see no need for the proposed 12-station dialysis facility at this time.

Lake County Dialysis is located just over 15 minutes from the proposed Grayslake facility and is operating at 69.8%, based upon the Board's standard of 6 shifts (3 MWF and 3 TTS). However, in addition to offering both Peritoneal Dialysis and Home Hemodialysis training onsite, Lake County Dialysis runs a 7th in-center hemodialysis shift for our nocturnal dialysis patients. The 7th shift raises our capacity to 112 patients and will allow us to accommodate up to 45 additional patients. Furthermore, the proposed Medical Directors for FMC Grayslake have medical staff privileges at Lake County Dialysis. And Lake County Dialysis would be a closer dialysis facility than the proposed FMC Grayslake facility would be for their existing 22 CKD patients from Libertyville and 11 CKD patients from Mundelein. Because of this, I have real concerns that an additional dialysis facility in the area will lower utilization at my facility as well as other facilities in the area.

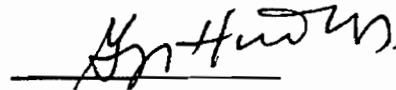
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There is already an excess of 38 dialysis stations in the planning area where the proposed Grayslake facility will be located and only three of the thirteen facilities within 30 minutes of the proposed facility are operating at or above the State Board's 80% utilization standard. Accordingly, there is sufficient capacity among existing facilities to accommodate the projected referrals to the Grayslake dialysis facility.

Given that my own facility and others have capacity to accommodate the projected referrals, the State Board should deny Fresenius' application for the proposed Grayslake dialysis facility.

Thank you for your time and consideration of my comments on this project.

Sincerely,

A handwritten signature in dark ink, appearing to read "G. Hvostik", is written over a horizontal line.

George Hvostik, MD



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HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 3, 2015

Via Fed Ex

Ms. Kathryn Olson
Chair
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

Re: Fresenius Medical Care Grayslake (Proj. No. 14-029)

Dear Ms. Olson:

I am a Group Vice President with DaVita HealthCare Partners and I oppose the proposed Fresenius Medical Care Grayslake dialysis facility. This project received an intent to deny at the December 16, 2014 HFSRB meeting due to excess stations in the planning area and unnecessary duplication of services. Since that time, nothing has changed. An excess of 38 stations in the area exists, and there is sufficient capacity among existing providers to accommodate the proposed referrals to the Grayslake facility. There is no need for the proposed 12-station dialysis facility at this time.

According to the State Board's most current data, there is an excess of 38 stations in the planning area where the proposed Grayslake facility will be located, and only three of the fourteen facilities within 30 minutes of the proposed facility are operating at or above the State Board's 80% utilization standard. Overall utilization of existing or approved dialysis facilities has remained flat at approximately 69% from September 30, 2014 to June 30, 2015.

DaVita agrees with Fresenius, in that patients should not have to travel past existing dialysis facilities to find one that has capacity. As in December 2014, existing providers have sufficient capacity to accommodate the projected referrals to the proposed Grayslake facility.

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Collectively, the dialysis facilities within the proposed service area can accommodate 409 additional end-stage renal disease (or "ESRD") patients. In fact, many of these facilities are closer to the projected patient base than the proposed Grayslake facility. (See Attachments – 1 & 2). Patients should not be required to travel to Grayslake for dialysis when there are existing facilities with capacity closer to where they live. For example, Fresenius' own dialysis facilities in Mundelein and Antioch, which are closer for patients in those areas, can accommodate 18 and 29 additional patients, respectively.

Further, growth of ESRD in the 30-minute travel area around Grayslake is not justification for a new facility. For the period June 30, 2014 to June 30, 2015, only 11 additional patients are dialyzing in the Grayslake area and no additional dialysis stations have been added. Patient growth was only 1.25% over this time period and does not justify the addition of any new stations. As stated previously, existing providers in the area have capacity for additional patients and approval of the proposed Grayslake facility will result in unnecessary duplication of services and further underutilization of existing providers.

Given existing facilities have capacity to accommodate the projected referrals, the State Board should deny Fresenius' application for the proposed Grayslake dialysis facility.

Thank you for your time and consideration of my comments on this project.

Sincerely,



Axel Lapica, Group Vice President
Team Fusion
DaVita HealthCare Partners Inc.

Attachments

Travel Time from Patient Zip Code of Residence to Existing Facilities

	Pre ESRD Patients	FMC Grayslake		FMC Round Lake		FMC Gurnee		DaVita Lake Villa		DaVita Waukegan		DaVita Lake County		FMC Mundelein		FMC Lake Bluff	
		Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance
Grayslake	60030	29	3.5	1.4	8.1	17.3	8.7	18.4	9.3	17.3	9.8	16.1	7.6	18.4	9.2	19.6	11.1
Gurnee	60031	40	15.0	7.8	20.7	8.1	2.8	20.7	11.0	6.9	3.1	17.3	8.6	21.9	15.4	13.8	8.8
Lindenhurst	60046	16	15.0	7.2	13.8	20.7	9.9	8.1	3.8	19.6	10.2	27.6	13.9	28.8	15.0	25.3	15.3
Libertyville	60048	22	13.8	6.9	20.7	17.3	7.9	29.9	15.3	18.4	9.3	4.6	1.9	12.7	5.4	10.4	4.6
Mundelein	60060	11	12.7	6.7	16.1	24.2	12.8	26.5	14.7	24.2	14.0	11.5	4.8	6.9	3.3	18.4	8.1
Round Lake	60073	17	10.4	4.8	1.2	23.0	11.2	10.4	5.6	24.2	13.2	23.0	11.0	23.0	12.4	27.6	14.5
Wauconda	60084	2	23.0	11.9	16.1	35.7	19.2	21.9	12.7	35.7	20.3	25.3	12.7	23.0	11.3	32.2	15.6

Capacity as of 06/30/2015

24 15 25 17 29 18 25

Travel Time from Patient Zip Code of Residence to
Existing Facilities
(continued)

	Pre ESRD Patients	FMC Waukegan Harbor		FMC Antioch		FMC McHenry		ARA McHenry		DaVita Buffalo Grove		FMC Deerfield		FMC Highland Park	
		Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance
Grayslake 60030	29	21.9	11.1	24.2	11.3	25.3	13.5	27.6	14.8	29.9	15.6	32.2	22.8	33.4	20.1
Gurnee 60031	40	15.0	5.9	23.0	14.9	39.1	21.1	40.3	22.4	33.4	24.4	24.2	20.4	27.6	17.4
Lindenhurst 60046	16	27.6	13.1	12.7	6.0	29.9	15.6	31.1	16.9	41.4	21.6	35.7	27.0	38.0	24.1
Libertyville 60048	22	23.0	10.6	34.5	20.8	35.7	19.8	38.0	21.1	27.6	13.3	21.9	15.5	24.2	13.6
Mundelein 60060	11	28.8	15.2	34.5	17.1	27.6	15.9	29.9	17.2	19.6	9.7	27.6	14.2	27.6	15.0
Round Lake 60073	17	28.8	14.5	19.6	9.9	20.7	11.3	23.0	12.6	34.5	18.8	39.1	26.2	40.3	23.5
Wauconda 60084	2	40.3	21.5	31.1	17.3	19.6	10.9	21.9	12.2	28.8	15.7	41.4	21.7	43.7	23.0

Capacity as of 06/30/2015

25

29

41

47

32

47

35