

ORIGINAL

15-052

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

APPLICATION FOR PERMIT - July 2013 Edition

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Sauget Dialysis		
Street Address: 2061 Goose Lake Road		
City and Zip Code: Sauget, IL 62206		
County: St. Clair	Health Service Area 11	Health Planning Area: 11

Applicant /Co-Applicant Identification

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

Exact Legal Name: DaVita HealthCare Partners Inc.
Address: 2000 16th Street, Denver, CO 80202
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 2000 16th Street, Denver, CO 80202
Telephone Number: 303-405-2100

Type of Ownership of Applicant/Co-Applicant

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

Name: Tim Tincknell
Title: Administrator
Company Name: DaVita HealthCare Partners Inc.
Address: 1600 W 13th St, Suite 3, Chicago, IL 60608
Telephone Number: 312-243-9286 x230
E-mail Address: timothy.tincknell@davita.com
Fax Number: 866-586-3214

Additional Contact

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

Name: Yoni Danieli
Title: Regional Operations Director
Company Name: DaVita HealthCare Partners Inc.
Address: 400 North Lindbergh Blvd, St. Louis, MO 63141
Telephone Number: 224-622-2535
E-mail Address: yoni.danieli@davita.com
Fax Number: 866-586-7903

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

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County: St. Clair	Health Service Area 11	Health Planning Area: 11

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Exact Legal Name: Renal Treatment Centers- Illinois, Inc.	
Address: 2000 16th Street, Denver, CO 80202	
Name of Registered Agent: Illinois Corporation Service Company	
Name of Chief Executive Officer: Kent Thiry	
CEO Address: 2000 16th Street, Denver, CO 80202	
Telephone Number: 303-405-2100	

Type of Ownership of Applicant/Co-Applicant

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☐ 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.	
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Telephone Number: 224-622-2535
E-mail Address: yoni.danieli@davita.com
Fax Number: 866-586-7903

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: Charles Sheets
Title: Attorney
Company Name: Polsinelli
Address: 161 North Clark Street, Suite 4200, Chicago, IL 60601
Telephone Number: 312-873-3605
E-mail Address: csheets@polsinelli.com
Fax Number: 312-873-3793

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Union Planter Trust No. 03-90-1090-00
Address of Site Owner: 1403-05 Nickell Street, Sauget, Illinois 62206
Street Address or Legal Description of Site: 2061 Goose Lake Road, Sauget, Illinois 62206
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: Renal Treatment Centers - Illinois, Inc.	
Address: 2000 16th Street, Denver, CO 80202	
☐ Non-profit Corporation ☒ For-profit Corporation ☐ Limited Liability Company	☐ Partnership ☐ Governmental ☐ Sole Proprietorship
☐ Other	
- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. This map must be in a readable format. In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

APPEND DOCUMENTATION AS ATTACHMENT-5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS ATTACHMENT-6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT**1. Project Classification**

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

- ☒ Substantive
☐ Non-substantive

2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Davita HealthCare Partners, Inc and Renal Treatment Centers - Illinois, Inc. (the "Applicants") seek authority from the Illinois Health Facilities and Services Review Board (the "Board") to add 8 dialysis stations to its existing 16-station dialysis facility located at 2061 Goose Lake Road, Sauget, IL 62206.

The project has been classified as substantive because it involves the expansion of an in-center hemodialysis category of service.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$500,000		\$500,000
Contingencies	\$30,000		\$30,000
Architectural/Engineering Fees	\$50,000		\$50,000
Consulting and Other Fees	\$52,500		\$50,000
Movable or Other Equipment (not in construction contracts)	\$396,092		\$396,092
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$420,066		\$420,066
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$1,448,658		\$1,448,658
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$1,028,592		\$1,028,592
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$420,066		\$420,066
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$1,448,658		\$1,448,658
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project	☐ Yes	☒ No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service		
☐ Yes ☒ No		
If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.		
Estimated start-up costs and operating deficit cost is \$ <u>0</u>		

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.	
Indicate the stage of the project's architectural drawings:	
☐ None or not applicable	☐ Preliminary
☐ Schematics	☒ Final Working
Anticipated project completion date (refer to Part 1130.140): <u>August 31, 2017</u>	
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):	
☐ Purchase orders, leases or contracts pertaining to the project have been executed.	
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies	
☒ Project obligation will occur after permit issuance.	
APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

State Agency Submittals

Are the following submittals up to date as applicable:
☐ Cancer Registry
☐ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the department/area DGSF or the building/area BGSF and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

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

Facility Bed Capacity and Utilization

NOT APPLICABLE

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

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

CERTIFICATION

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

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

This Application for Permit is filed on the behalf of DaVita HealthCare Partners 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

Arturo Sida

PRINTED NAME

Assistant Corporate Counsel

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal

SIGNATURE

Javier J. Rodriguez

PRINTED NAME

Chief Executive Officer – Kidney Care

PRINTED TITLE

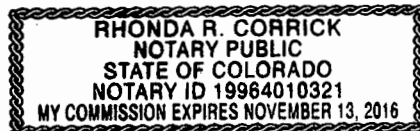
STATE OF COLORADO
COUNTY OF DENVER

Notarization:

Subscribed and sworn to before me
this 26th day of OCTOBER 2015

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On October 20, 2015 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

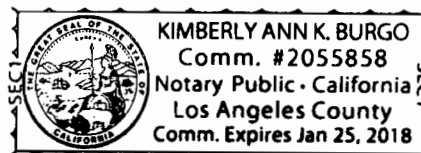
personally appeared ** Arturo Sida **

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature



OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Certification re CON Application Permit (Sauget Dialysis, LLC)

Document Date: October 20, 2015 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☒ Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc.

CERTIFICATION

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

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
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SIGNATURE

Arturo Sida

PRINTED NAME

Assistant Corporate Secretary

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal

SIGNATURE

Javier J. Rodriguez

PRINTED NAME

Chief Executive Officer – Kidney Care

PRINTED TITLE

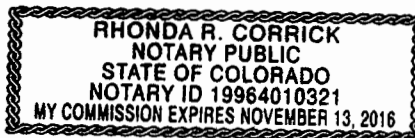
STATE OF COLORADO
COUNTY OF DENVER

Notarization:

Subscribed and sworn to before me
this 26th day of October 2015

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

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(here insert name and title of the officer)

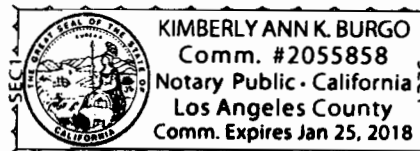
personally appeared ** Arturo Sida **

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

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Document Date: October 20, 2015 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☒ Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING: Name of Person or Entity Renal Treatment Centers - Illinois, Inc.

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

PURPOSE OF PROJECT

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

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

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

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

ALTERNATIVES

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

Alternative options **must** include:

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

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

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

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

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

G. Criterion 1110.1430 - In-Center Hemodialysis

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

Category of Service	# Existing Stations	# Proposed Stations
☒ In-Center Hemodialysis	16	24

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.1430(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.1430(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.1430(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.1430(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.1430(b)(5) - Planning Area Need - Service Accessibility	X		
1110.1430(c)(1) - Unnecessary Duplication of Services	X		
1110.1430(c)(2) - Maldistribution	X		
1110.1430(c)(3) - Impact of Project on Other Area Providers	X		
1110.1430(d)(1) - Deteriorated Facilities			X
1110.1430(d)(2) - Documentation			X
1110.1430(d)(3) - Documentation Related to Cited Problems			X
1110.1430(e) - Staffing Availability	X	X	
1110.1430(f) - Support Services	X	X	X
1110.1430(g) - Minimum Number of Stations	X		
1110.1430(h) - Continuity of Care	X		
1110.1430(j) - Assurances	X	X	X
APPEND DOCUMENTATION AS ATTACHMENT 26, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM			

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

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

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

VIII. - 1120.120 - Availability of Funds

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

1,028,592	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
420,066 FMV of Lease	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
_____	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
1,448,658	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT-36, 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. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. 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
4. 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-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

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

2. Variance

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

APPEND DOCUMENTATION AS ATTACHMENT-38, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

APPEND DOCUMENTATION AS ATTACHMENT 39, 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 40, 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 41, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for DaVita HealthCare Partners, Inc. and Renal Treatment Centers – Illinois, Inc. (collectively, the “Applicants” or “DaVita”) are attached at Attachment – 1. Renal Treatment Centers - Illinois, Inc. is the operator of Sauget Dialysis. Sauget Dialysis is a trade name of Renal Treatment Centers - Illinois, Inc. and is not separately organized. As the person with final control over the operator, DaVita HealthCare Partners, Inc. is named as an applicant for this CON application. DaVita HealthCare Partners, Inc. does not do business in the State of Illinois. A Certificate of Good Standing for DaVita HealthCare Partners, Inc. from the state of its incorporation, Delaware, is attached.

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA HEALTHCARE PARTNERS INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIFTEENTH DAY OF JULY, A.D. 2014.

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

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

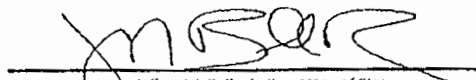
AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

2391269 8300

140958293

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




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 1537962

DATE: 07-15-14

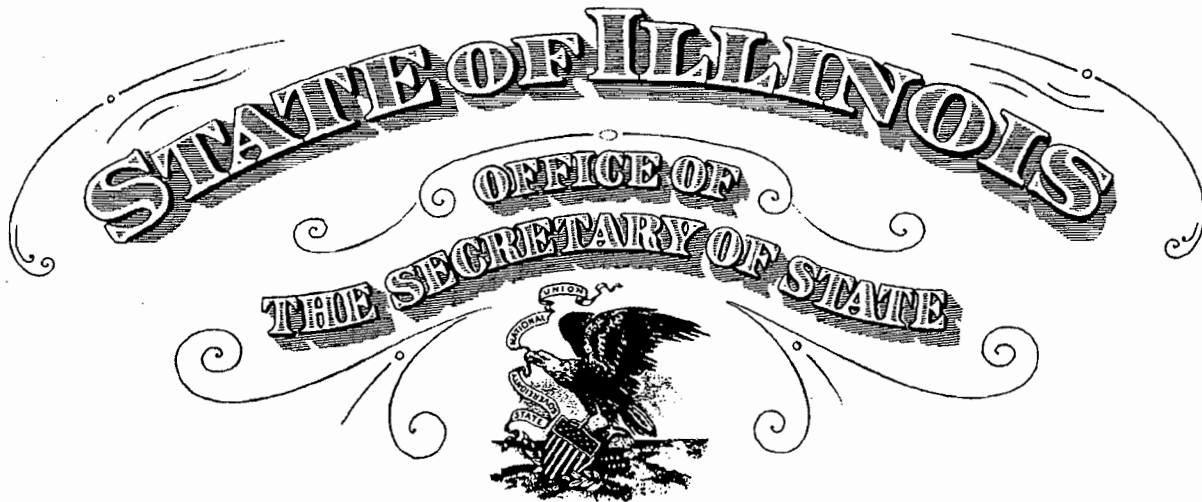
-26-

Attachment - 1

-25-

File Number

5819-656-8



To all to whom these Presents Shall Come, Greeting:

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

RENAL TREATMENT CENTERS - ILLINOIS, INC., INCORPORATED IN DELAWARE AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON FEBRUARY 14, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 19TH
day of OCTOBER A.D. 2015 .***

Jesse White

SECRETARY OF STATE

Authentication #: 1529201694 verifiable until 10/19/2016

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

Attachment - 1

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

The lease between Union Planter Trust No. 03-90-1090-00 and Renal Treatment Centers - Illinois, Inc. to lease the facility located at 2061 Goose Lake Road, Sauget, Illinois 62206 is attached at Attachment – 2.

4/14/05
File: 0953. ~~Mocttense~~
East St. Louis

Imaged: _____

1210

per Jason
email
to Michael Lynch
3-29-05

CONTRACT ID #

27984

LEASE AGREEMENT

BY AND BETWEEN

UNION PLANTER TRUST NO. 03-90-1090-00,

By and through its Trustee ("LESSOR")

AND

RENAL TREATMENT CENTERS-ILLINOIS, INC. ("LESSEE")

Dated: March 21, 2005

Referral Source "No"
Per par 22 of lease

Attachment - 2

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THIS LEASE AGREEMENT, made and entered into this 21st day of March, 2005 (the "Effective Date"), by and between UNION PLANTER TRUST NO. 03-90-1090-00, by and through its Trustee (hereinafter called "Lessor"), and RENAL TREATMENT CENTERS-ILLINOIS, INC., a Delaware corporation (hereinafter called "Lessee").

WITNESSETH:

WHEREAS, the said Lessor desires to demise, lease and rent unto the Lessee, and the said Lessee desires to rent and lease from Lessor space located within the Sauget Business Park, Village of Sauget, State of Illinois, as described on Exhibit A, together with all improvements thereon and appurtenant rights thereto including, without limitation, parking areas, easements, declarations and rights of way (the "Land"). The Land is part of a larger development collectively referred to as the "Center," as shown on Exhibit A. The "Premises" (as defined below) is more fully depicted on the floor plan attached hereto as Exhibit B; and

WHEREAS, the Premises contains approximately Six Thousand Eight Hundred (6,800) rentable square feet (collectively, the "Premises"), consisting of the entire building (the "Building") on the Land and includes without limitation, all heating, venting, air conditioning, mechanical, electrical, elevator and plumbing systems, roofs, walls, foundations, fixtures, and the Premises includes a non-exclusive access to the Land's parking lot, including sufficient handicap-striped spaces in accordance with applicable local codes.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, the Lessor does hereby demise, lease and rent unto the said Lessee and the Lessee does hereby rent and lease from the Lessor the Premises, under and pursuant to the following terms and conditions:

1. Term. This Lease shall be effective upon full execution and delivery (the "Effective Date"). Lessee shall have possession of the Premises on the later of: (a) the date that Lessor completes Lessor's Work (as defined herein); or (b) the Effective Date (the "Possession Date").

The term of the Lease shall commence one hundred (100) days following the earlier of: (a) the Possession Date; or (b) the date that Lessee has obtained all final construction documents and permits (the "Commencement Date") and this Lease shall expire one hundred eighty (180) months following said Commencement Date (as the same may be extended the "Termination Date"), unless renewed as hereinafter provided (the "Term"). Each twelve (12) month period beginning on the Commencement Date or any anniversary thereof shall hereinafter be called a "Lease Year." Lessor and Lessee shall execute an amendment to this Lease in order to evidence the actual Commencement Date.

Notwithstanding the foregoing, if Lessor has not delivered the Premises to Lessee with all Lessor's Work (as more fully described in Exhibit C, attached hereto) substantially completed by one hundred twenty (120) days from the date described herein, then Lessee may elect to terminate this Lease by written notice to Lessor within fifteen (15) days thereafter; provided,

however, that the aforementioned 120-day period shall (a) only commence on the date that Lessor has obtained all necessary building permits from the governing authorities for the development and construction of the Building; and (b) be subject to reasonable extension due to a Force Majeure Event (as defined in Section 34) or changes by Lessee to the construction documents. Any delays in performing Lessor's Work due to the actions or failure to take action by Lessee shall extend the period during which Lessor may substantially complete the Lessor's Work. Lessee shall obtain its own certificate of occupancy, to the extent required by applicable governmental authorities.

2. Rent. Beginning on the Commencement Date, Lessee agrees to pay as an initial annual base rent ("Base Rent") of \$14.30 per rentable square foot. Thereafter, the Base Rent shall be adjusted annually in accordance with Section 3 hereinbelow. Beginning on the Commencement Date, Lessee shall pay Base Rent in the amount of \$8,103.33 per month (assuming a total square footage of the Premises of 6,800, to be adjusted based on the actual square footage), in advance on the first day of each calendar month, such monthly installment to be prorated for any partial calendar month in which the Commencement Date or Termination Date shall occur. All amounts (unless otherwise provided herein) other than the Base Rent and the adjustments thereto described in Section 3 hereof owed by Lessee to Lessor hereunder or otherwise payable by Lessee under this Lease shall be deemed Additional Rent, and collectively, Base Rent and Additional Rent shall be referred to as "Rent".

Except as otherwise provided in this Lease, it is the intention of the parties that this is an absolute triple net lease agreement and that the Lessor shall receive the Rents, Additional Rents, and all sums payable by the Lessee under this Lease free of all taxes, expenses, charges, damages and deductions of any nature whatsoever (except as otherwise specifically provided hereinafter) and the Lessee covenants and agrees to pay all sums (including rent taxes) which except for this Lease would have been chargeable against the Premises, Building and/or Land and payable by the Lessor. Lessee shall, however, be under no obligation to pay principal or interest on any mortgage on the fee of the Premises, any franchise or income tax payable by the Lessor or any other tax imposed upon or measured by Lessor's income or profits, or any gift, inheritance, transfer, estate, or succession tax by reason of any present or future law which may be enacted during the Term of this Lease.

All Base Rent, Additional Rent and other payments to be made to Lessor hereunder are payable, in legal tender, at the office of Lessor as set forth herein or such other place as Lessor may direct Lessee, in writing, from time to time. Such payments are to be made without any prior demand therefor and without any deduction or setoff whatsoever (unless specifically authorized herein). If Lessee fails to pay Base Rent or Additional Rent within 10 days of the date for which it is due, interest at the per annum rate of 3% in excess of the prime rate of interest will be charged on each unpaid amount.

3. Rent Adjustments.

(a) In the event that the CPI (as defined below) for any Lease Year during the Term shall be greater than the CPI for the preceding Lease Year, then Base Rent shall be increased for

the succeeding Lease Year to an amount equal to the sum of (i) the Base Rent, as increased by previous rent adjustments for CPI, payable for the preceding Lease Year and (ii) the Base Rent payable for the first Lease Year multiplied by the percentage of increase by which the CPI in such succeeding Lease Year(s) exceeds the CPI for the next preceding Lease Year, it being the intention of the parties that CPI not be compounded; provided, however, that in no event shall Base Rent be increased by more than two percent (2%) over the Base Rent for the previous Lease Year. The amount to be paid as Lessee's proportion of the CPI increase during the last Lease Year shall be prorated per diem if less than a full Lease Year. The first adjustment for the change in CPI will be made on the first anniversary of the Commencement Date. In no event shall Rent be reduced due to adjustments for CPI. Additional Rent shall be increased by any increases as occur on an actual basis for taxes, utilities, insurance and other amounts that are part of Additional Rent, except as otherwise limited in Section 8 herein.

The term "CPI" means the Consumer Price Index-U.S. City Averages for All Urban Consumers - All Items (1982-84=100), of the United States Bureau of Labor Statistics. The CPI for any Lease Year shall be determined by averaging the monthly All Items indices for that Lease Year. For the first Lease Year for which a CPI adjustment is payable, Lessor shall reasonably estimate such adjustment based upon the comparison of the CPI for the month immediately prior to the Commencement Date to the CPI for the same month in the previous calendar year, subject to the provisions of subparagraph (b) below.

If the Bureau of Labor Statistics revises the manner in which such CPI is determined, Lessor may adjust the revised index to produce results equivalent, as nearly as possible, to those which would have been obtained if the CPI had not been so revised. If the 1982-84 average shall no longer be used as an index of 100, such change shall constitute a revision.

If the CPI shall become unavailable to the public because publication is discontinued, or otherwise, Lessor will substitute therefor a comparable index based upon changes in the cost of living or purchasing power of the consumer dollar published by any other governmental agency or, if no such index shall be available then a comparable index published by a major bank or other financial institution.

Promptly after expiration of each Lease Year during the Term, Lessor will furnish to Lessee a statement (hereinafter called the "Statement") showing the following:

- (i) The CPI for said expired Lease Year;
- (ii) The CPI for the Lease Year preceding said expired calendar year;
- (iii) The amount of Base Rent adjustment for CPI then due and payable to Lessor;
- (iv) The amount of incremental Base Rent to be paid on account of the rent adjustment for CPI (based on the CPI for the preceding Lease Year) which shall be paid monthly during the then current Lease Year and thereafter until receipt of a new statement containing a rent adjustment for CPI.

(b) Examination; Prorations; Part Payments; Etc. Any amount due to Lessor as shown on any such Statement, whether or not written exception is taken thereto, nonetheless

shall be paid by Lessee within one (1) month after Lessor shall have submitted the Statement to Lessee. Unless Lessee shall have taken written exception to the Statement, or any item therein, within six (6) months after the furnishing of the Statement to Lessee, such Statement shall be considered as final and accepted by Lessor and Lessee; provided however, should Lessee take written exception to the Statement within said six (6) month period then Lessee or its representative shall have the right to examine Lessor's books and records with respect to the calculation of the CPI during Lessor's normal business hours at any time within sixty (60) days following the date of Lessee's written exception. In the event such Statement indicates or such examination determines, based on generally accepted accounting principles, that such CPI was overstated, Lessor shall promptly reimburse Lessee for any over-payment and Lessee's rent adjustment shall be re-adjusted to reflect the correct amount.

4. Renewals. Provided that Lessee is not then in default hereunder (at the time of exercise or commencement of the applicable Extension Period, as defined herein), Lessee shall have the right and option to renew this Lease for three (3) additional periods of five (5) years each (each an "Extension Period"), next immediately ensuing after the expiration of the initial Term of this Lease by notifying Lessor in writing not less than one hundred eighty (180) days before the expiration of the immediately preceding Term of this Lease of the Lessee's intention to exercise its option to renew, but Lessee shall have no option to extend this Lease beyond three (3) Extension Periods of five (5) years each after the initial Term. In the event that Lessee so elects to extend this Lease, then, for such Extension Period(s) of the Term, all of the terms, covenants and conditions of this Lease shall continue to be, and shall be, in full force and effect during such Extension Period of the Term hereof, except for the Rent. The Base Rent for each additional 5-year Extension Period shall be adjusted at the beginning of each Extension Period (if exercised by Lessee). The Base Rent shall be 115% of the Base Rent in effect as of the first day of the applicable Extension Period exercised by Lessee. Base Rent shall be calculated for the entire applicable Extension Period. On each succeeding Extension Period that is exercised by Lessee, Base Rent shall be increased in accordance with Section 4 hereinabove.

5. Condition of Premises. Lessor shall cause its contractor to warrant to Lessor, and based on such warranty, Lessor will warrant to Lessee for a period of one (1) year after the date of substantial completion of Lessor's Work (excluding Lessee Improvements and Lessee's equipment), that the existing systems and equipment (excluding Lessee's business equipment) constituting a part of the Lessor's Work on the Premises, shall be in good working order and condition, ordinary wear and tear excepted. Lessee shall give written notice to Lessor within such one (1) year period of any existing condition with such existing systems and equipment (excluding Lessee's business equipment) of the Premises which Lessee reasonably determines to be defective or other than as represented by Lessor herein. Lessor will, upon receipt of such notice from Lessee, cause a contractor to repair such defective condition at no cost or expense to Lessee. Lessor makes no warranty as to any system or equipment installed or replaced by Lessee.

If the Premises does not have cable television service, then Lessee shall have the right to place a satellite dish on the roof of the building at no additional fee, provided the same is in compliance with applicable laws, is of a size and position reasonably acceptable to Lessor and there is no disturbance of, or negative affect on, the roof membrane or roof warranty.

6. Use of Premises. Lessee shall occupy and use the Premises during the Term only for purposes of the operation of a dialysis facility and related medical and business offices. Lessee may operate during such days and hours as Lessee may determine, without the imposition of minimum or maximum hours of operation by Lessor and Lessee shall have access to the Premises, and may operate, up to 24 hours per day, seven (7) days per week, 365 days per year. Lessee shall also have complete control over the HVAC system servicing the Premises at all times. If Lessee fails to occupy and use the Premises as so described for a period of more than 365 consecutive days (excluding temporary closing for casualty restoration or permissible remodeling that is diligently pursued to completion), Lessor may, at its election, deem the Premises abandoned, and Lessor may declare Lessee in default under this Lease.

Provided Lessee obtains all licenses, consents and permits required for its operations (including without limitation a Certificate Of Need) and Lessee is in compliance with applicable laws and ordinances, Lessor represents and warrants that, to the best of Lessor's knowledge, the Premises may be used by Lessee as a dialysis facility and related medical and business offices under present applicable laws, ordinances, rules and regulations ("Laws"). Lessor shall also provide Lessee with written verification and proof that the Building and the Land lie within the 500-year flood plain.

Lessor agrees that during the Term, it will not lease or permit the leasing of any premises owned or controlled by Lessor for operation of a renal dialysis facility within a radius of one-half (1/2) mile of the Premises, provided Lessee is then using the Premises as a renal dialysis facility.

7. Assignment/Subletting. The Lessee shall not assign this Lease, or sublet the Premises, or any part thereof, without Lessor's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed, so long as such assignee or sublessee complies with the use restriction set forth in Section 6 above. Prior to any sublease or assignment, Lessee shall first notify Lessor in writing of its election to sublease all or a portion of the Premises or to assign this Lease or any interest thereunder. At any time within thirty (30) days after service of said notice, Lessor shall notify Lessee that it consents or refuses to consent to the sublease or assignment. A failure by Lessor to respond within such thirty (30) day period shall be deemed to be a consent.

Except in the case of a default by Lessee under this Lease or a termination of this Lease, Lessor shall not have the right to recapture any sublease or assignment space. Any denial of such sublease or assignment by Lessor as hereinabove provided must be predicated upon a "commercially reasonable basis" for such denial, which shall specifically include the denial based upon an "exclusive use" given to any other tenant in the Premises as well as other denials which are commercially reasonable, including without limitation denials based on the business experience or creditworthiness of the proposed sublessee or assignee. Lessee shall retain any net profits paid in connection with a sublease or assignment in excess of Lessee's Rent obligations hereunder, which profits shall be calculated after deducting all costs incurred by Lessee in connection with the space subject to the transfer, which shall include, but not be limited to, legal

fees, rental abatement, vacancy period, allowances, tenant improvements, leasing commissions and the time to sublease and remodel the Premises.

Any assignment or subletting shall not release Lessee of its liability under this Lease nor permit any subsequent assignment, subletting or other prohibited act, unless specifically provided in such consent executed by Lessor. Lessee shall provide Lessor with a copy of the assignment or subletting agreement with such assignee or sublessee, and each assignee shall assume all obligations of Lessee under this Lease.

Notwithstanding the foregoing, no consent of Lessor is required for Lessee to assign or otherwise transfer (by operation of law or otherwise) this Lease or any of its rights hereunder: (a) to any person, corporation, partnership or other entity which acquires all or substantially all of the business or assets of Lessee or stock in Lessee; or (b) to any person, corporation, partnership or other entity which controls, is controlled by or is under common control with Lessee or Lessee's parent company; or (c) to any affiliate (within the meaning of such term as set forth in Rule 501 of Regulation D under the Federal Securities Act of 1933) of Lessee. Lessee and Lessee's transferee or assignee shall provide notice of any transfer or assignment described in (a), (b), or (c) hereof not less than fifteen (15) days prior to the effective date of such transfer or assignment unless prohibited by law and then, if so prohibited by law, within twenty (20) days after the date of such transfer or assignment.

No such assignment or other transfer, in whole or in part, of any Lessee's rights or obligations under this Lease shall be or operate as a release of Lessee hereunder and Lessee shall remain responsible for performing Lessee's obligations hereunder joint and severally if Lessee's assignee or transferee fail to perform any such obligations.

8. Operating Expenses and Utilities.

(a) Lessee shall pay 100% of all real estate taxes assessed against the Building and Land ("Taxes") and all utility charges for the Building and Land and insurance premiums for the Building and Land ("Insurance"), and Lessee shall also pay "Lessee's Proportionate Share" (as defined herein) of all repairs and maintenance charges for the Center ("CAM Charges") in advance, in equal monthly installments at the time of the payment of monthly Base Rent, based on Lessor's estimate of the Taxes, CAM Charges and Insurance for the calendar year in question (which estimate may be revised by Lessor from time to time). For reference purposes, Taxes, CAM Charges and Insurance are collectively referred to as the "Operating Expenses" for the Building and Center. Promptly after the actual Operating Expenses for a calendar year are determined by Lessor, Lessor shall provide Lessee with a statement of such actual Operating Expenses for such calendar year and Lessee, within 30 days, shall pay to Lessor any deficiency, which obligation shall survive the expiration or termination of this Lease. If such statement shows an overpayment by Lessee, then any surplus paid by Lessee shall be credited to Lessee's next monthly installment of Operating Expenses or, if this Lease has expired or been terminated for reasons other than Lessee's breach or default, be paid to Lessee within 30 days of the end of the Term. Lessor represents that the Center rentable area has been determined without reference to whether such area is actually leased or occupied.

"Lessee's Proportionate Share" is the quotient obtained by dividing the rentable area of the Premises (6,800 rentable square feet or such other number as finally determined following the Lessor's Work) by the Center rentable area, which shall be computed as the total rental square feet of all buildings in the Center. Lessee's Proportionate Share as of the Commencement Date will be 100%. Lessee's Proportionate Share shall be adjusted in the event the Premises or Center rentable area increases at any time. Lessor represents that the Center rentable area has been determined without reference to whether such area is actually leased or occupied.

(b) Lessee's Proportionate Share of initial Operating Expenses shall be estimated after completion of the Lessor's Work and the parties will memorialize such estimated CAM Charges. Thereafter, the "Controllable Operating Expenses" (as defined herein) portion of Operating Expenses for each Lease Year shall not increase by more than three percent (3%) over the immediately previous Lease Year's "Controllable Operating Expenses." "Controllable Operating Expenses" shall mean only those items included in Operating Expenses where the cost or expense thereof shall be within the reasonable ability of Lessor to control [specifically excluded from Controllable Operating Expenses, without limitation, are the costs and expenses of Taxes and Insurance and utilities costs included in CAM Charges and snow and ice removal costs].

(c) Lessee shall pay for all utilities and other services used, consumed or necessary in the operation of the Building, including but not be limited to, gas, water, sewer, fuel oil, electrical, janitorial, telephone and other utility charges. The Building shall be separately metered for all utilities, including gas, water and electricity, and Lessee will pay such utility charges directly to the provider thereof. Lessee shall pay for its own janitorial services for the Premises directly to such provider.

(d) If Lessor has elected not to contest the validity of any Taxes, the Lessee may contest the amount or validity of any Taxes for the Land described in this Section 8 by appropriate proceedings unless such contest interferes with the TIF (defined below). However, the Lessee shall promptly pay such Taxes unless such proceedings shall operate to prevent or stay the collection of the imposition so contested. Lessor, at the Lessee's sole expense, shall join in any such contestation proceedings if any Law shall so require. Lessee acknowledges Lessor or its affiliate intends to seek a tax increment financing ("TIF") with applicable governmental authorities, under which some of the Taxes that are assessed and collected may be paid to Lessor or its affiliate by the governmental authorities to reimburse Lessor or its affiliate for qualified improvement costs expended by Lessor at the Center. Any such amounts paid under the TIF to Lessor or its affiliates shall belong solely to Lessor or its affiliate, and shall not reduce the Taxes required to be paid by Lessee.

(e) All sums (other than the Rent) which may be due and payable under this Lease shall be deemed to be Additional Rent hereunder and in the event that Rent shall be prorated or shall abate pursuant to the terms of this Lease then such Additional Rent shall be prorated or abate to the same extent and in the same manner, unless otherwise specifically provided for in this Lease. No interruption, change or malfunction of any of the services or facilities to be furnished by Lessor, nor any interruptions, restrictions or allocation of utility services either by

the utility or as a result of governmental action, constitutes an eviction or constructive eviction or disturbance of Lessee's use and possession of the Premises or a breach by Lessor of any of its obligations hereunder or renders Lessor liable for damages unless such interruption is caused by Lessor's sole negligence or deliberate act or omission. In any such event, Lessor is to use reasonable diligence to restore such service or facility. If any such interruption, change or malfunction prevents Lessee from using the Premises as described in this Lease for at least 3 successive business days, Lessee is relieved of its obligation to pay Base Rent for those days after such 3 successive days in which the intended use of the Premises is prevented.

(f) Intentionally Deleted.

(g) Notwithstanding the foregoing, the term "Operating Expenses" does not include the following:

- (i) depreciation;
- (ii) interest on and amortization of debt;
- (iii) the cost of leasehold improvements, including redecorating work, for other lessees of the Center;
- (iv) fees and expenses (including legal and brokerage fees) for procuring new lessees for the Center or settling disputes with lessees of the Center;
- (v) costs incurred in financing or refinancing of the Center;
- (vi) Intentionally Deleted.
- (vii) the cost of any repair or replacement which would be required to be capitalized under generally accepted accounting principles, including without limitation the cost of renting any equipment or materials, which cost would be so capitalized if the equipment or materials were purchased, not rented;
- (viii) the cost of any item included in Operating Expenses to the extent that Lessor is actually reimbursed for such cost by an insurance company, a condemning authority, another lessee or any other party (but the foregoing exclusion does not apply to any TIF reimbursements made to Lessor or its affiliates);
- (ix) ground rent;
- (x) Intentionally Deleted.
- (xi) wages, salaries or other compensation paid for clerks or attendants in concessions or newsstands operated by Lessor or an affiliate of Lessor;
- (xii) the cost of correcting construction defects (latent or otherwise) in the initial construction of the Center or in the Center equipment, except that conditions (other

than construction defects) resulting from ordinary wear and tear, misuse or uses not attributed to the construction shall not be considered defects for purposes hereof;

(xiii) the cost of installing, operating and maintain any specialty service for a tenant (e.g., observatory, broadcasting facility, luncheon club, retail stores, newsstands or recreational club);

(xiv) any costs representing an amount paid to an entity related to Lessor which is in excess of the amount which would have been paid absent such relationship;

(xv) any expenses for repairs or maintenance to the extent covered by warranties or service contracts;

(xvi) any type of utility service which is separately metered to or separately charged or paid by Lessee or any other lessee in the Center, including, without limitation, water and sewer charges, charges for fuel oil or gas, and the cost of electricity, air conditioning, heat or ventilation; and

(xvii) the cost of any environmental remediation for which Lessor is responsible under Section 10 of this Lease.

9. Alterations/Signage. Lessee shall not make any alterations, or additions or leasehold improvements to the Premises, Building or Center ("Alterations") without Lessor's prior written consent in each and every instance, such consent not to be unreasonably withheld or delayed provided the proposed Alteration is interior and nonstructural. Notwithstanding the foregoing, Lessee shall have the right to make non-structural interior Alterations to the Premises which do not exceed in cost Twenty Thousand Dollars (\$20,000.00) in the aggregate during each Lease Year without Lessor's consent, subject to the provisions of this paragraph, and subject to Lessee (i) providing written notice to Lessor in advance of making such Alterations, and (ii) Lessee obtaining all permits required by governmental authorities for such Alterations. All Alterations which may be made by the Lessee shall be the property of the Lessee and Lessee shall be entitled to remove from the leased Premises during the Term all Alterations, tenant improvements and any and all furniture, removable trade fixtures, equipment and personal property ("Fixtures") installed or located on or in the leased Premises provided that the Lessee repair any and all damages done by the removal of the foregoing. All Alterations and tenant improvements which Lessee does not elect to remove at the expiration of the Term shall be surrendered with the Premises at the termination of this Lease. Upon Lessor's request, Lessee shall be required to remove its Alterations and tenant improvements prior to termination of the Lease.

Lessee shall have the right to install building signage at the Premises, subject to Lessor's prior consent, which consent shall not be unreasonably withheld and shall be subject to compliance by Lessee with Lessor's existing signage criteria and all applicable laws and regulations. Lessor, at Lessor's expense will provide 20 amp circuit for building signage.

To the maximum extent permitted by applicable Laws, Lessor hereby waives any rights which Lessor may have, as to any of Lessee's furniture, fixtures, equipment, personal property, tenant improvements and Alterations, in the nature of a Lessor's lien, security interest or otherwise and further waives the right to enforce any such lien or security interest.

10. Environmental. Lessee shall not cause or permit any hazardous or toxic substances, materials or waste, including, without limitation, medical and biomedical waste and asbestos ("Hazardous Substances") to be used, generated, stored or disposed of in, on or under, or transported to or from the Premises unless such Hazardous Substances are necessary for Lessee's business conducted in the Premises; provided, however, Lessee shall at all times and in all respects fully comply with all local, state, and federal laws, ordinances, rules, regulations and orders, whether now in existence or hereafter adopted relating to Hazardous Substances or otherwise pertaining to the environment (the "Environmental Laws") and further provided that Lessee shall cause to be removed from the Premises such Hazardous Substances placed thereon by Lessee or Lessee's agents, servants, employees, guests, invitees and/or independent contractors in accordance with good business practices and in compliance with applicable Environmental Laws, such removal to be performed by persons or entities duly qualified to handle and dispose of Hazardous Substances. Without limiting the generality of the foregoing, Lessor acknowledges that the following Hazardous Substances, among others, are required for Lessee's business operations: bleach, cidex, hibiclona, metrocide, hydrogen peroxide, and formaldehyde. Throughout the Term and upon the expiration or earlier termination of this Lease, Lessee shall cause all Hazardous Substances placed on the Premises by Lessee to be removed, at Lessee's cost and expense, from the Premises and disposed of in strict accordance with the Environmental Laws. Lessee shall enter into a program with a third party for the removal of all Hazardous Substances generated or used by Lessee, including all medical and biomedical waste products, in a manner in conformance with Environmental Laws.

Lessee shall indemnify, defend (by counsel reasonably acceptable to Lessor), protect, and hold Lessor harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, or otherwise arising or incurred from or caused in whole or in part, directly or indirectly, by (a) the presence after the Commencement Date in, on, under, or about the Premises of any Hazardous Substances caused by Lessee or its agents, servants, employees, guests, invitees and/or independent contractors or arising from Lessee's use or occupancy; (b) any discharge or release by Lessee or its agents, servants, employees, guests, invitees and/or independent contractors after the Commencement Date in or from the Premises of any Hazardous Substances; (c) the use, storage, transportation, generation, disposal, release or discharge after the Commencement Date of Hazardous Substances, to, in, on, under, about or from the Premises; or (d) Lessee's failure after the Commencement Date to comply with any Environmental Law. Lessee agrees to remediate at Lessee's expense immediately upon receipt of notice from Lessor any condition described in (a) through (d) of the previous sentence to the extent required by Environmental Laws.

Lessor shall indemnify, defend (by counsel reasonably accepted to Lessee), protect, and hold Lessee harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (a) the presence prior to the Commencement Date in, on, under, or about the Premises of any Hazardous Substances; (b) any discharge or release prior to the Commencement Date in or from the Premises of any Hazardous Substances caused by Lessor or its agents, servants, employees, invitees (excluding Lessee) or independent contractors; (c) the use, storage, transportation, generation, disposal, release or discharge of Hazardous Substances prior to the Commencement Date, to, in, on, under, about or from the Premises; or (d) Lessor's failure prior to the Commencement Date to comply with any Environmental Law regarding the Premises. Lessor agrees to remediate at Lessor's expense immediately upon receipt of notice from Lessee any condition described in (a) through (d) of the previous sentence to the extent required by Environmental Laws.

Lessor represents and warrants to Lessee that, to the best of Lessor's knowledge, as of the Commencement Date there are no Hazardous Substances on the Premises, including asbestos in violation of any Environmental Laws. Lessor has received no notice from any governmental or private entity alleging any violation regarding any Hazardous Substances on the Premises. Lessee shall promptly deliver to Lessor copies of all notices made by Lessee to, or received by Lessee from, any state, county, municipal or other agency having authority to enforce any environmental law ("Enforcement Agency") or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises. Lessor shall promptly deliver to Lessee copies of all notices received by Lessor from any Enforcement Agency or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises.

11. Damage to Premises by Fire or Casualty. In the event the Premises shall be damaged by fire or other casualty during the Term of this Lease, whereby the same shall be rendered untenable, then

(a) if the damage to the Premises is so substantial ("Substantial Damage") that either: (1) the repair, restoration or rehabilitation of the Substantial Damage cannot reasonably be expected to be substantially completed within one hundred eighty (180) days from the date of such Substantial Damage or (2) so much of the Premises is destroyed or rendered untenable by such fire or other casualty as to make use of the Premises as a dialysis facility operating at least 75% of the certified dialysis stations operating prior to the fire or casualty impracticable, then Lessee or Lessor may elect to terminate this Lease by giving written notice to the other party within thirty (30) days of the date of such fire or casualty, or

(b) if not so terminated, Lessor shall proceed with all due diligence to repair, restore or rehabilitate the Premises, to substantially their former condition immediately prior to such damage or destruction, at Lessor's expense (excepting repair or restoration of any Lessee Alterations or Lessee Improvements), in which latter event this Lease shall not terminate.

If the Premises are rendered untenantable by fire or other casualty, there shall be an abatement of Rent due the Lessor by the Lessee for the period of time during which the Premises are untenantable, except to the extent caused by the negligent or intentional act of Lessee or its contractors, agents, employees or licensees. If the restoration is not substantially completed within two hundred ten (210) days of such damage (subject to reasonable extension due to a Force Majeure Event), it shall be optional with Lessee to terminate this Lease by written notice to Lessor. In the event of any termination of this Lease, Rent shall be paid only to the date of such fire or casualty.

In the event that the Premises are partially but not substantially damaged by fire or other casualty, then Lessor shall, to the extent of insurance proceeds received by Lessor, immediately proceed with all due diligence to repair and restore the Premises (excluding Alterations and Lessee improvements) and the Rent shall abate in proportion to the untenantability of the Premises during the period of restoration.

Notwithstanding the foregoing provisions of this Section 11, in the event that insurance proceeds applicable to Alterations constructed by Lessee at its expense are made available to Lessee, Lessee shall be responsible for restoring such Alterations, provided, however, that the Rent abatement provided for shall continue during such period of restoration up to a maximum period of 90 days of restoration so long as Lessee is diligently pursuing the completion of such restoration. In the event that Lessor does not restore the Premises, Lessee may retain all insurance proceeds from Lessee's insurer applicable to Alterations constructed by Lessee at its expense, and the other insurance proceeds will be paid to Lessor. Lessor shall be responsible for restoring improvements constructed by Lessor as described above and Lessee shall be responsible for restoring improvements constructed by Lessee as described above.

12. Eminent Domain. If the Premises shall be taken or condemned for any public or quasi-public use or purpose, the Term of this Lease shall end upon, and not before, the date of the taking of possession by the condemning authority, and without apportionment of the award. Lessee hereby assigns to Lessor, Lessee's interest in such award, if any, except for any portion of the award which compensates Lessee for its relocation expenses or Lessee's Alterations, if separately awarded. Rent shall be apportioned as of the date of such termination. If there is a taking or condemnation of a Substantial Part of the Premises (as defined below) or access to or from any street adjacent to the Premises is restricted by any public authority, then Lessee shall have the right to terminate this Lease by giving Lessor not less than thirty (30) days written notice prior to the date of cancellation designated in the notice but in any event not later than sixty (60) days of the date Lessee is notified by Lessor of such taking or condemnation or change or restriction of access, in which event Rent shall be apportioned as of the date of such termination. A taking or condemnation of a Substantial Part of the Premises is defined as such a taking or condemnation as renders impracticable the use of the Premises as a dialysis facility operating at least 75% of the certified dialysis stations operating prior to such taking or condemnation. No money or other consideration shall be payable by Lessor to Lessee or Lessee to Lessor for the right of cancellation, and Lessee shall have no right to share in the condemnation award or in any judgment for damages caused by such taking or the change or

restriction of access except to the extent any such award attributes value to Lessee's Alterations or relocation expenses, if separately awarded. Lessor represents that, as of the date hereof, it has no knowledge of any taking or condemnation, actual or threatened, regarding the Premises or access to or from any street adjacent to the Premises. In the event of any taking or condemnation involving the Premises which does not result in the termination of this Lease, Lessor shall restore the Premises to substantially the condition, if reasonably practical to do so, prior to such taking with all due diligence and Rent shall abate in proportion to the untenantability of the Premises during the period of restoration and, to the extent appropriate, for the remainder of the Term.

13. Right of Entry by Lessor. The Lessor, or any of its agents, shall have the right to enter said Premises during all reasonable hours and upon at least twenty-four (24) hours prior notice (except in cases of emergency), to examine the same or to exhibit said Premises, make repairs required under this Lease, standard inspections, and to put or keep upon the doors or windows thereof a notice "FOR RENT" at any time within one hundred twenty (120) days before the expiration of this Lease.

Except for Lessor's Work, any work done by Lessor to Premises shall be performed during hours that Lessee is not open for business (except in emergencies) unless Lessee approves, such approval shall not be unreasonably withheld. Any restoration work or alteration work at the Premises which is necessitated by or results from Lessor's entry, including, without limitation, any work necessary to conceal any element whose presence is permitted hereunder, shall be performed by Lessor at its expense or, at Lessee's election, by Lessee, at Lessor's sole cost and expense, provided Lessee gives Lessor written notice of its intent to perform such work and Lessor does not correct the work within 10 days thereafter. Lessor shall be liable for all losses, damage, or injury to persons or property, and shall indemnify and hold Lessee harmless from claims for the foregoing, including reasonable attorney's fees, arising solely from Lessor's entry on the Premises, except to the extent caused by the negligence or intentional act of Lessee or Lessee's contractors, agents, employees, invitees or licensees. If Lessor's entry into the Premises pursuant to this Lease interferes with the conduct by Lessee of its business to such an extent that Lessee, in the exercise of its reasonable business judgment, must close the Premises for business for two (2) or more consecutive business days, unless such entry by Lessor arises from conditions beyond the control of Lessor, then Rent and Operating Expenses shall totally abate for each day or portion thereof that such interference continues and Lessee remains closed.

14. Indemnity. Lessee agrees to indemnify Lessor and save Lessor harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the leased Premises caused or brought about by the act or neglect of the Lessee, its agents, servants, invitees or employees or Lessee's use or occupancy of the Premises. Lessor agrees to indemnify Lessee and save Lessee harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the leased Premises caused or brought about by the act or neglect of the Lessor, its agents, servants or employees. The indemnities set forth in this Section 14 shall survive the expiration of the term of this Lease.

15. Default and Remedies.

(a) Lessee Default and Lessor Remedies. In the event that the Lessee defaults in the payment of Rent hereunder and such Rent remains due and unpaid for ten (10) days following written notice of such default from Lessor to Lessee, or should the Lessee default in the performance of any other provisions of this Lease and such default is not cured within thirty (30) days following written notice from Lessor specifying such default (unless such default is not reasonably capable of being cured within such thirty (30) day period and Lessee is diligently prosecuting such cure to completion within 90 days) or should the Lessee file for or be adjudged bankrupt, or should the Lessee make an assignment for the benefit of its creditors, or should a receiver be appointed for the said Lessee and such receiver is not dismissed within sixty (60) days of his appointment, or should Lessee cease operating at the Premises for a period of more than 120 consecutive days, then, in any of these events, Lessee shall be in default and the Lessor, at its option, may terminate this Lease by written notice to Lessee. Upon and after termination of this Lease, or upon re-entry by Lessor without termination of this Lease, Lessor shall make a commercially reasonable effort to relet the Premises or any part thereof to any person, firm or corporation other than Lessee for such rent, for such time and upon such terms as Lessor in Lessor's discretion shall determine. If the consideration collected by Lessor upon any such reletting is not sufficient to pay monthly the full amount of the Rent and additional rent reserved in this Lease and all other monies to be paid by Lessee, Lessee shall pay to Lessor the amount of each monthly deficiency upon demand.

Whether or not this Lease is terminated by Lessor or by any provision of law or court decree, Lessee shall have no obligation to pay any Rent until the date it would otherwise have become due in the absence of any event of default. Lessor agrees that it shall have no right to accelerate (i.e. declare the same immediately due and payable) any Rent which would have become due in the future ("Future Rent"); provided, however, that upon termination of this Lease by Lessor, Lessee shall immediately pay Lessor for the unamortized costs of leasing commissions and tenant improvements. In the event Lessor terminates this Lease, Lessee's liability for Future Rent (as well as any damages specifically in lieu of or representing such Future Rent) shall cease except to the extent and manner provided otherwise in this Lease.

In the event of any default by Lessee, then Lessor, without further notice to Lessee, may avail itself of any or all remedies in this Lease and/or at law or in equity. Lessor may remove all persons and property from the leased Premises in accordance with applicable laws and such personal property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee, all without service of notice or resort to legal process and without Lessor being deemed guilty of trespass, or becoming liable for any loss or damage which may be occasioned thereby.

Should Lessor elect to re-enter or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alterations and repairs as may be necessary to re-let the Premises or any part thereof for such a term or terms (which may be for a term extending beyond this Lease Term) and at such Base Rent, Additional Rent and such other terms and conditions as Lessor in its discretion may deem advisable. Upon each such re-letting

all base rent paid to Lessor from such re-letting shall be applied, first to the payment of any indebtedness or other rent or amounts other than Base Rent due hereunder from Lessee to Lessor; second, to the payment of any costs and expenses of such re-letting, including brokerage and attorneys' fees and costs of alterations, Lessee improvement allowance and repairs; third, to the payment of Base Rent and Additional Rent due and payable hereunder, and the residue, if any, shall be held by the Lessor and applied in payment of future Base Rent and Additional Rent as same may become due and payable hereunder. If such rent received from such re-letting during any month be less than all amounts to be paid during that month by Lessee hereunder, Lessee shall pay any such deficiency to Lessor. No such re-entry or taking possession of said Leased Premises by Lessor shall be construed as an election on Lessor's part to terminate this Lease unless a written notice of such intention is given to Lessee or unless the termination thereof is by decree of a court of competent jurisdiction. Notwithstanding, any such re-letting without termination, Lessor may at any time thereafter elect to terminate this Lease for such previous breach. Should Lessor at any time terminate this Lease for any breach, in addition to any other remedies it may have, Lessor may recover from Lessee all damages Lessor may incur by reason of such breach. Whether or not this Lease is terminated, Lessee shall pay to Lessor each month all Base Rent and Additional Rent each and every month thereafter due for the remainder of the Lease Term (subject to reduction for amounts received from reletting as described above).

In the event of any default or threatened default by Lessee of any of the terms and provisions of this Lease, Lessor shall have the right to injunctive relief as if no other remedies were provided herein for such breach.

The rights and remedies herein reserved by or granted to Lessor are distinct, separate and cumulative, and the exercise of any one of them shall not be deemed to preclude, waive or prejudice Lessor's right to exercise any or all others. Lessor shall further have all rights and remedies available at law or in equity for any default by Lessee.

Wherever in this Lease the Lessor has reserved or is granted the right to re-entry into the Premises, the use of such word is not intended, or shall it be construed, to be limited to its technical legal meaning.

In the event that Lessor should bring suit for the possession of the Premises or for any other remedy available to Lessor, or for the recovery of any sum due under this Lease, or because of the breach or default of any covenant of this Lease by Lessee, or for any other relief against Lessee, declaratory or otherwise, arising out of this Lease, and should Lessor prevail in any such suit, Lessee agrees to pay Lessor all costs, expenses and reasonable attorneys' fees that Lessor may have incurred in connection therewith. In the event that Lessee should bring suit for the possession of the Premises or for any other remedy available to Lessee, or because of the breach or default of any covenant of this Lease by Lessor, or for any other relief against Lessor, declaratory or otherwise arising out of this Lease, and should Lessee prevail in any such suit, Lessor agrees to pay Lessee all costs, expenses and reasonable attorneys' fees that Lessee may have incurred in connection therewith.

Upon any default by Lessee, Lessor may remedy such Lessee default and, in connection therewith, Lessor may incur expenses for the account of Lessee, and any and all such sums

expended or obligations incurred by Lessor in connection therewith shall be deemed Additional Rent and shall be paid by Lessee to Lessor upon demand.

Notwithstanding the foregoing, in all events Lessee shall have the right to remedy any Lessee default without prior notice in the event of an emergency (so long as Lessor gives notice within a reasonable period of time thereafter) and invoice Lessee in the manner set forth in the preceding sentences of this Section 15.

(b) Lessor Default and Lessee Remedies. Subject to the terms and provisions hereinbelow, and in addition to any other remedy expressly available to Lessee pursuant to this Lease or at law or in equity, should Lessor fail to perform any term or covenant under this Lease (each and any such failure being herein sometimes referred to as a "Lessor Default") and if any such Lessor Default shall not be cured and shall accordingly be continuing thirty (30) days following written notice by certified mail by Lessee to Lessor of such Lessor Default (in the event that such Lessor Default consists of a breach or failure by Lessor to pay any monetary amount due and payable by Lessor to Lessee) or sixty (60) days following written notice by certified mail by Lessee to Lessor of such Lessor Default (in the event such default consists of a breach or failure by Lessor to comply with any obligation of Lessor other than one involving the payment of a monetary amount payable by Lessor to Lessee hereunder), then, in either such event, Lessee shall have the option (at Lessee's sole discretion) of remedying such Lessor Default and, in connection therewith, incurring expenses for the account of Lessor, and any and all such sums expended or obligations incurred by Lessee in connection therewith shall be paid by Lessor to Lessee upon demand, and if Lessor fails to immediately reimburse and pay same to Lessee, Lessee may, in addition to any other right or remedy that Lessee may have under this Lease, deduct such amount (together with interest thereon at the maximum rate permitted by applicable law from the date of any such expenditure by Lessee until the date of repayment thereof by Lessor to Lessee) from subsequent installments of Lessee and other charges (if any) that from time to time thereafter may become due and payable by Lessee to Lessor hereunder. Any such abatement or deduction shall not constitute a Lessee Default unless Lessee shall fail to pay the amount of such abatement or deduction to Lessor within thirty (30) days after final adjudication that such amount is owing to Lessor. Notwithstanding the foregoing, in all events Lessee shall have the right to remedy any Lessor Default without prior notice in the event of an emergency (so long as Lessee gives notice within a reasonable period of time thereafter) and invoice Lessor and abate Rent (if necessary) in the manner set forth in the preceding sentences of this Section 15.

16. Insurance. Lessee covenants and agrees to keep the Premises and contents insured for full replacement value against loss by fire and casualty, under an all risk policy with extended coverage endorsements, said insurance to at all times reflect the interest of the Lessor and Lessee as their interests may appear. In addition thereto, Lessee shall obtain and keep in force with respect to the Premises comprehensive general liability insurance in a minimum amount of \$1,000,000.00 per claim and \$3,000,000.00 in the aggregate for both bodily injury and property damage.

Lessee may carry any insurance required by this Lease under a blanket policy provided that the coverage thereunder for the Premises shall not be diminished by occurrences elsewhere.

Each policy shall provide that the insurer shall give to Lessor twenty (20) days written notice prior to any cancellation of the policy. Lessor shall be named as an additional insured on Lessee's policies. Lessee shall furnish a certificate of insurance to Lessor, evidencing the required insurance coverage and provisions hereunder.

17. Subrogation. Each of the parties hereto hereby releases the other and the other's partners, agents and employees, to the extent of each party's insurance coverage, from any and all liability for any loss or damage which may be inflicted upon the property of such party even if such loss or damage shall be brought about by the fault or negligence of the other party, its partners, agents or employees; provided, however, that this release shall be effective only with respect to loss or damage occurring during such time as the appropriate policy of insurance shall contain a clause to the effect that this release shall not affect said policy or the right of the insured to recover thereunder. If any policy does not permit such a waiver, and if the party to benefit therefrom requests that such a waiver be obtained, the other party agrees to obtain an endorsement to its insurance policies permitting such waiver of subrogation if it is commercially available and if such policies do not provide therefor. If an additional premium is charged for such waiver, the party benefiting therefrom, if it desires to have the waiver, agrees to pay to the other the amount of such additional premium promptly upon being billed therefor.

18. Repairs and Maintenance. Lessor shall have no responsibility for the repair or maintenance of any improvement, system, fixture, or item (i) installed by the Lessee in the Premises or (ii) located in the Premises. Lessor, at its sole cost and expense, shall maintain and keep in good order and repair and make any necessary replacements to the roof, roof membrane, roof covering, concrete slab, footings, foundation, structural components of the Building, exterior walls, exterior doors and windows, and flooring (except for floor covering). If Lessor shall not commence such repairs within the thirty (30) days following written notice from Lessee that such repairs are necessary then Lessee may, at its option, cause such Lessor's repairs to be made and shall furnish Lessor with a statement of the cost of such repairs upon substantial completion thereof. Lessor shall reimburse Lessee for the cost of such repairs plus a service charge to cover Lessee's expenses in an amount equal to 10% of the cost of such repairs within thirty (30) days of the date of the statement from Lessee setting forth the amount due, provided, however, should Lessor fail to reimburse Lessee with said ten (10) day period, then Lessee may, at its option, offset such amount against subsequent rent due under this Lease.

Except for Lessor's obligations set forth above and except for any damage caused by the acts of negligence by Lessor or its agents within the Premises, Lessee agrees to maintain and replace as necessary said Building in the same condition, order and repair as the Premises and Building were after completion of the Lessor's Work including all heating, ventilation, air conditioning, electrical, plumbing and other systems in or for the Building, excepting only reasonable wear and tear arising from the use thereof and damage by fire or other casualty.

19. Brokers. Lessor and Lessee each represent to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease.

20. Emergency. If Lessor is unable or unwilling to take action which it is obligated to take hereunder where an emergency has occurred with respect to the Premises, then Lessee may take such action as is reasonably necessary to protect the Premises and persons or property in the Premises and Lessor shall, within thirty (30) after written notice thereof from Lessee reimburse Lessee for its reasonable out-of-pocket expenses incurred in curing such emergency; provided, however, should Lessor fail to reimburse Lessee within said thirty (30) day period, then Lessee may, at its option, offset such amount against subsequent rent due under this Lease. If Lessee is unable or unwilling to take action which it is obligated to take hereunder where an emergency has occurred with respect to the Premises or Building, then Lessor may take such action as is reasonably necessary to protect the Premises or Building and persons or property in the Premises or Center and Lessee shall, within thirty (30) after written notice thereof from Lessor reimburse Lessor for its reasonable out-of-pocket expenses incurred in curing such emergency.

21. Title and Parking. Lessor hereby represents that Lessor is the owner in fee simple of the Premises, including the Center and all improvements thereon free from any liens or encumbrances except those of record and has the right and authority to enter into this Lease. Lessor and Lessee further represent that each party and those signatories executing this Lease on behalf of said parties have full power and authority to execute this Lease. Prior to the Commencement Date, Lessor intends to record a declaration of certain reciprocal easements and restrictions for the Center (the "Declaration"). Lessor will provide a copy of the Declaration to Lessee prior to recording the same.

Without limiting the generality of the foregoing, provided no default by Lessee has occurred which is uncured, the Premises shall, at all times during the Term of this Lease, have use of the Land's parking lot and, as described in the Declaration, other parking lots on the Center including handicap-accessible spaces in accordance with applicable local codes, in common with Lessor, other tenants, and other occupants or invitees of the Center. All parking spaces shall have such dimensions and be in such a configuration as is required by applicable Laws. The Land shall have a ratio of five (5) spaces per 1,000 rentable square feet leased in the Building (or such higher ratio if required by applicable Laws) including four (4) reserved parking spaces reasonably near the entryway (after the handicap spaces) to be striped at Lessor's expense.

22. Compliance with Laws. Both parties hereby agree to comply with all applicable federal, state and local laws, ordinances, rules and regulations ("Laws") throughout the Term of the Lease. Lessor represents and warrants to Lessee, to the best knowledge of Lessor, that as of the Commencement Date the Premises are in compliance with all Laws, including, without limitation, applicable zoning laws, ordinances, rules and regulations and with applicable instruments affecting title to the Premises. Lessor further represents that it has received no notices or communications from any public authority having jurisdiction alleging violation of any Laws relating to the Premises or the Center or improvements thereon and has received no notices alleging violation of any title instrument. Without limiting the generality of the foregoing, Lessor represents, to the best of Lessor's knowledge, that the Lessor's Work shall comply with

all applicable Laws in effect as of the Commencement Date relating to handicapped accessibility, including, without limitation, the Americans with Disabilities Act ("ADA"). Any cost involved with compliance with ADA in effect as of the Commencement Date with regard to Lessor's Work will be at Lessor's expense, including all requirements on the parking lot and exterior areas for the initial construction of the Building. Any cost involved with compliance with ADA regarding Lessee's use of the Premises or Lessee's Alterations will be at Lessee's expense.

If at any time or from time to time any Alterations, including, without limitation, structural Alterations, are required in order for the any of Lessor's Work to comply with any generally applicable Laws from time to time applicable to the Premises, Lessor shall immediately make such Alterations at its sole cost and expense. If at any time or from time to time any Alterations, including, without limitation, structural Alterations, are required in order for anything other than Lessor's Work to comply with any Laws specifically applicable to the Premises due to Lessee's use, Lessee shall immediately make such Alterations at its sole cost and expense.

Lessor represents to Lessee that Lessor is not directly or indirectly a source of referrals for patients or business to Lessee during the Term of this Lease.

23. Right of First Option. As shown on the plan attached as Exhibit B, there is adequate space on the Land for an expansion of the Building by 3,000 square feet (the "Expansion Area"). If Lessee desires to rent the Expansion Area, Lessee shall notify Lessor in writing of the same. Lessor and Lessee shall have 60 days after receipt of such notice to negotiate lease terms for the Expansion Area. If Lessor and Lessee negotiate mutually satisfactory lease terms, such terms will be memorialized in either a lease for such Expansion Area or an amendment to this Lease. After execution of such lease or amendment, as applicable, Lessor shall construct the Expansion Area pursuant to such lease terms and Lessee will lease the Expansion Area on completion.

24. Lessee to Subordinate. Lessee shall, upon request of the holder of a mortgage or deed of trust in the nature of a mortgage, which holder is a commercial or institutional lender ("Mortgagee") subordinates any interest which it has by virtue of this Lease, and any extensions and renewals thereof to any mortgages or deeds of trust placed upon the Premises by Lessor, if and only if such Mortgagee shall execute, deliver and record in the appropriate registry of deeds a recognition and non-disturbance agreement in form and content generally used in commercial loan transactions and approved by Lessee, such approval not to be unreasonably withheld. Such Agreements shall provide by their terms that notwithstanding any foreclosure of such mortgage or deeds of trust Lessee may continue to occupy the Premises during the Term of this Lease or any extensions or renewals thereof under the same terms, conditions and provisions of this Lease unless Lessee shall be in default beyond any applicable grace periods provided for herein. Upon Lessee's request, Lessor shall secure from any future mortgagee or lienholders of Lessor non-disturbance agreements during the initial Term or any Extension Periods, if exercised. Lessee will, in the event of a sale, transfer or assignment by Landlord of the Land, Center or Building or any portion thereof or of this Lease, or in the event any proceedings are brought for the foreclosure of any mortgage, attorn to and recognize such transferee, purchaser or mortgagee as

Lessor under this Lease, and promptly execute and deliver any instrument that such successor Lessor may reasonably request to evidence such attornment.

25. Quiet Enjoyment. Lessee, upon paying the Rent, additional rent and other sums due under this Lease, and subject to all of the terms and covenants of this Lease on Lessee's part to be kept, observed, and performed, shall quietly have and enjoy the Premises during the Term of this Lease. Lessor agrees that Lessee shall have continuous, peaceful, uninterrupted and exclusive possession and quiet enjoyment of the Premises during the Term of this Lease provided Lessee complies with its obligations under this Lease and subject to the terms of this Lease.

26. Memorandum of Lease. Lessor agrees to enter into and record a memorandum or notice of this Lease reasonably satisfactory to Lessee and Lessor. Lessee shall be responsible for the preparation thereof and the cost of recording the same.

27. Notices. All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be either (i) sent by registered or certified mail, return receipt requested, postage prepaid or (ii) delivered, by hand, or (iii) sent by overnight courier such as Federal Express. All notices to Lessor should be addressed to Lessor at 1403-05 Nickell Street, Sauget, Illinois 62206 Attention: Mr. Jay Dinkelmann, or at such other place as Lessor may from time to time designate in written notice to Lessee. All notices to Lessee shall be addressed to Lessee c/o DaVita Inc., 601 Hawaii Street, El Segundo, California 90245, Attention: General Counsel, or to any such other place as Lessee may from time to time designate in written notice to Lessor. All notices, demands and requests which shall be served upon Lessor and Lessee in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder.

28. Estoppel Certificate. Each of Lessor and Lessee agrees at any time and from time to time upon not less than fifteen (15) days' prior written request by the other to execute, acknowledge and deliver to the other a statement in writing certifying that (a) this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications), (b) the dates to which the Rent and other charges have been paid in advance, if any, and (c) all of the defaults of Lessor or Lessee hereunder, if any, (and if there are no defaults a statement to that effect) and any other information reasonably requested, it being intended that any such statement delivered pursuant to this Section 28 may be relied upon by any prospective purchaser of the Premises or any mortgagee or assignee of any mortgage upon the fee or leasehold of the Premises or by any prospective assignee of this Lease or sublessee of the whole or any portion of the Premises and/or by other party interested in the Premises or any part thereof.

29. Holding Over. In the event Lessee remains in possession of the Premises after the expiration of the term of this Lease, or any extensions hereof without the written consent of Lessor, and if Lessee is otherwise in compliance with all its obligations under this Lease, such holdover shall constitute a month to month tenancy, subject to all of the provisions of this Lease except Lessee shall then be obligated to pay Rent at 120% of the then-current rate (including all adjustments) and all other sums then payable hereunder prorated on a daily basis for each day

that Lessor is kept out of possession of the Premises. Notwithstanding anything to the contrary or any contrary provision at law, such month to month tenancy may be terminated by either Lessor or Lessee on thirty days' notice to the other party. In addition, Lessee shall be liable for any damages suffered by Lessor due to such holdover. On expiration of such foregoing 30 days' notice by Lessor, Lessee shall immediately quit and vacate the Premises. There is no renewal of this Lease by operation of law.

30. Binding Effect. All covenants, agreements, stipulations, provisions, conditions and obligations herein expressed and set forth shall extend to, bind and inure to the benefit of, as the case may require, the successors and permitted assigns of Lessor and Lessee respectively, as fully as if such words were written wherever reference to Lessor or Lessee occurs in this Lease

31. Complete Agreement. Any stipulations, representations, promises or agreements, oral or written, made prior to or contemporaneously with this agreement shall have no legal or equitable consequences and the only agreement made and binding upon the parties with respect to the leasing of the Premises is contained herein, and it is the complete and total integration of the intent and understanding of Lessor and Lessee with respect to the leasing of the Premises.

32. Severability. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

33. Applicable Law. The laws of the State of Illinois shall govern the validity, performance and enforcement of this Lease, without regard to such state's conflict-of-law principles.

34. Force Majeure. If either party hereto shall be delayed or hindered in or prevented from the performance of any obligation required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, acts of terrorism, military or usurped power, sabotage, unusually severe weather, fire or other casualty or other reason (but excluding inadequacy of insurance proceeds, financial inability or the lack of suitable financing) of a like nature beyond the reasonable control of the party delayed in performing its obligations under this Lease ("Force Majeure Event"), the time for performance of such obligation shall be extended for the period of the delay.

35. Amendment. This Lease and the exhibits attached hereto and forming a part hereof set forth all the covenants, promises, agreements, conditions and understandings between Lessor and Lessee concerning the Premises, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Lessor or Lessee unless reduced to writing and signed by them.

36. Lessee Improvements. Lessee acknowledges the Lessor's Work does not include interior construction and improvements, all of which interior work shall be performed by Lessee, at Lessee's sole cost (the "Lessee's Work"). Lessee shall construct its tenant improvements to the Premises (the "Lessee Improvements") in compliance with all Laws. Lessee shall contract for the installation of the Lessee Improvements with a contractor of its choice that is reasonably acceptable to Lessor. Lessor and Lessee shall mutually approve the plans and specifications of the Lessee Improvements prior to the commencement of work. Lessor shall not charge Lessee any fee or other charges for the supervision and/or overhead associated with the construction of the Lessee Improvements. Lessee or its contractor shall obtain all permits needed for the Lessee Improvements, which shall be constructed in compliance with the approved plans and specifications and in a good and workmanlike manner. In no event will Lessee allow any mechanics', materialmen or other lien for labor or services to be filed against the Building, Land or Center, and in the event of any such lien, Lessee shall cause the lien to be removed no later than 90 days after the filing of the same. Notwithstanding the foregoing, Lessee Improvements shall not include the work involved with bringing electrical and water utilities to the Premises and for the separate metering for said utilities.

37. Lessor Work. Lessor shall perform and construct the minimum base building work (the "Lessor's Work") in accordance with Exhibit C, attached hereto.

38. Lessor's Sale of the Center. Lessor may, at any time, without the prior consent of Lessee, contract to and/or perform any of the following transactions with respect to an interest in Lessor, the Lease, the Premises, the Land, the Building, and/or any portion of or interest in the realty or improvements in the Center owned or hereafter acquired by Lessor: sale, purchase, exchange, transfer, assignment, lease, or any other conveyance (collectively referred to herein as "Sale"); and/or encumbrance, pledge, mortgage, deed of trust, hypothecation or sale and leaseback transaction (collectively referred to herein as "Mortgage"). From and after a Sale, Lessor shall be released from all liability to Lessee and Lessee's successors and assigns arising from this Lease because of any act, occurrence or omission of Lessor occurring after such Sale, and Lessee shall look solely to Lessor's successor in connection with the same; provided however, that Lessor shall not be released from liability to Lessee and Lessee's successors and assigns from this Lease because of any act, occurrence or omission of Lessor occurring prior to such Sale, unless such liability is expressly assumed by Lessor's successor-in-interest in this Center and Premises. Within a commercially reasonable time period prior to the effective date of a Sale, Lessor shall notify Lessee whether Lessor's successor-in-interest and assignee to this Lease would or would not be a source of referrals for patients or business to Lessee as described in Section 22 above. In no event shall Lessor have any personal liability for any of the obligations and covenants in this Lease, and Lessee shall, in the event of any dispute, judgment or enforcement of any obligation of Lessor under this Lease, be entitled only to Lessor's interest in the Land and Building, and the proceeds thereof, in satisfaction of the same, and no other assets of Lessor.

39. Rules and Regulations. Lessor, from time to time, has the right to make, establish and promulgate reasonable and nondiscriminatory rules and regulations for the Center, and the

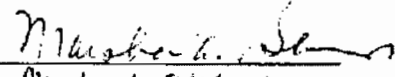
occupants and tenants thereof, and Lessee must observe, keep and comply with and cause its employees and invitees to observe, keep and comply with such rules and regulations. None of the aforesaid rules or regulations may be inconsistent with this Lease or proscribe Lessee's use and occupancy of the Premises in a customary manner for an office building, nor may any of the rules or regulations unreasonably disrupt the business operations of the Lessee pursuant to this Lease.

[SIGNATURES ON NEXT PAGE]

IN TESTIMONY WHEREOF, the Lessor and Lessee have caused this Lease to be executed as a sealed instrument, as of the day and year first above written.

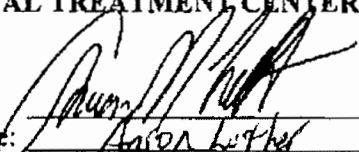
LESSOR:

UNION PLANTER TRUST NO. 03-90-1090-00,
By its Trustee

By: 
Name: Marsha A. Glazner
Title: Vice President

LESSEE:

RENAL TREATMENT CENTERS-ILLINOIS, INC.

By:  03
Name: Aaron Leifer
Title: Vice-President-Operations

Date Rec'd 3/05/05 ^{TSmitch}
Date Filed _____
Filed by _____

EXHIBIT A

LEGAL DESCRIPTION OR SITE PLAN DEPICTION OF LAND

The Land is Lot 2 of the Preliminary Plat of Stadium Executive Office Complex of Sauget, Illinois. The Center consists of Lots 1 through 7 of the Preliminary Plat, as shown on the attached Plat.

At the time of execution of this Lease, the parties acknowledge the Plat is in preliminary form. After finalization, this Exhibit will be amended to include the final Plat and the recording information for such Plat.

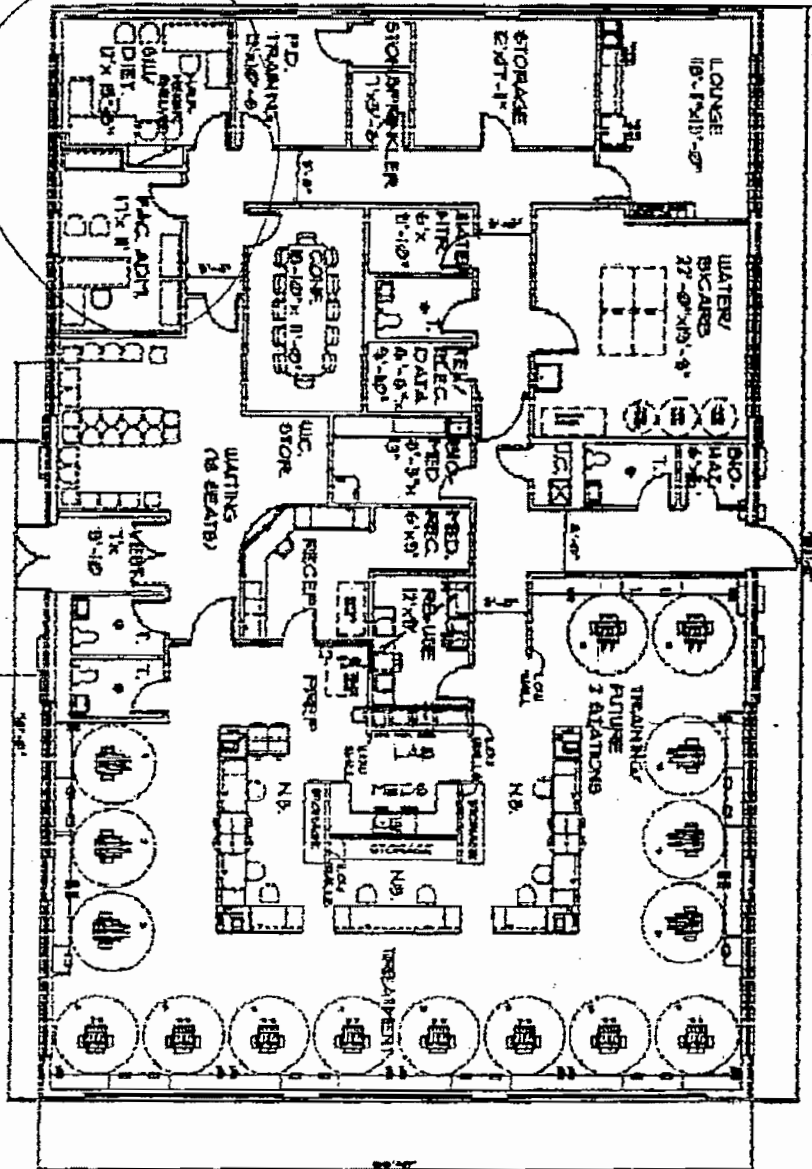
EXHIBIT B
PREMISES FLOOR PLAN
(attached)

Audersuit
Milkos Architects Ltd.

Davita

SAUGET
DIALYSIS CENTER
Sauget, Illinois

Final



*Swap
Room
Names*

Davita Sauget Dialysis Center
Sauget, IL
December 23, 2004 SCALE IN FEET

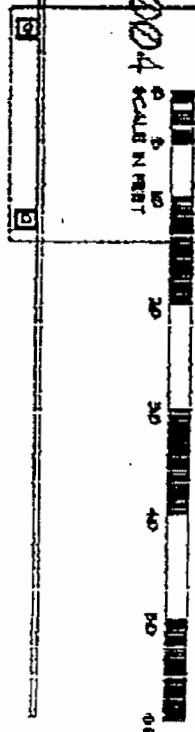


EXHIBIT C

LESSOR'S WORK

The Lessor's Work consist of

(1) the work described in the plans prepared by P.H. Weis & Associates Incorporated, Sheets A1 through A7 and Sheet MPE1, each dated February 21, 2005, a copy of which plans are attached hereto, and

(2) the DaVita Minimum Base Building Improvements attached hereto and marked Exhibit C.

Exhibit C (cont'd)

DAVITA
Minimum Base Building Improvements

At a minimum, Lessor shall provide the following Base Building Improvements to the entire Premises:

Building Shell - All work that is associated with the development of Village of Sauget/State of Illinois approved plans and specifications shall be prepared by a licensed architect and engineer. The plans and specifications will include the civil design of all utilities (mechanical, electrical and plumbing), shell construction only, and utility tie-in construction (exterior) to the existing structure. Lessor shall provide a building shell. The Building shall conform to all ADA, state and local code requirements.

Utilities - All utilities, including a dedicated 2" water line required for Lessee specific water use, a separate sprinkler pipe water line, sanitary sewer (4" min.), electric, gas, with telephone and CATV sleeves only. Gas service, at a minimum, will be rated to have 6" water column pressure and supply 600,000 BTU's.

Foundation and Floor - The foundation and floor of the building shall be in accordance with local code requirements. The foundation and concrete slab shall be designed by Lessor's engineer to accommodate site specific soil conditions. The concrete floor slab shall be a minimum of 3000 psi reinforced concrete slab on grade. Lessor shall provide a floor that is level, smooth, broom clean, and has no adhesive residues. The floor shall be as level as possible assuming the pour will take place after the shell has been erected and after the underslab plumbing is complete as installed by Lessee.

Structural - Existing exterior walls, roofing and framing shall remain the same. Structural systems shall be designed to provide a minimum 14'0" clearance to underside of structural beams assuming a deflection tolerance.

Roof - The new roof shall include a fifteen (15) year manufacturer's guarantee.

Windows - Exterior windows to consist of aluminum frames and 1" insulated glass.

Exterior Doors - Exterior rear door to be 20 gauge insulated hollow metal. Front entry door shall be 4' in width. All doors to have weather-stripping and commercial grade hardware (equal to Schlage L Series or better). Lessee shall change the keys (reset tumblers) on all doors with locks after construction. Doors shall meet ADA requirements.

Mechanical/HVAC - Equipment to be Carrier, Trane, or equal. Equipment shall be new. Supply air shall be provided to Lessee space sufficient for cooling at the rate of 300 square feet per ton only and shall be stubbed-in only. Air-conditioning to be electric, heating to be gas. Air handling units shall be located on the roof and installed to local building code.

Plumbing - Water shall be provided to the Lessee space in the amount of a 2" dedicated supply pipe. Line shall be stubbed in just inside footing line. A 6" sewer shall be stubbed into Lessee's space just inside footing line. Natural gas shall be provided for heating of hot water and the natural gas line shall be stubbed-in only.

Electrical - Lessor to provide a separately metered , 600 amp, 120/208 volt, 3 phase, 4 wire, outside can only.

Sprinkler - Lessor shall design and install a complete sprinkler system on a dedicated water line independent of Lessee's domestic water line requirements. Drops and heads shall be installed by Lessee. All electric connections, detector check, etc. to be installed by Lessee.

Telephone - Sleeve only to be provided by Lessor.

Cable TV - Sleeve only to be provided by Lessor.

Handicap Accessibility - Full compliance with ADA and all local jurisdiction handicap requirements. Lessor shall comply with all ADA regulations affecting the Building including exterior doors, parking lot, delivery area and walkways.

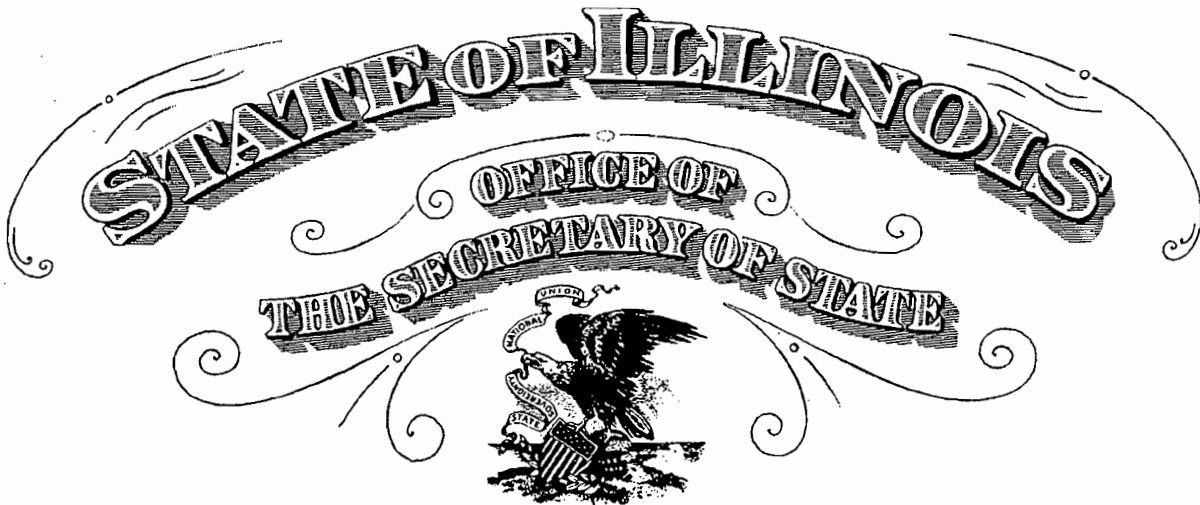
Building Codes - All Minimum Base Building Improvements are to be performed in accordance with local building codes.

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

The Illinois Certificate of Good Standing for Renal Treatment Centers - Illinois, Inc. is attached at Attachment – 3.

File Number

5819-656-8



To all to whom these Presents Shall Come, Greeting:

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

RENAL TREATMENT CENTERS - ILLINOIS, INC., INCORPORATED IN DELAWARE AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON FEBRUARY 14, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 19TH
day of OCTOBER A.D. 2015 .

Jesse White

SECRETARY OF STATE

Authentication #: 1529201694 verifiable until 10/19/2016

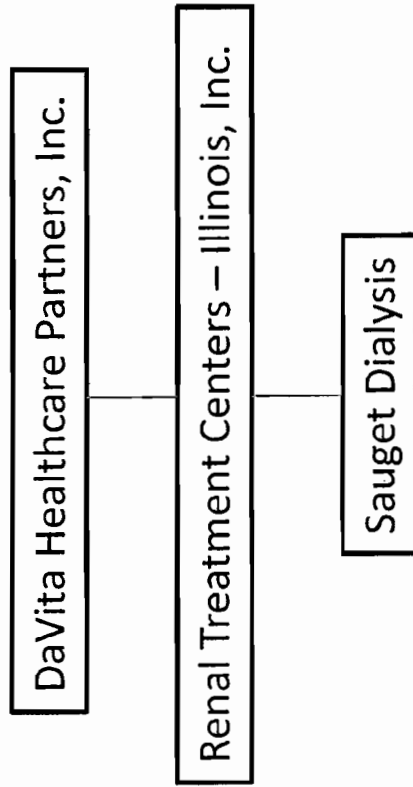
Authenticate at: <http://www.cyberdriveillinois.com>

Attachment - 3

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

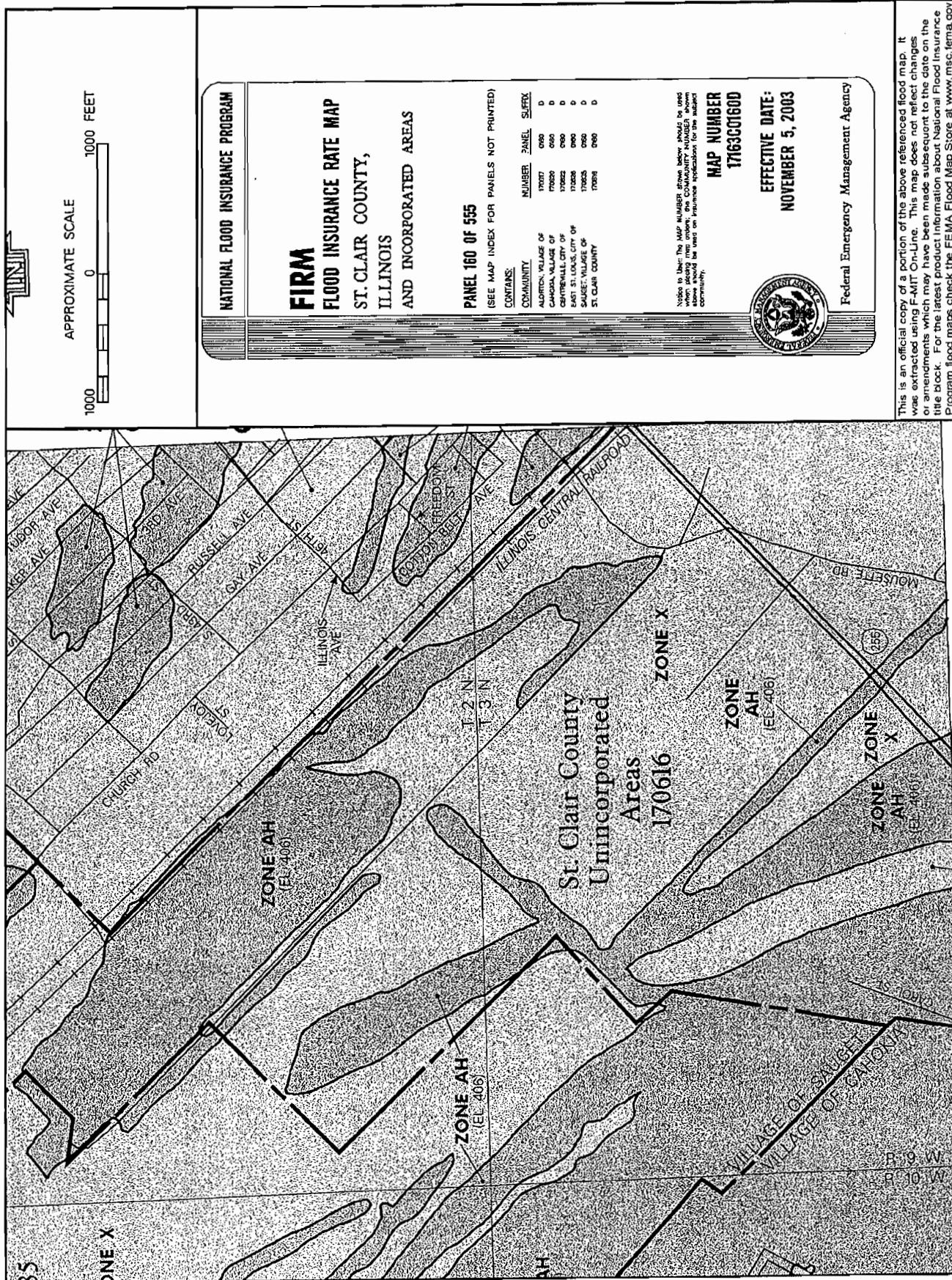
The organizational chart for DaVita HealthCare Partners, Inc. and Renal Treatment Centers - Illinois, Inc. is attached at Attachment – 4.

Sauget Dialysis
Organizational Structure



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

The Sauget Dialysis site complies with the requirements of Illinois Executive Order #2005-5. Sauget Dialysis is located at 2061 Goose Lake Road, Sauget, Illinois 62206. As shown on the FEMA flood plain map attached at Attachment – 5, Sauget Dialysis is located outside of a flood plain.



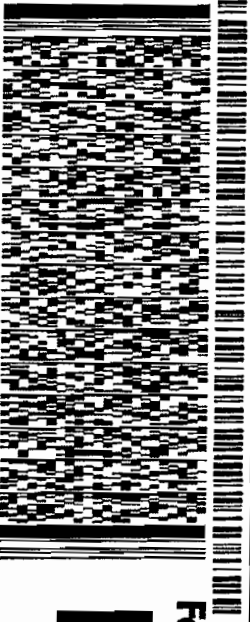
Section I, Identification, General Information, and Certification
Historic Resources Preservation Act Requirements

The Applicants submitted a request for determination that Sauget Dialysis is compliant with the Historic Resources Preservation Act. A copy of the letter is attached at Attachment – 6.

ORIGIN ID: CHIA OFFICE SERVICES 161 N. CLARK STREET SUITE 4200 CHICAGO, IL 60601 UNITED STATES US (312) 819-1900		SHIP DATE: 04NOV15 ACTWGT: 1.00 LB CAD: 9383503INET3670
TO: RACHEL LIEBOWITZ, PH.D. IL HISTORIC PRESERVATION AGENCY 1 OLD STATE CAPITOL PLAZA PRESERVATION SERVICES DIVISION SPRINGFIELD IL 62701 (312) 463-6366 REF: 064628-503326 INV: DEPT:		BILL SENDER

TRK# 7748 9929 6695 0201	THU - 05 NOV 3:00P STANDARD OVERNIGHT
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November 4, 2015

Via Federal Express

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Direct Fax
acooper@polsinelli.com

Rachel Liebowitz, Ph.D.
Deputy State Historic Preservation Officer
Preservation Services Division
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, Illinois 62701

Re: Historic Preservation Act Determination – Sauget Dialysis

Dear Ms. Liebowitz:

This office represents DaVita HealthCare Partners Inc. ("Requestor"). Pursuant to Section 4 of the Illinois State Agency Historic Resources Preservation Act, Requestor seeks a formal determination from the Illinois Historic Preservation Agency as to whether Requestor's proposed project to expand a sixteen station dialysis center to a 24 station dialysis center located at 2061 Goose Lake Road, Sauget, IL 62206 ("Expansion Project") affects historic resources.

1. Project Description and Address

The Requestor is seeking a certificate of need from the Illinois Health Facilities and Services Review Board to expand its existing dialysis center located at 2061 Goose Lake Road, Sauget, IL 62206. This project will involve the internal modernization of an existing building. No demolition or physical alteration of the exterior of any existing buildings will occur as a result of the Expansion Project.

2. Topographical or Metropolitan Map

A metropolitan map showing the location of the Expansion Project is attached at Attachment 1.

polsinelli.com

Atlanta Chicago Dallas Denver Kansas City Los Angeles New York Phoenix St. Louis San Francisco Washington, D.C. Wilmington
Polsinelli PC, Polsinelli LLP in California

50621648.1



Ms. Rachel Liebowitz
November 4, 2015
Page 2

3. Historic Architectural Resources Geographic Information System

A map from the Historic Architectural Resources Geographic Information System is attached at Attachment 2. The property is not listed on the (i) National Register, (ii) within a local historic district, or (iii) within a local landmark.

4. Photographs of Standing Buildings/Structure

Photograph of the site of the proposed facility is attached at Attachment 3.

5. Addresses for Buildings/Structures

The Expansion Project is located at 2061 Goose Lake Road, Sauget, IL 62206

Thank you for your time and consideration of our request for Historic Preservation Determination. If you have any questions or need any additional information, please feel free to contact me at 312-873-3606 or acooper@polsinelli.com

Sincerely,

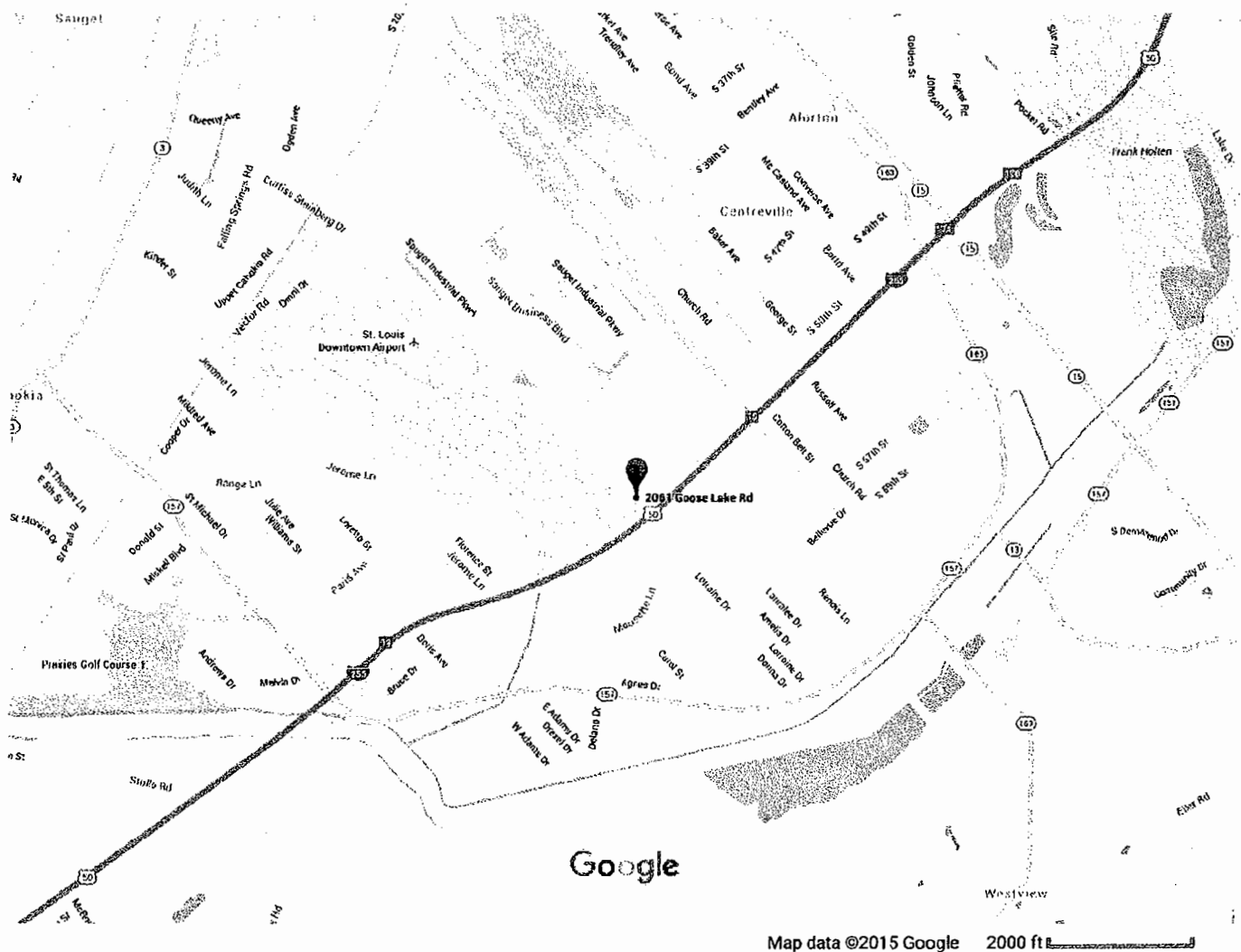
A handwritten signature in cursive script that reads "Anne M. Cooper".

Anne M. Cooper

Attachments

ATTACHMENT 1

Google Maps Google Maps



ATTACHMENT 2



ATTACHMENT 3

Google Maps 2071 Goose Lake Rd

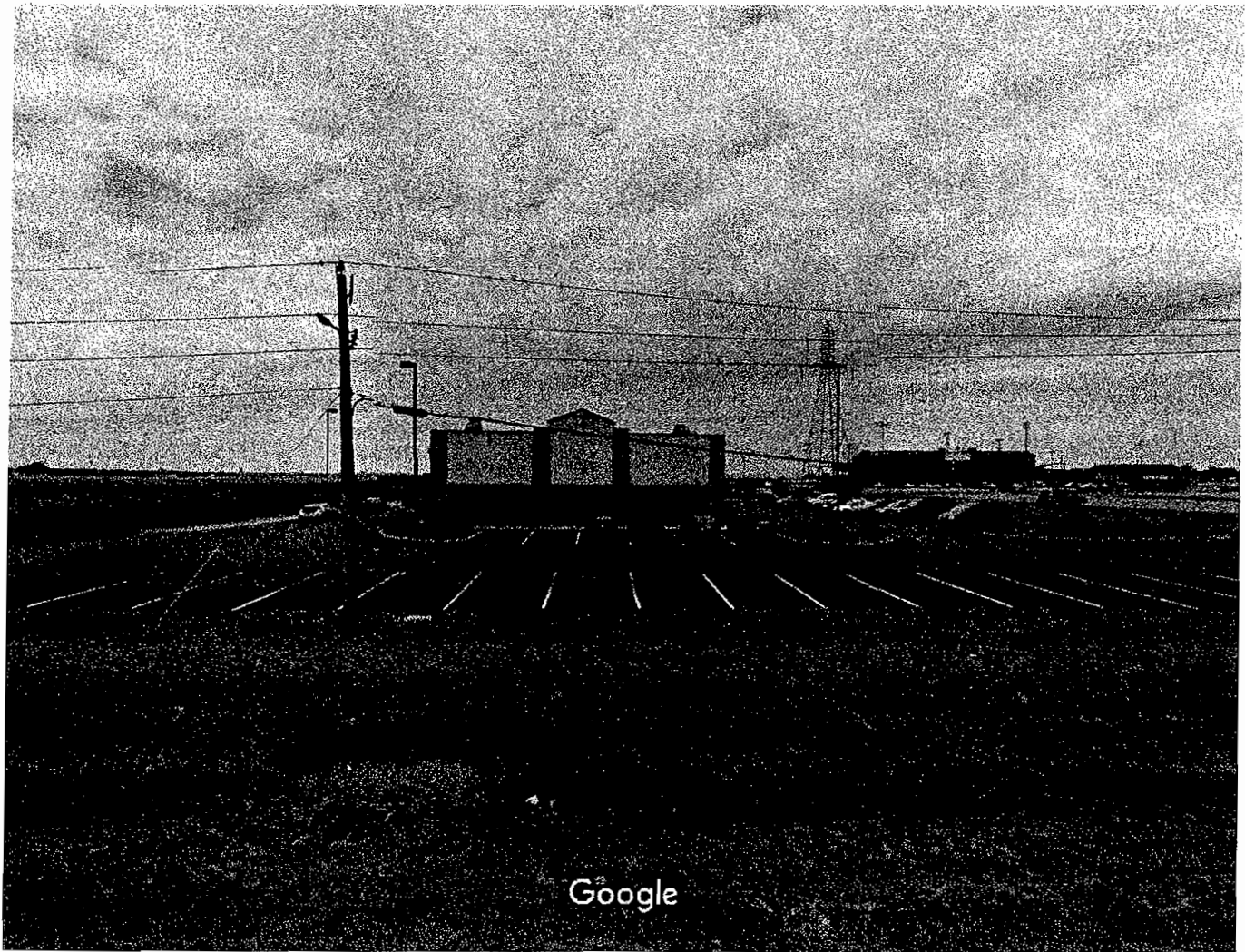


Image capture: May 2013 © 2015 Google

Centreville, Illinois

Street View - May 2013



Attachment - 6

Google Maps 2067 Goose Lake Rd

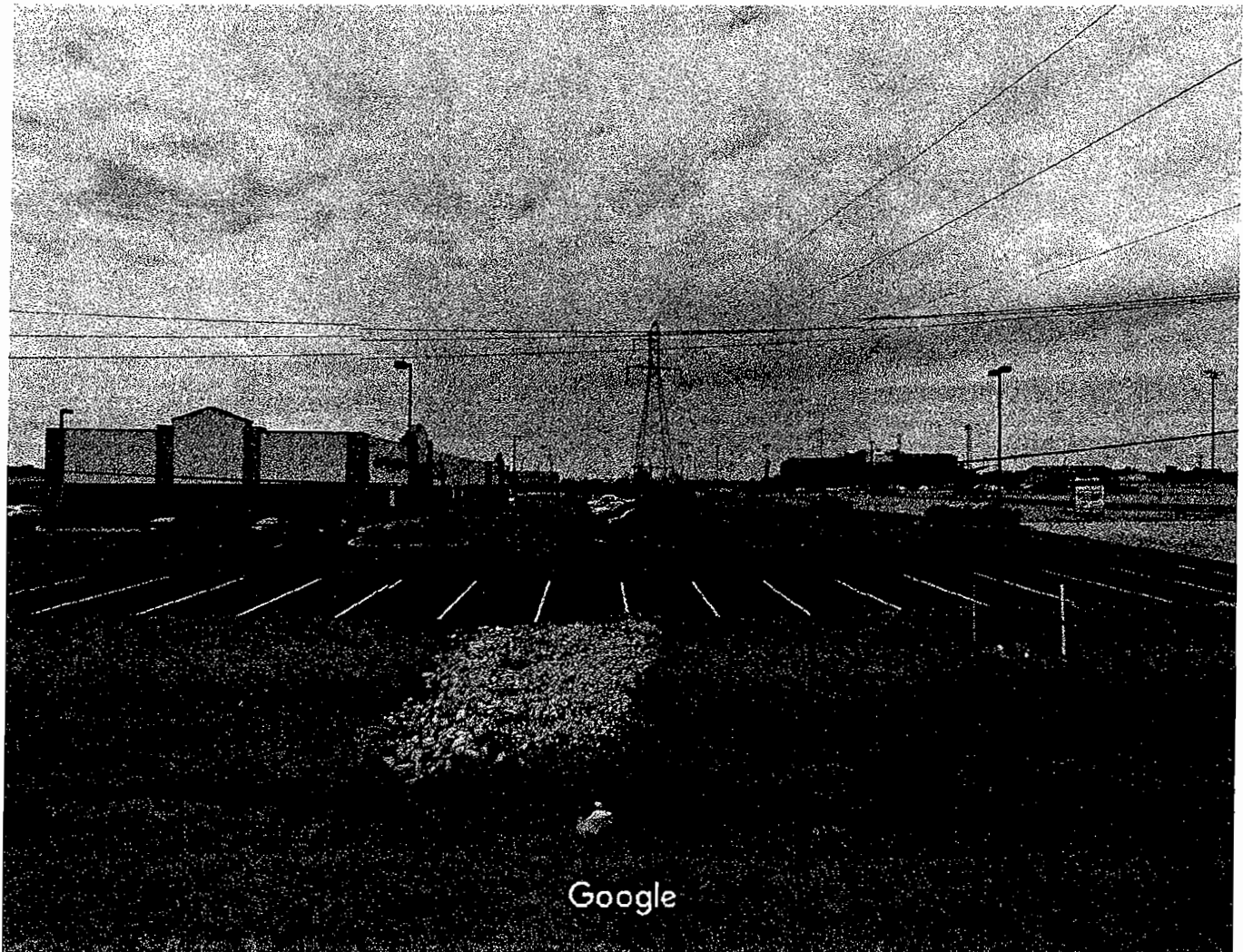


Image capture: May 2013 © 2015 Google

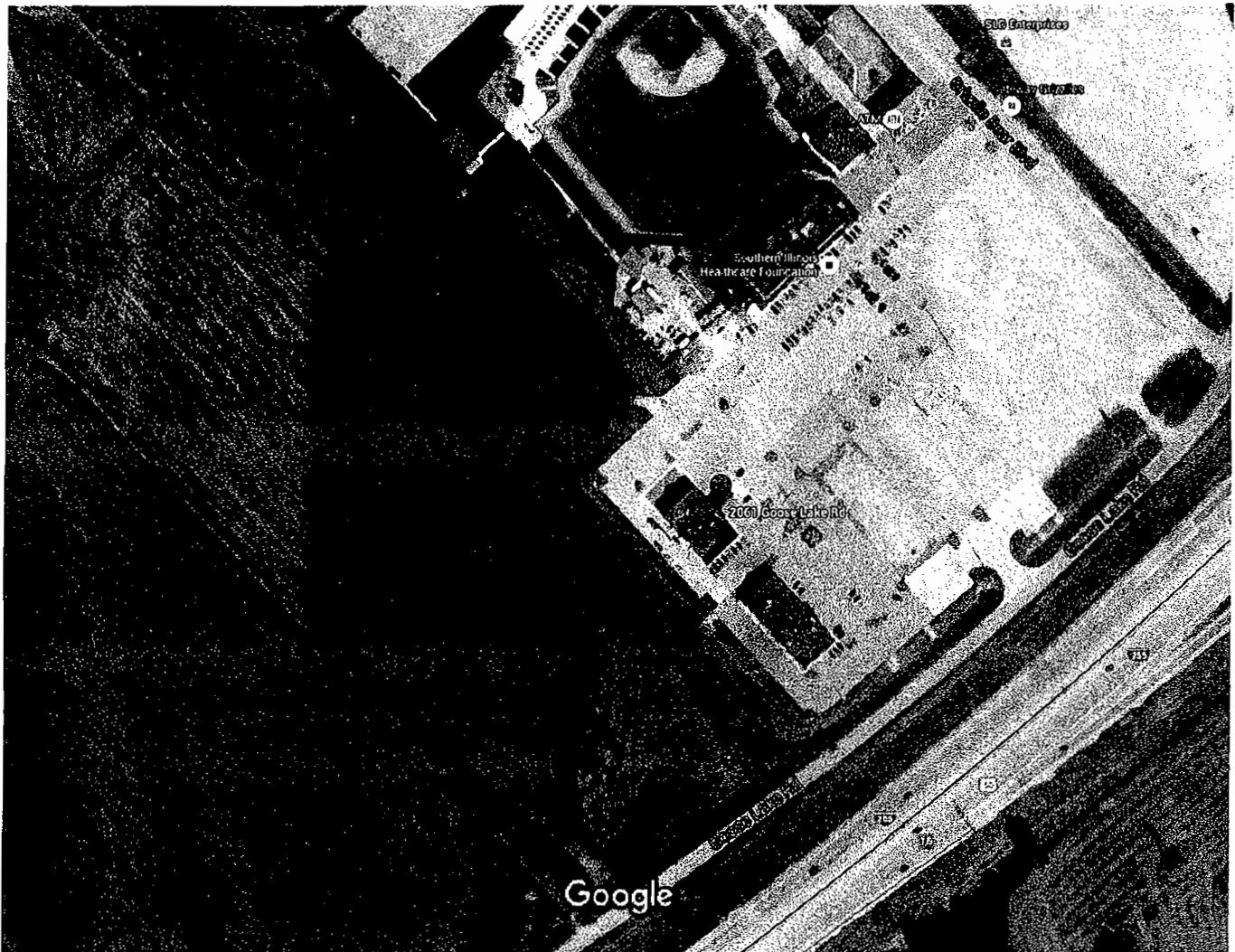
Centreville, Illinois

Street View - May 2013

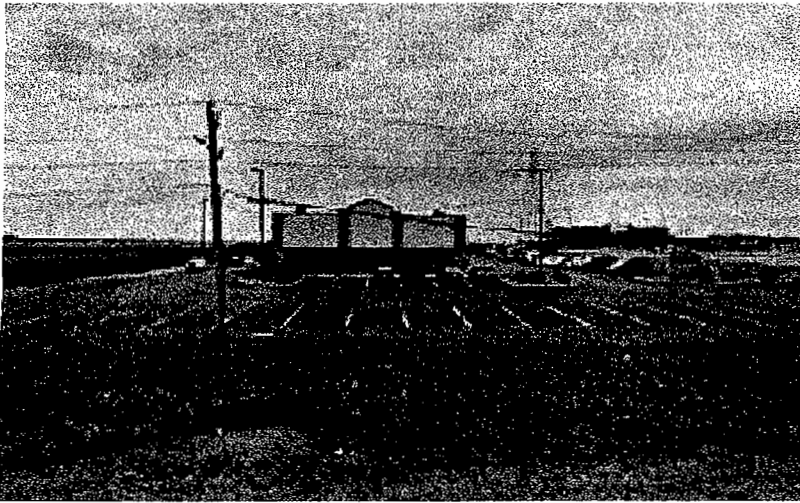


Attachment - 6

Google Maps 2061 Goose Lake Rd



Imagery ©2015 Google, Map data ©2015 Google 100 ft



2061 Goose Lake Rd

Attachment - 6

Section I, Identification, General Information, and Certification
Project Costs and Sources of Funds

Table 1120.110			
Project Cost	Clinical	Non-Clinical	Total
New Construction Contracts			
Modernization Contracts	500,000		500,000
Contingencies	30,000		30,000
Architectural/Engineering Fees	50,000		50,000
Consulting and Other Fees	52,500		52,500
Moveable and Other Equipment			
Communications	51,000		51,000
Water Treatment	155,175		155,175
Bio-Medical Equipment	10,185		10,185
Clinical Equipment	135,675		135,675
Clinical Furniture/Fixtures	12,165		12,165
Storage Furniture/Fixtures	4,987		4,987
Business Office Fixtures	12,905		12,905
General Furniture/Fixtures	13,000		13,000
Signage	1,000		1,000
Total Moveable and Other Equipment	396,092		396,092
Fair Market Value of Leased Space	420,066		420,066
Total Project Costs	1,448,658		1,448,658

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

Cost Space Table							
Dept. / Area	Cost	Gross Square Feet		Amount of Expansion Total Gross Square Feet That Is:			
		Existing	Expansion	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ESRD	1,448,658	6,800			6,800		
Total Clinical	1,448,658	6,800			6,800		
NON CLINICAL							
Total Non-clinical							
TOTAL	1,448,658	6,800			6,800		

Section I, Identification, General Information, and Certification
Current Projects

DaVita Current Projects			
Project Number	Name	Project Type	Completion Date
12-005	Stony Island Dialysis	Expansion	12/31/2015
13-070	Belvidere Dialysis	Establishment	3/31/2016
14-020	Chicago Ridge Dialysis	Establishment	1/31/2016
14-042	Tinley Park Dialysis	Establishment	10/31/2016
14-058	Alton Dialysis	Relocation	7/31/2016
14-069	Stony Creek Dialysis	Relocation	6/30/2016
15-004	Machesney Park Dialysis	Establishment	4/30/2017
15-003	Vermillion County Dialysis	Establishment	4/30/2017
15-020	Calumet City Dialysis	Establishment	7/31/2017
15-025	South Holland Dialysis	Relocation	10/31/2017
15-032	Morris Dialysis	Relocation	4/30/2017
15-035	Montgomery County Dialysis	Establishment	4/30/2017

Section III, Purpose of the Project, Safety Net Impact Statement, and Alternatives
Criterion 1110.230(a), Purpose of the Project

Purpose of the Project

1. The Applicants propose to add 8 dialysis stations to Sauget Dialysis located at 2061 Goose Lake Road, Sauget, Illinois 62206 to meet the growing need for dialysis services in Sauget and its surrounding communities. There is currently a need for 21 dialysis stations in the Sauget HSA. Over the past year, utilization at Sauget Dialysis increased over 10%. As of June 30, 2015, it is operating at 96% capacity and can only accommodate 4 patients before it reaches full capacity. Accordingly, the additional stations are needed to maintain access to life sustaining dialysis services for patients in Sauget and the surrounding communities.

The expansion is needed to serve the growing need for dialysis services in the Sauget community. Without the additional stations, Sauget will be required to operate a 4th shift to accommodate patient demand. As a result, patients will receive treatment well past midnight, which is suboptimal and sometimes dangerous for patients and staff. When a fourth shift is operated, the dialysis facility operates nearly around the clock with staff opening the facility around 5:00 a.m. and closing it around midnight. Not only is staffing a fourth shift difficult for clinic personnel, it is also suboptimal for the patients themselves. Approximately 70% of the Sauget patients do not have access to transportation and are reliant upon medicare services to transport them to and from their dialysis appointments. Most of the medical transportation services do not run past 9:30 p.m. Patients dialyzing on a fourth shift would not have reliable access to transportation to get home. These patients may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation. Non-compliance has significant negative consequences. Skipping one or more dialysis sessions in a month has been associated with a 16% higher risk of hospitalization and 30% increased mortality risk compared to those who did not miss a dialysis session. Further, approximately 90% of the Sauget patients are disabled. These patients are faced with additional safety hazards when arriving and departing the facility in the dark. Some of these hazards cannot be avoided in the winter but patients feel more secure when arriving and departing during the day. Finally, a fourth shift increases operating costs by adding additional staffing and utilities costs.

Sauget Dialysis serves 92 ESRD patients. Dr. Rashid A. Dalal, the Medical Director for Sauget Dialysis, is currently treating 245 pre-ESRD patients that reside in and around Sauget and its surrounding communities. He has identified 83 Stage 4 and Stage 5 CKD patients that reside within 15 minutes of Sauget Dialysis that would likely be referred to the facility. See Appendix - 1. Based upon attrition due to patient death, transplant, or return of function, it is projected that 58 of the patients will require dialysis within 12 to 24 months. This represents a 104% utilization rate, which exceeds the State's 80% standard.

It is essential the Applicants obtain approval to expand Sauget Dialysis in order to continue providing necessary dialysis services to patients in Sauget and the surrounding communities.

2. A map of the market area for Sauget Dialysis is attached at Attachment – 11A. The market area encompasses a 24 mile radius around Sauget Dialysis. The boundaries of the market area are as follows:
 - North approximately 28 minutes normal travel time to Rosewood Heights
 - Northeast approximately 23 minutes normal travel time to Troy
 - East approximately 30 minutes normal travel time to New Baden
 - Southeast approximately 28 minutes normal travel time to Mascoutah
 - South approximately 27 minutes normal travel time to Waterloo
 - Southwest approximately 20 minutes normal travel time to Mississippi River
 - West approximately 20 minutes normal travel time to Mississippi River
 - Northwest approximately 20 minutes normal travel time to Mississippi River

3. The minimum size of a GSA is 30 minutes; however, most of the patients reside within 15 minutes of Sauget Dialysis. Diabetes and hypertension (high blood pressure) are the two leading causes of CKD and ESRD. Due to socioeconomic conditions in the community, this population exhibits a higher prevalence of obesity, which is a driver of diabetes and hypertension. Notably, African Americans are at an increased risk of ESRD compared to the general population due to the higher prevalence of these conditions in the African American community. In fact, the ESRD incident rate among African Americans is 3.6 times greater than whites. This, coupled with the aging population, is expected to increase utilization at Sauget Dialysis.

The current patient utilization along with the pre-ESRD patients identified by Dr. Dalal confirms this. Sauget Dialysis serves 92 ESRD patients. Dr. Dalal is also treating 245 pre-ESRD patients that reside in and around the Sauget. He has identified 83 Stage 4 and 5 CKD patients that reside within 15 minutes of Sauget Dialysis. Assuming attrition due to death, transplant, return of function, and relocation, approximately 58 of these patients will require dialysis within 12 to 24 months of project completion. Without additional stations, Sauget will be required to operate four shifts. As discussed in greater detail above, operating a fourth shift is not ideal for patients or staff.

Sauget Dialysis will be located in Sauget. As shown in the physician referral letter attached at Appendix - 1, the majority of pre-ESRD patients projected to utilize Sauget Dialysis reside within the service area.

4. Source Information

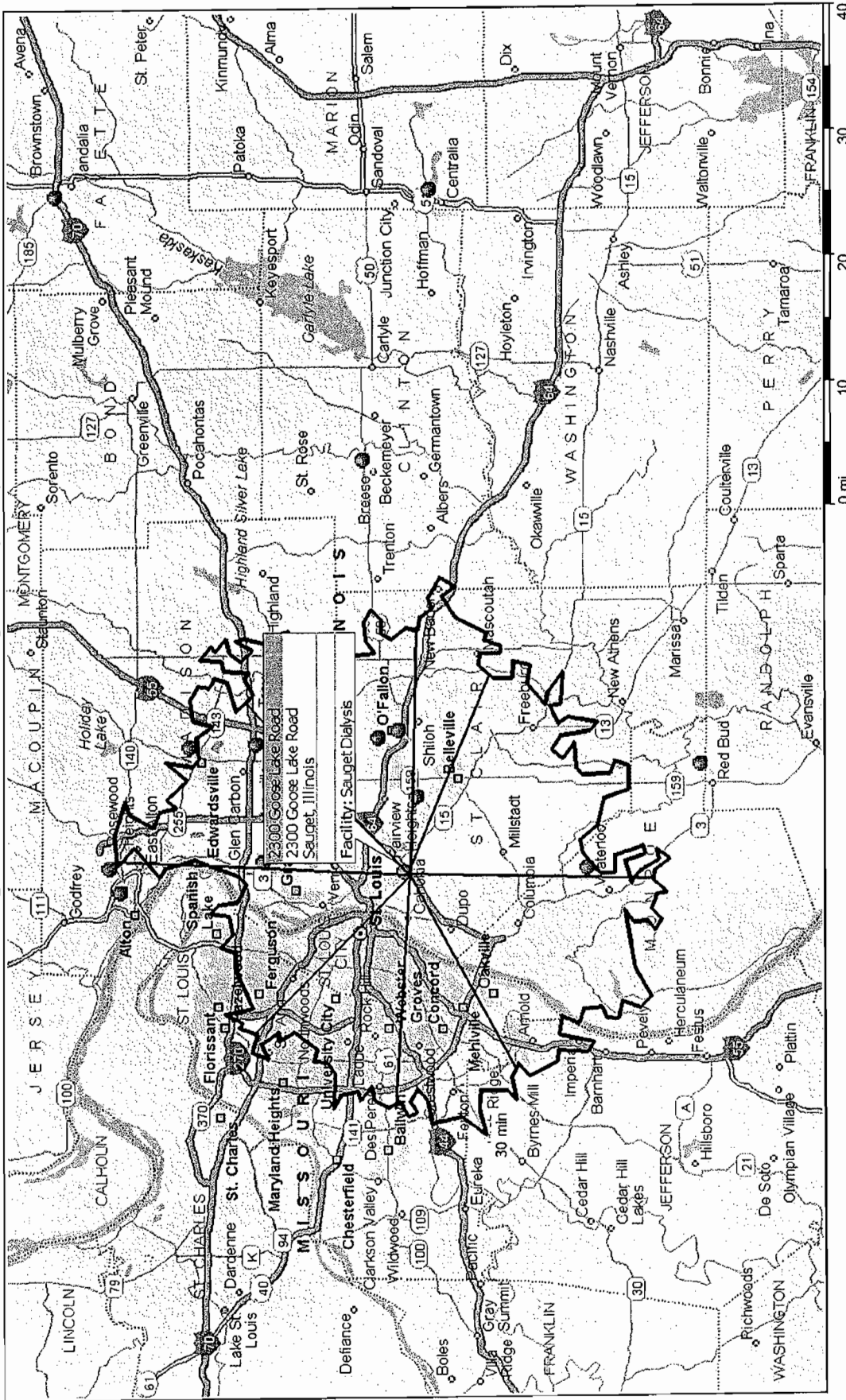
US Renal Data System, USRDS 2013 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, Bethesda, MD: National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases (2013).

US Renal Data System, USRDS 2014 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD (2014).

U.S. Dept. of Health & Human Svcs., 5 Years Later: How the Affordable Care Act is Working for Illinois (2015) available at www.HHS.GOV/Healthcare/Facts/ByState/IL.HTML (last visited Oct. 8, 2015).

5. As stated, Sauget Dialysis is currently operating at 96% utilization. The expansion project, which includes the addition of 8 stations. The increase in capacity will enable DaVita to more effectively meet projected increases in demand set forth above.
6. The Applicants anticipate the expanded Sauget Dialysis will have quality outcomes comparable to other DaVita facilities. Additionally, in an effort to better serve all kidney patients, DaVita believes in requiring all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers: dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients.

SaugetPre-ESRD Existing Facility Map



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Section III, Purpose of the Project, Safety Net Impact Statement, and Alternatives
Criterion 1110.230(b), Safety Net Impact Statement

1. This criterion is required for all substantive and discontinuation projects. DaVita HealthCare Partners Inc. and its affiliates are safety net providers of dialysis services to residents of the State of Illinois. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and Kidney Smarting patients, and community outreach. A copy of DaVita's 2014 Community Care report, which details DaVita's commitment to quality, patient centric focus and community outreach, was previously included as part of Applicants' application for Proj. No. 15-025. As referenced in the report, DaVita led the industry in quality, with 50 percent of its dialysis centers earning four or five stars in the federal Five-Star Ratings, compared to the 21 percent industry average. DaVita also led the industry in Medicare's Quality Incentive Program, ranking No. 1 in three out of four clinical measures and receiving the fewest penalties. DaVita has taken on many initiatives to improve the lives of patients suffering from CKD and ESRD. These programs include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Furthermore, DaVita is an industry leader in the rate of fistula use and has the lowest day-90 catheter rates among large dialysis providers. During 2000 - 2014, DaVita improved its fistula adoption rate by 103 percent. Its commitment to improving clinical outcomes directly translated into 7% reduction in hospitalizations among DaVita patients. DaVita has improved clinical outcomes each year since 2000, generating an estimated \$204 million in net savings to the American healthcare system in 2013.
2. The proposed project will not impact the ability of other health care providers or health care systems to cross-subsidize safety net services. Sauget Dialysis is currently operating at 96% utilization. There are 245 patients from Dr. Dalal's practice suffering from Stage 4 or 5 CKD. 83 of the Stage 4 and Stage 5 patients reside within an approximate 15 minute commute of Sauget Dialysis. At least 58 of these patients will be referred to the proposed Sauget Dialysis within 12 to 24 months of project completion. As such, the proposed 8 station expansion is necessary to allow Sauget Dialysis to accommodate the growing demand for dialysis services. Accordingly, the proposed 8 station expansion will not impact other general health care providers' ability to cross-subsidize safety net services.
3. The proposed project is for the expansion of Sauget Dialysis. As such, this criterion is not applicable
4. A table with showing the charity care and Medicaid care provided by the Applicants for the most recent three calendar years is provided below.

Safety Net Information per PA 96-0031			
CHARITY CARE			
	2012	2013	2014
Charity (# of patients)	152	187	146
Charity (cost In dollars)	1,199,657	\$2,175,940	\$2,477,363
	2012	2013	2014
Medicaid (# of patients)	651	679	708
Medicaid (revenue)	\$11,387,229	\$10,371,416	\$8,603,971

Section III, Purpose of the Project, Safety Net Impact Statement, and Alternatives
Criterion 1110.230(c), Alternatives

The Applicants explored several options prior to determining to expand Sauget Dialysis. After exploring the options below in detail, the Applicants determined to expand its capacity in order to meet rising need. A review of each of the options considered and the reasons they were rejected follows.

Do Nothing

This is not a viable option. Sauget Dialysis is currently operating at 96% capacity and can only accommodate 4 more patients before a 4th shift is needed. Operating four shifts per day is not feasible for many reasons. When a fourth shift is operated, the dialysis facility operates nearly around the clock with staff opening the facility around 5:00 a.m. and closing it around midnight. Not only is staffing a fourth shift difficult for clinic personnel, it is also suboptimal for the patients themselves. Approximately 70% of the Sauget patients do not have access to transportation and are reliant upon medicar services to transport them to and from their dialysis appointments. Most of the medical transportation services do not run past 9:30 p.m. Patients dialyzing on a fourth shift would not have reliable access to transportation to get home. These patients may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation. Non-compliance has significant negative consequences. Skipping one or more dialysis sessions in a month has been associated with a 16% higher risk of hospitalization and 30% increased mortality risk compared to those who did not miss a dialysis session. Further, approximately 90% of the Sauget patients are disabled. These patients are faced with additional safety hazards when arriving and departing the facility in the dark. Some of these hazards cannot be avoided in the winter but patients feel more secure when arriving and departing during the day. Finally, a fourth shift increases operating costs by adding additional staffing and utilities costs.. Expansion of Sauget Dialysis will ensure that patients receive access to modern, high quality dialysis treatment.

There is no capital cost with this alternative.

Utilize Existing Facilities

Utilization of existing facilities to accommodate growing need for dialysis is not feasible. Existing facilities within Sauget Dialysis' service area are operating at 74% capacity. Notably, Dr. Dalal is currently treating 245 pre-ESRD patients that reside in and around Sauget and its surrounding communities. He has identified 83 Stage 4 and 5 CKD patients that would likely be referred to Sauget Dialysis. Based upon attrition due to patient death, transplant or return of function, it is anticipated that 58 patients will initiate dialysis within 12 to 24 months following project completion. See Appendix -1.

Residents of Sauget and the surrounding communities are economically disadvantaged, with 35.7% of individuals living at or below 125% of the Federal Poverty level and 50% of residents living at or below 200% of the Federal Poverty level. Seventy percent of the Sauget patients do not have access to transportation and are reliant upon public

transportation, medicar services and families and friends to get them to and from their dialysis treatments. Requiring these patients to travel further to dialyze, which they would have to do if the Board does not approve this expansion, will impose a significant burden on these patients and their families and friends.

It is essential the Applicants obtain approval to expand Sauget Dialysis in order to maintain access to life sustaining dialysis services to patients living in Sauget and the surrounding communities. The community surrounding Sauget Dialysis is largely comprised of low-income individuals that require access to care DaVita provides at Sauget Dialysis. Although there are other facilities in the area, patients would have to travel farther to receive their dialysis treatments. Thus, this is not an option.

There is no capital cost with this alternative.

Expand Sauget Dialysis

DaVita determined that the most effective and efficient way to serve its patients and address the need for more stations in HSA 11 is to expand Sauget Dialysis. Thus, the Applicants selected this option.

The cost associated with this option is \$1,448,658.

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

The Applicants propose to expand Sauget Dialysis by adding 8 stations to the existing facility. Pursuant to Section 1110, Appendix B of the State Board's rules, the State standard is 360-520 gross square feet per dialysis station for a total of 8,640 to 12,480 gross square feet for 24 dialysis stations. The total gross square footage of the expansion dialysis facility is 6,800 gross square feet. Accordingly, Sauget Dialysis is below the State standard.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	EXPANSION BGSE/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD	6,800	8,640-12,480	-1,840	Below State Standard

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

By the second year of operation, Sauget Dialysis' annual utilization shall exceed State Board's utilization standard of 80%. Pursuant to Section 1100.1430 of the State Board's rules, facilities providing in-center hemodialysis should operate their dialysis stations at or above an annual utilization rate of 80%, assuming three patient shifts per day per dialysis station, operating six days per week.

Currently, Sauget Dialysis serves 92 ESRD patients; Dr. Dalal is also currently treating 245 pre-ESRD patients that reside in Sauget and its surrounding communities. He has identified 83 Stage 4 and 5 CKD patients that would likely be referred to Sauget Dialysis. See Appendix - 1. Based upon attrition due to patient death, transplant, or return of function, it is projected that 58 of these patients will require dialysis within 12 to 24 months of project completion. This represents a 104% utilization rate, which exceeds the State's 80% standard.

Table 1110.234(b) Utilization					
	Dept./ Service	Historical Utilization (Treatments)	Projected Utilization	State Standard	Met Standard?
2013	ESRD	10,168	N/A	11,981	Yes
2014	ESRD	11,782	N/A	11,981	Yes
2015 Ann.	ESRD	14,352	N/A	11,981	Yes
2016	ESRD	N/A	23,400	17,971	Yes
2017	ESRD	N/A	23,400	17,971	Yes

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

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

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

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

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(b), Background of the Applicant

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. This project is for an 8 station expansion of Sauget Dialysis, located at 2061 Goose Lake Road, Sauget, Illinois 62206.

DaVita HealthCare Partners Inc. is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2014 Community Care report, some of which is outlined below, details DaVita's commitment to quality, patient centric focus and community outreach and was previously included in the application for Proj. No. 15-025.

On October 8, 2015, the Centers for Medicare and Medicaid Services ("CMS") released data on dialysis performance as part of its five star ratings program. For the second year in a row, DaVita outperformed its competitors. See Attachment – 26A. As referenced in the report, DaVita led the industry in quality. Of the 586 dialysis facilities awarded five stars, DaVita owned 202 (or 34 percent).

On October 7, 2015, CMS announced DaVita won bids to operate ESRD seamless care organizations ("ESCO") in Phoenix, Miami and Philadelphia. ESCO's are shared savings programs, similar to accountable care organizations, where the dialysis providers share financial risks of treating Medicare beneficiaries with kidney failure. ESCO's encourage dialysis providers to take responsibility for the quality and cost of care for a specific population of patients, which includes managing comorbidities and patient medications. See Attachment – 26B.

DaVita has taken on many initiatives to improve the lives of patients suffering from chronic kidney disease ("CKD") and end stage renal disease ("ESRD"). These programs include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Information on these programs was previously included in the application for Proj. No. 15-025.

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

- Between 1988-1994 and 2007-2012, the overall prevalence estimate for CKD rose from 12.0 to 13.6 percent. The largest relative increase, from 25.4 to 39.5 percent, was seen in those with cardiovascular disease.
- Many studies have shown that diabetes, hypertension, cardiovascular disease, higher body mass index, and advancing age are associated with the increasing prevalence of CKD.

- Nearly six times the number of new patients began treatment for ESRD in 2012 (approximately 115,000) versus 1980 (approximately 20,000).
- Nearly eleven times more patients are now being treated for ESRD than in 1980 (approximately 637,000 versus approximately 60,000).
- U.S. patients newly diagnosed with ESRD were 1 in 2,800 in 2011 versus 1 in 11,000 in 1980.
- U.S. patients treated for ESRD were 1 in 526 in 2011 versus 1 in 3,400 in 1980. Increasing prevalence in the diagnosis of diabetes and hypertension, the two major causes of CKD; 44% of new ESRD cases have a primary diagnosis of diabetes; 28% have a primary diagnosis of hypertension.
- Nephrology care prior to ESRD continues to be a concern. Since the 2005 introduction of the new Medical Evidence form (2728), with fields addressing CKD care, there has been little progress made in this area (CKD data, however, should be interpreted with caution because of the potential for misreporting). Forty-one percent of new ESRD patients in 2012, for example, had not seen a nephrologist prior to beginning therapy. And among these patients, 49 percent of those on hemodialysis began therapy with a catheter, compared to 21 percent of those who had received a year or more of nephrology care. Among those with a year or more of CKD nephrologist care, 54 percent began therapy with a fistula – five times higher than the rate among non-referred patients.

Additionally, DaVita's Kidney Smart program helps to improve intervention and education for CKD patients. Approximately 69% of CKD Medicare patients have never been evaluated by a nephrologist. Timely CKD care is imperative for patient morbidity and mortality. Adverse outcomes of CKD can often be prevented or delayed through early detection and treatment. Several studies have shown that early detection, intervention and care of CKD may result in improved patient outcomes and reduce ESRD:

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

A care plan for patients with CKD includes strategies to slow the loss of kidney function, manage comorbidities, and prevent or treat cardiovascular disease and other complications of CKD, as well as ease the transition to kidney replacement therapy. Through the Kidney Smart program, DaVita offers educational services to CKD patients that can help patients reduce, delay, and prevent adverse outcomes of untreated CKD. DaVita's Kidney Smart

program encourages CKD patients to take control of their health and make informed decisions about their dialysis care.

DaVita's IMPACT program seeks to reduce patient mortality rates during the first 90-days of dialysis through patient intake, education and management, and reporting. Through IMPACT, DaVita's physician partners and clinical team have had proven positive results in addressing the critical issues of the incident dialysis patient. The program has helped improve DaVita's overall gross mortality rate, which has fallen 28% in the last 13 years.

DaVita's CathAway program seeks to reduce the number of patients with central venous catheters ("CVC"). Instead patients receive arteriovenous fistula ("AV fistula") placement. AV fistulas have superior patency, lower complication rates, improved adequacy, lower cost to the healthcare system, and decreased risk of patient mortality compared to CVCs. In July 2003, the Centers for Medicare and Medicaid Services, the End Stage Renal Disease Networks and key providers jointly recommended adoption of a National Vascular Access Improvement Initiative ("NVAII") to increase the appropriate use of AV fistulas for hemodialysis. The CathAway program is designed to comply with NAVII through patient education outlining the benefits for AV fistula placement and support through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal. Since the inception of the program, DaVita has worked with its physician partners and clinical teammates to reduce catheter rates by 46 percent over the last seven years.

DaVita was recognized at the National Adult and Influenza Immunization Summit (NAIIS) as the national winner in the "Healthcare Personnel Campaign" category of the 2014 Immunization Excellence Awards. In 2013, DaVita was the first large dialysis provider to implement a comprehensive teammate vaccination order, requiring all teammates who work in or whose jobs require frequent visits to dialysis centers to either be vaccinated against influenza or wear surgical masks in patient-care areas. By March 15, 2014 DaVita achieved 100 percent compliance with its teammate immunization-or-mask directive, with more than 86 percent of teammates choosing vaccination. As of the same date, 92.2 percent of patients were vaccinated for the flu, marking the fourth consecutive year that DaVita's patient vaccination rates exceeded the U.S. Department of Health and Human Services Healthy People 2020 recommendations.

For more than a decade, DaVita has been investing and growing its integrated kidney care capabilities, and on May 5, 2014, DaVita's approach to integrated care was recognized with two Dorland Health "Case in Point" Platinum Awards for its Pathways Care Management and VillageHealth Integrated Care Management programs. The Dorland Health awards recognize the most successful and innovative case-management programs working to improve health care across the continuum.

Through Patient Pathways, DaVita partners with hospitals to provide faster, more accurate ESRD patient placement to reduce the length of hospital inpatient stays and readmissions. Importantly, Patient Pathways is not an intake program. An unbiased onsite liaison, who specializes in ESRD patient care, meets with both newly diagnosed and existing ESRD patients to assess their current ESRD care and provide information about insurance, treatment modalities, outpatient care, financial obligations before discharge, and grants

available to ESRD patients. Patients choose a provider/center that best meets their needs for insurance, preferred nephrologists, transportation, modality and treatment schedule.

DaVita currently partners with over 350 hospitals nationwide through Patient Pathways. Patient Pathways has demonstrated benefits to hospitals, patients, physicians and dialysis centers. Since its creation in 2007, Patient Pathways has impacted over 130,000 patients. The Patient Pathways program reduced overall readmission rates by 18 percent, reduced average patient stay by a half-day, and reduced acute dialysis treatments per patient by 11%. Moreover, patients are better educated and arrive at the dialysis center more prepared and less stressed. They have a better understanding of their insurance coverage and are more engaged and satisfied with their choice of dialysis facility. As a result, patients have higher attendance rates, are more compliant with their dialysis care, and have fewer avoidable readmissions.

Since 1996, Village Health has innovated to become the country's largest renal National Committee for Quality Assurance accredited disease management program. VillageHealth's Integrated Care Management ("ICM") services partners with patients, providers and care team members to focus on the root causes of unnecessary hospitalizations such as unplanned dialysis starts, infection, fluid overload and medication management.

VillageHealth ICM services for payers and ACOs provide CKD and ESRD population health management delivered by a team of dedicated and highly skilled nurses who support patients both in the field and on the phone. Nurses use VillageHealth's industry-leading renal decision support and risk stratification software to manage a patient's coordinated needs. Improved clinical outcomes and reduced hospital readmission rates have contributed to improved quality of life for patients. As of 2014, VillageHealth ICM has delivered up to a 15 percent reduction in non-dialysis medical costs for ESRD patients, a 15 percent lower year-one mortality rate over a three-year period, and 27 percent fewer hospital readmissions compared to the Medicare benchmark. Applied to DaVita's managed ESRD population, this represents an annual savings of more than \$30 million.

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

In an effort to better serve all kidney patients, DaVita believes in requiring that all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers: dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among

DaVita patients. DaVita has improved clinical outcomes each year since 2000, generating an estimated \$204 million in net savings to the American healthcare system in 2013.

DaVita Rx, the first and largest licensed, full-service U.S. renal pharmacy, focuses on the unique needs of dialysis patients. Since 2005, DaVita Rx has been helping improve outcomes by delivering medications to dialysis centers or to patients' homes, making it easier for patients to keep up with their drug regimens. DaVita Rx patients have medication adherence rates greater than 80%, almost double that of patients who fill their prescriptions elsewhere, and are correlated with 40% fewer hospitalizations.

DaVita has been repeatedly recognized for its commitment to its employees (or teammates), particularly its more than 1,700 teammates who are reservists, members of the National Guard, military veterans, and military spouses. G.I. Jobs has recognized DaVita as a Military Friendly Employer for six consecutive years. The ranking is based on a survey assessing companies' long-term commitment to hiring those with military service, recruiting and hiring efforts and results, policies for Reserve and National Guard members called to active duty, military spouse programs, and the presence of special military recruitment programs. DaVita was also named as a Civilianjobs.com Most Valuable Employer (MVE) for Military winner for five consecutive years. The MVE was open to all U.S.-based companies, and winners were selected based on surveys in which employers outlined their recruiting, training and retention plans that best serve military service members and veterans.

In May 2015, DaVita was certified by WorldBlu as a "Freedom-Centered Workplace." For the eighth consecutive year, DaVita appeared on WorldBlu's list, formerly known as "most democratic" workplaces. WorldBlu surveys organizations' teammates to determine the level of democracy practiced. For the fourth consecutive year, DaVita was recognized as a Top Workplace by The Denver Post. DaVita was named a Silver LearningElite organization for 2014 by Chief Learning Officer magazine for creating and implementing exemplary teammate development practices that deliver measurable business value. DaVita ranked No. 29 in a record breaking field of more than 200 companies. Finally, DaVita has been recognized as one of Fortune® Magazine's Most Admired Companies in 2015 – for the tenth consecutive year.

DaVita is also committed to sustainability and reducing its carbon footprint. In fact, it is the only kidney care company recognized by the Environmental Protection Agency for its sustainability initiatives. In 2010, DaVita opened the first LEED-certified dialysis center in the U.S. Newsweek Green Rankings recognized DaVita as a 2015 Top Green Company in the United States, and it has appeared on the list every year since the inception of the program in 2009. Furthermore, DaVita annually saves approximately 8 million pounds of medical waste through dialyzer reuse and it also diverts more than 85% of its waste through composting and recycling programs. It has also undertaken a number of similar initiatives at its offices and has achieved LEED Gold certification for its corporate headquarters. In addition, DaVita was also recognized as an "EPA Green Power Partner" by the U.S. Environmental Protection Agency.

DaVita consistently raises awareness of community needs and makes cash contributions to organizations aimed at improving access to kidney care. DaVita provides significant funding

to kidney disease awareness organizations such as the Kidney TRUST, the National Kidney Foundation, the American Kidney Fund, and several other organizations. Its own employees, or members of the "DaVita Village," assist in these initiatives and have raised more than \$6 million since 2007, thus far, through the annual Tour DaVita bicycle ride. DaVita continued its "DaVita Way of Giving" program in 2014 with teammates at clinics across the nation selecting more than 950 nonprofits and community organizations to receive more than \$1.6 million in contributions. Nearly \$4 million has been donated through the DaVita Way of Giving since the program began.

DaVita does not limit its community engagement to the U.S. alone. In 2014, DaVita Village Trust completed 21 medical missions in 7 countries, bringing life-saving dialysis treatment to more than 250 patients around the world. Through its first primary care medical mission, it provided care and health education to more than 70 kidney donors and individuals. It provided CKD rapid-screenings for over 8,500 people through 38 domestic and two international CKD screening events. 32 screening events are planned for 2015 for people in at-risk and underserved communities in the U.S. and abroad.

1. Neither the Centers for Medicare and Medicaid Services nor the Illinois Department of Public Health ("IDPH") has taken any adverse action involving civil monetary penalties or restriction or termination of participation in the Medicare or Medicaid programs against any of the applicants, or against any Illinois health care facilities owned or operated by the Applicants, directly or indirectly, within three years preceding the filing of this application.
2. A list of health care facilities owned or operated by the Applicants in Illinois is attached at Attachment – 26C. Dialysis facilities are currently not subject to State Licensure in Illinois.

Certification that no adverse action has been taken against either of the Applicants or against any health care facilities owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 26D.

3. An authorization permitting the Illinois Health Facilities and Services Review Board ("State Board") and IDPH access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 26D.

CMS ratings of dialysis providers show most remain mediocre

By Sabriya Rice | October 8, 2015

For the second year in a row, the nation's top two kidney-care providers performed at significantly different levels of quality, according to CMS data released Thursday. DaVita beat out competitor Fresenius in the four- and five-star categories.

The CMS began publicly posting one- to five-star ratings for nearly 6,000 U.S. dialysis facilities in January after a delay as providers including DaVita and Fresenius continue to battle CMS' methodology in achieving the ratings.

The scale is meant to help dialysis patients evaluate quality at treatment centers. But experts say the ratings are difficult to understand and are not consistent with other online public-rating systems.

Patients whose kidneys stop working require dialysis—a process to filter toxins from their body—three times a week for several hours at a time. Studies and ratings such as those released Thursday show that hemodialysis patients in the U.S. continue to receive substandard care despite longstanding best practices.

A total of 5,841 dialysis facilities received a star rating from the CMS, 261 more facilities than the previous report, a Modern Healthcare analysis of the newly released data found. Of the 586 top performers in the five-star category, DaVita owned 202 while Fresenius owned 110. On the low end of the rating scale, Fresenius had 279 facilities of the 575 total in the one-star category, compared with DaVita, which had only 38. The disparity is consistent with previous findings.

A total of 1,169 U.S. facilities fell into the two-star range, 2,339 in the three-star range and 1,172 in the four-star range. This is consistent with the CMS' methodology, which structures the ratings so that only facilities in the top and bottom deciles would receive five stars and one star respectively. Those in the next highest 20% received four stars, the middle 40% got three stars and those in the next 20% were given two stars.

Kidney-care providers continue to challenge this structure, which they say does not offer fair competition. No matter how well facilities do, they argue, the curve will always force facilities into the lower-star categories.

An 18-member panel met this spring to discuss the rating program and make recommendations.

A report released Tuesday summarized their findings. A panel member agreed with statements made by former HHS Secretary Kathleen Sebelius, who said using a bell curve has "inherent flaws," according to the report. "The last thing we want to do is have an arbitrary bell curve just for the sake of having a system."

While not perfect, the federal push to report publicly their performance in some areas and to provide transparency should be encouraging facilities to step up to the plate, advocates have said.

Sabriya Rice

Sabriya Rice reports on quality of care and patient-safety issues. Rice previously wrote and produced for the medical unit of CNN, where she contributed to the Empowered Patient column and the weekly medical program formerly called "Housecall with Dr. Sanjay Gupta." She earned a bachelor's degree in film and television from the University of Notre Dame and a master's in communication studies from the University of Miami in Coral Gables, Fla. She joined Modern Healthcare in 2014.

CMS announces first shared-risk program for kidney care

By Sabriya Rice | October 8, 2015

The CMS announced on Wednesday the first suite of accountable care organization models specifically geared toward treatment of end-stage renal disease (ESRD). More than 600,000 people in the U.S. live with the condition, which requires patients to undergo costly, but life-sustaining dialysis treatments each week that account for nearly 6% of Medicare spending.

The 13 ESRD seamless care organizations, called ESCOs, began to share this month the financial risks for treating Medicare beneficiaries with kidney failure in 11 U.S. states. The models are meant to encourage dialysis providers to "think beyond their traditional roles" and provide patient-centered care, the CMS announcement said.

DaVita and Fresenius, the nation's two largest dialysis providers, both won bids to participate. DaVita HealthCare Partners will have three ESCOs located in Phoenix, Miami and Philadelphia. Fresenius Medical Care will have six, located in San Diego, Chicago, Charlotte, N.C., Philadelphia, Columbia (S.C.) and Dallas. Both providers expressed enthusiasm for participation in the program, and agree it is a step in the right direction. Still, both providers also expressed reservations.

"Deciding whether or not to participate has been a huge challenge," said Robert Sepucha, senior vice president of corporate affairs for Fresenius. Some of the measurements are not barometers of good quality care specifically for dialysis providers, he said, and the economic incentives "are not perfect." He added, "There are flaws that could prevent it from becoming the large-scale, new payment system a lot of us have hoped for."

The CMS began taking applications for the ESCO initiative in April 2014, but the plan drew early criticism. Kidney providers supported the concept, but questioned the application process and the metrics selected. Some thought the models should expand to target patients in earlier stages of the disease to slow its progression and subsequent costs.

"If you're not doing good upstream management of the patient, you're not going to be able to address the health needs and costs that could be avoided," said Todd Ezrine, general manager for VillageHealth, the DaVita program that will host that organization's ESCO.

He also said DaVita "scoured the country" to find markets where the shared saving program would be successful. CMS' benchmarking standards would be difficult to reach in markets where DaVita already achieves good outcomes, as participants may not understand the level of additional improvement needed to avoid penalties, he said.

Over the past year, the two providers have not necessarily seen eye-to-eye on the kidney care metrics used by federal programs.

For example, for the second time in nearly two years, DaVita beat its competitor on a five-star rating system posted publicly on the Dialysis Facility Compare website. Of 586 top performers in the five-star category, DaVita owned 202 facilities, while Fresenius owned only 110, according to data released Thursday. Alternatively, Fresenius had 279 facilities of the 575 that appeared in the one-star category, compared with DaVita, which had only 38.

Though kidney providers originally seemed united in their skittishness about that program, DaVita made a pivot following the first round of results. Fresenius, on the other hand, continues to express hesitation.

Fresenius made changes to the way data are collected, and to its clinical programs, but that will change nothing because of the forced bell curve the CMS uses on the five-star rating system, Sepucha said. "As one clinic moves up, another clinic has to move down," he said. "You could get rid of all one- and two-star clinics today, and tomorrow there would be a whole new set."

The CMS star ratings are consumer-facing initiatives that focus on quality of care inside medical facilities. The ESCOs are alternative payment models designed to encourage dialysis providers to take responsibility for the quality and cost of care for a population of patients. It includes the patient's total care, like managing other comorbidities and multiple medications, and is not just limited to care inside of dialysis facilities

It remains to be seen if concerns about the metrics specific to dialysis care will create disparities in the ESCO programs as well. The other two organizations participating include Dialysis Clinic, which will have programs in Newark, N.J., Spartanburg, S.C., and Nashville; and the Rogosin Institute, with an ESCO in New York.

In the meantime, health economists say providers can expect more bundling. Programs like ESCO are a reflection of a national focus on encouraging health providers from all specialties to put the patient first.

"Shouldn't the person taking care of a patient already be doing everything they could? Of course," said health economist, Dr. Peter Ubel, of Duke University's Fuqua School of Business. But bundled-payment models with shared financial risks do help reduce the tendency of for-profit industries to pay attention only to those products and services for which they get the biggest payments, he said.

Other payment and delivery experiments the CMS has launched under the Affordable Care Act have yielded mixed results so far. Last January, the first results for Medicare's shared-savings program for ACOs showed uneven progress among hospitals and physicians. The CMS Innovation Center's Pioneer ACO Model, meanwhile, saw nine of

32 Pioneer organizations exit the program after its first year. Several of them switched to the less financially risky shared-savings program.

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News Releases

DaVita Kidney Care Launches the First Ever Medicare Disease-Specific ACO

Thousands of Medicare Beneficiaries will Receive Integrated Kidney Care

DENVER, Oct. 7, 2015 /PRNewswire/ -- In a step toward providing integrated care for all Medicare patients with kidney failure, DaVita HealthCare Partners Inc. (NYSE: DVA) announces the launch of End Stage Renal Disease (ESRD) Seamless Care Organizations (ESCOs) in conjunction with other dialysis organizations in select markets across the country.

ESRD patients are a uniquely vulnerable, chronically ill population who, in addition to having kidney failure, may also be frail, disabled, low income and are likely to suffer from other complex medical conditions.

The Centers for Medicare & Medicaid Services (CMS) recognizes that ESRD patients would benefit greatly from specialized integrated care. The ESCO model enables this specialized care and requires that participating dialysis providers like DaVita partner with nephrologists to take full accountability for the clinical and financial outcomes of patients participating in the program.

"ESRD patients are unique and the dialysis center is their natural medical home," said Dr. Stephen McMurray, vice president of clinical integrated care management services for DaVita. "We believe in the potential of the specialized ESRD care model to shape the delivery of care to chronically ill populations more broadly in the future."

DaVita, in conjunction with pioneering nephrologist and health system partners, began serving patients in this model on October 1, 2015 in Arizona, Florida, New Jersey and Pennsylvania.

"This is the beginning of a transformative model. Our goal is to partner with the government to create a long-term model that allows all patients to receive the gift of integrated care," said Javier Rodriguez, CEO for DaVita Kidney Care. "We are committed to this vision and are dedicated to being an innovative partner to make that vision a reality."

DaVita has proven experience in managing the full risk and care for broad populations across multiple geographies including specialized programs designed for ESRD patients and patients with other chronic needs. Additionally, DaVita is recognized as the clinical leader in two government quality programs, the CMS Dialysis Facility Compare Five-Star Rating System and the CMS ESRD Quality Incentive Program.

The statements contained in this document are solely those of the authors and do not necessarily reflect the views or policies of CMS. The authors assume responsibility for the accuracy and completeness of the information contained in this document

About DaVita Kidney Care

DaVita Kidney Care is a division of DaVita HealthCare Partners Inc., a Fortune 500® company that, through its operating divisions, provides a variety of health care services to patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care strives to improve patients' quality of life by innovating clinical care, and by offering integrated treatment plans, personalized care teams and convenient health-management services. As

of June 30, 2015, DaVita Kidney Care operated or provided administrative services at 2,210 outpatient dialysis centers located in the United States serving approximately 176,000 patients. The company also operated 96 outpatient dialysis centers located in 10 countries outside the United States. DaVita Kidney Care supports numerous programs dedicated to creating positive, sustainable change in communities around the world. The company's leadership development initiatives and social responsibility efforts have been recognized by Fortune, Modern Healthcare, Newsweek and WorldBlu. For more information, please visit DaVita.com.

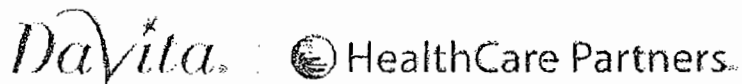
About DaVita HealthCare Partners

DaVita HealthCare Partners Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of June 30, 2015, DaVita Kidney Care operated or provided administrative services at 2,210 outpatient dialysis centers located in the United States serving approximately 176,000 patients. The company also operated 96 outpatient dialysis centers located in 10 countries outside the United States. HealthCare Partners manages and operates medical groups and affiliated physician networks in Arizona, California, Nevada, New Mexico, Florida and Colorado in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of June 30, 2015 HealthCare Partners provided integrated care management for approximately 826,000 patients. For more information, please visit DaVitaHealthCarePartners.com.

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SOURCE DaVita HealthCare Partners Inc.

News Releases

DaVita Kidney Care Launches the Only Medicare Disease-Specific ACO In Phoenix and Tucson, AZ

PHOENIX, Oct. 7, 2015 /PRNewswire/ -- In a step toward providing integrated care for all Medicare patients with kidney failure, DaVita HealthCare Partners Inc. (NYSE: DVA), with its partner provider organizations, announces the launch of an End Stage Renal Disease (ESRD) Seamless Care Organization (ESCO) in Phoenix and Tucson, AZ.

DaVita and Southwest Kidney Institute, along with Banner Health, a leading health care system and Pioneer ACO, have created this unique partnership – the first of its kind in the nation.

"We are excited to be the first in Arizona to bring the gift of true integrated kidney care to our patients," said Sean Graham, division vice president for DaVita. "Our joint venture with pioneering nephrologists and a leading health system will facilitate seamless care delivery resulting in better patient outcomes."

The ESCO is a kidney disease-specific accountable care organization (ACO) developed by the Centers for Medicare and Medicaid Services (CMS) that will allow kidney care providers to take accountability for the clinical and financial outcomes of ESRD patients.

"Value-based arrangements like ESCOs are not only the basis for more cost-effective health care, they also drive the best quality care for our members," said Dr. Nishant Anand, chief medical officer for Banner Health Network, Banner Health's accountable care organization. "Through this partnership, we believe patients will get the right care in the right setting and many crises can be averted or de-escalated, allowing a greater quality of life for those with ESRD."

The ESCO will leverage its access to the patient, its relationship with nephrologists and substantial clinical data to address the totality of each patient's healthcare needs inside and outside of the dialysis clinic.

"Southwest Kidney Institute is committed to high-quality, cost-effective population health. But most importantly, we want to provide care that enhances the individual patient experience and improves their quality of life," said Dr. Rajiv Poduval, President of Southwest Kidney Institute. "The ESCO platform and the unique opportunity to partner with two progressive health care organizations that share our vision, provide us with an opportunity to do both."

DaVita has proven experience in managing the full risk and care for broad populations across multiple geographies including specialized programs designed for ESRD patients and patients with other chronic needs. Additionally, DaVita is recognized as the clinical leader in two government quality programs, the CMS Dialysis Facility Compare Five-Star Rating System and the CMS ESRD Quality Incentive Program.

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About Southwest Kidney Institute

Southwest Kidney Institute (SKI) is one of the leading private nephrology practices in the country, with over 50 board-certified/eligible physicians and 10 mid-level providers, offering comprehensive renal services to patients with kidney disease.

Through its "Continuum of Caring" model that focuses on prevention, timely intervention, and innovation throughout all stages of Chronic Kidney and End Stage Renal Disease, SKI providers place emphasis on healthy transitions concentrating on outcomes and quality of life.

The company practices out of 35 office locations with 3 vascular centers, an innovative research division, and a thriving kidney transplant program. The SKI-Davita Partnership offers dialysis services in over 30 dialysis facilities in Arizona.

For further information, visit www.swkidney.com.

About Banner Health

Headquartered in Arizona, Banner Health is one of the largest nonprofit health care systems in the country. The system owns and operates 28 acute-care hospitals, Banner Health Network, Banner – University Medicine, Banner Medical Group, long-term care centers, outpatient surgery centers and an array of other services, including family clinics, home care and hospice services, pharmacies and a

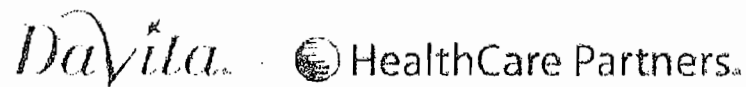
nursing registry. Banner Health is in seven states: Alaska, Arizona, California, Colorado, Nebraska, Nevada and Wyoming. For more information, visit www.BannerHealth.com.

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SOURCE DaVita HealthCare Partners Inc.

News Releases

DaVita Kidney Care Launches the First Ever Medicare Disease-Specific ACO In South Florida

FT. LAUDERDALE, Fla., Oct. 7, 2015 /PRNewswire/ -- In a step toward providing integrated care for all Medicare patients with kidney failure, DaVita HealthCare Partners Inc. (NYSE: DVA) , along with partner provider organizations, announces the launch of an End Stage Renal Disease (ESRD) Seamless Care Organization (ESCO) in Broward and Palm Beach counties.

DaVita's ESCO partners include: Coastal Nephrology & Hypertension Center led by Dr. Abbas Rabiei, Fort Lauderdale Nephrology and Hypertension led by Drs. Jorge Barrero Sr. and Jr., Mark Kaylin MD, Nephrology Associates of South Broward led by Dr. Alexander Markovich and Dr. James Reich, Renal Electrolyte & Hypertension Consultants led by Dr. Alberto Casaretto, Richard S. Sandler MD and Steven Zeig MD.

"We are excited to bring the gift of integrated care to our patients," said Bryan Gregory, division vice president for DaVita. "Our joint venture with pioneering nephrologists will facilitate seamless care delivery resulting in better patient outcomes."

The ESCO is a kidney disease-specific accountable care organization (ACO) developed by the Centers for Medicare and Medicaid Services (CMS) that will allow kidney care providers to take accountability for the clinical and financial outcomes of ESRD patients.

Dialysis clinics have frequent contact with ESRD patients. They receive dialysis therapy three times a week for an average of four hours per treatment. Patients who use home-based therapies (e.g., peritoneal dialysis, home hemodialysis) visit a dialysis clinic and engage with its staff multiple times per month. The dialysis center is their natural medical home.

"We're pleased that CMS is recognizing that kidney care is unique and that dialysis centers are a medical home for chronically ill patients," said Dr. Stephen McMurray, vice president of clinical integrated care management services for DaVita. "We hope that in the future, integrated kidney care will be available to all patients."

The ESCO will leverage its access to the patient, its relationship with nephrologists and substantial clinical data to address the totality of each patient's healthcare needs inside and outside of the dialysis clinic.

DaVita has proven experience in managing the full risk and care for broad populations across multiple geographies including specialized programs designed for ESRD patients and patients with other chronic needs. Additionally, DaVita is recognized as the clinical leader in two government quality programs, the CMS Dialysis Facility Compare Five-Star Rating System and the CMS ESRD Quality Incentive Program.

The statements contained in this document are solely those of the authors and do not necessarily reflect the views or policies of CMS. The authors assume responsibility for the accuracy and completeness of the information contained in this document.

About DaVita Kidney Care

DaVita Kidney Care is a division of DaVita HealthCare Partners Inc., a Fortune 500® company that,

Attachment - 26B

through its operating divisions, provides a variety of health care services to patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care strives to improve patients' quality of life by innovating clinical care, and by offering integrated treatment plans, personalized care teams and convenient health-management services. As of June 30, 2015, DaVita Kidney Care operated or provided administrative services at 2,210 outpatient dialysis centers located in the United States serving approximately 176,000 patients. The company also operated 96 outpatient dialysis centers located in 10 countries outside the United States. DaVita Kidney Care supports numerous programs dedicated to creating positive, sustainable change in communities around the world. The company's leadership development initiatives and social responsibility efforts have been recognized by Fortune, Modern Healthcare, Newsweek and WorldBlu. For more information, please visit DaVita.com.

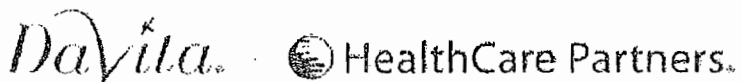
About DaVita HealthCare Partners

DaVita HealthCare Partners Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of June 30, 2015, DaVita Kidney Care operated or provided administrative services at 2,210 outpatient dialysis centers located in the United States serving approximately 176,000 patients. The company also operated 96 outpatient dialysis centers located in 10 countries outside the United States. HealthCare Partners manages and operates medical groups and affiliated physician networks in Arizona, California, Nevada, New Mexico, Florida and Colorado in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of June 30, 2015 HealthCare Partners provided integrated care management for approximately 826,000 patients. For more information, please visit DaVitaHealthCarePartners.com.

DaVita and DaVita HealthCare Partners are trademarks or registered trademarks of DaVita HealthCare Partners Inc.

Media contact:

Kate Stabrawa
(303) 876-7527
Kate.stabrawa@davita.com



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SOURCE DaVita HealthCare Partners Inc.

Attachment - 26B

News Releases

DaVita Kidney Care Launches the First Ever Medicare Disease-Specific ACO In Philadelphia, PA and Camden, NJ

PHILADELPHIA, Oct. 7, 2015 /PRNewswire/ -- In a step toward providing integrated care for all Medicare patients with kidney failure, DaVita HealthCare Partners Inc. (NYSE: DVA), along with partner provider organizations, announces the launch of an End Stage Renal Disease (ESRD) Seamless Care Organization (ESCO) in Philadelphia, PA and Camden, NJ.

DaVita's ESCO partners include: Clinical Renal Associates, Cooper University Physician Nephrology Group, Haddon Renal Medical Specialists, Hypertension Nephrology Associates, Nephrology Medical Associates and the University of Pennsylvania Health System.

"We are excited to bring the gift of integrated care to our patients," said Brett Cohen, group regional operations director for DaVita. "Our joint venture with pioneering nephrologists and leading health systems will facilitate seamless care delivery resulting in better patient outcomes."

The ESCO is a kidney disease-specific accountable care organization (ACO) developed by the Centers for Medicare and Medicaid Services (CMS) that will allow kidney care providers to take accountability for the clinical and financial outcomes of ESRD patients.

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The ESCO will leverage its access to the patient, its relationship with nephrologists and substantial clinical data to address the totality of each patient's healthcare needs inside and outside of the dialysis clinic.

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About DaVita Kidney Care

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DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care strives to improve patients' quality of life by innovating clinical care, and by offering integrated treatment plans, personalized care teams and convenient health-management services. As of June 30, 2015, DaVita Kidney Care operated or provided administrative services at 2,210 outpatient dialysis centers located in the United States serving approximately 176,000 patients. The company also operated 96 outpatient dialysis centers located in 10 countries outside the United States. DaVita Kidney Care supports numerous programs dedicated to creating positive, sustainable change in communities around the world. The company's leadership development initiatives and social responsibility efforts have been recognized by Fortune, Modern Healthcare, Newsweek and WorldBlu. For more information, please visit DaVita.com.

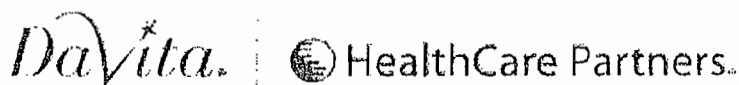
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DaVita and DaVita HealthCare Partners are trademarks or registered trademarks of DaVita HealthCare Partners Inc.

Media contact:

Kate Stabrawa
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Kate.stabrawa@davita.com



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SOURCE DaVita HealthCare Partners Inc.

**Davita HealthCare Partners Inc.
Illinois Facility Listing**

Regulatory Name	Address 1	City	County	State	Zip	Medicare Certification Number
Adams County Dialysis	436 N 10TH ST	QUINCY	ADAMS	IL	62301-4152	14-2711
Alton Dialysis	3511 COLLEGE AVE	ALTON	MADISON	IL	62002-5009	14-2619
Arlington Heights Renal Center	17 WEST GOLF ROAD	ARLINGTON HEIGHTS	COOK	IL	60005-3905	14-2628
Barrington Creek	28160 W. NORTHWEST HIGHWAY	LAKE BARRINGTON	LAKE	IL	60010	14-2736
Belvidere Dialysis	1755 BELOIT ROAD	BELVIDERE	BOONE	IL	61008	
Benton Dialysis	1151 ROUTE 14 W	BENTON	FRANKLIN	IL	62812-1500	14-2608
Beverly Dialysis	8109 SOUTH WESTERN AVE	CHICAGO	COOK	IL	60620-5939	14-2638
Big Oaks Dialysis	5623 W TOUHY AVE	NILES	COOK	IL	60714-4019	14-2712
Buffalo Grove Renal Center	1291 W. DUNDEE ROAD	BUFFALO GROVE	COOK	IL	60089-4009	14-2650
Calumet City Dialysis	1200 SIBLEY BOULEVARD	CALUMET CITY	COOK	IL	60409	
Carpentersville Dialysis	2203 RANDALL ROAD	CARPENTERSVILLE	KANE	IL	60110-3355	14-2598
Centralia Dialysis	1231 STATE ROUTE 161	CENTRALIA	MARION	IL	62801-6739	14-2609
Chicago Heights Dialysis	177 W JOE ORR RD, STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635
Chicago Ridge Dialysis	10511 SOUTH HARLEM AVE	WORTH	COOK	IL	60482	
Cnurchview Dialysis	5970 CHURCHVIEW DR	ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640
Cobblestone Dialysis	934 CENTER ST, STE A	ELGIN	KANE	IL	60120-2125	14-2715
Country Hills Dialysis	4215 W 167TH ST	COUNTRY CLUB HILLS	COOK	IL	60478-2017	14-2575
Crystal Springs Dialysis	720 COG CIRCLE	CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716
Decatur East Wood Dialysis	794 E WOOD ST	DECATUR	MACON	IL	62523-1155	14-2599
Dixon Kidney Center	1131 N GALENA AVE	DIXON	LEE	IL	61021-1015	14-2651
Driftwood Dialysis	1808 SOUTH WEST AVE	FREEDPORT	STEPHENSON	IL	61032-6712	14-2747
Edwardsville Dialysis	235 S BUCHANAN ST	EDWARDSVILLE	MADISON	IL	62025-2108	14-2701
Effingham Dialysis	904 MEDICAL PARK DR, STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580
Emerald Dialysis	710 W 43RD ST	CHICAGO	COOK	IL	60609-3435	14-2529
Evanston Renal Center	1715 CENTRAL STREET	EVANSTON	COOK	IL	60201-4507	14-2511

Grand Crossing Dialysis	7319 S COTTAGE GROVE AVENUE	CHICAGO	COOK	IL	60619-1909	14-2728
Freeport Dialysis	1028 S KUNKLE BLVD	FREEPORT	STEPHENSON	IL	61032-6914	14-2642
Garfield Kidney Center	3250 WEST FRANKLIN BLVD	CHICAGO	COOK	IL	606244509	14-2777
Granite City Dialysis Center	9 AMERICAN VLG	GRANITE CITY	MADISON	IL	62040-3706	14-2537
Harvey Dialysis	16641 S HALSTED ST	HARVEY	COOK	IL	60426-6174	14-2698
Hazel Crest Renal Center	3470 WEST 183rd STREET	HAZEL CREST	COOK	IL	60429-2428	14-2622
Illini Renal Dialysis	507 E UNIVERSITY AVE	CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633
Jacksonville Dialysis	1515 W WALNUT ST	JACKSONVILLE	MORGAN	IL	62650-1150	14-2581
Jerseyville Dialysis	917 S STATE ST	JERSEYVILLE	JERSEY	IL	62052-2344	14-2636
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR, STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685
Kennwood Dialysis	4259 5 COTTAGE GROVE AVENUE	CHICAGO	COOK	IL	60653	14-2717
Lake County Dialysis Services	565 LAKEVIEW PARKWAY, STE 176	VERNON HILLS	LAKE	IL	60061	14-2552
Lake Villa Dialysis	37809 N IL ROUTE 59	LAKE VILLA	LAKE	IL	60046-7332	14-2666
Lawndale Dialysis	3934 WEST 24TH ST	CHICAGO	COOK	IL	60623	14-2768
Lincoln Dialysis	2100 WEST FIFTH	LINCOLN	LOGAN	IL	62656-9115	14-2582
Lincoln Park Dialysis	3157 N LINCOLN AVE	CHICAGO	COOK	IL	60657-3111	14-2528
Litchfield Dialysis	915 ST FRANCES WAY	LITCHFIELD	MONTGOMERY	IL	62056-1775	14-2583
Little Village Dialysis	2335 W CERMACK RD	CHICAGO	COOK	IL	60608-3811	14-2668
Logan Square Dialysis	2838 NORTH KIMBALL AVE	CHICAGO	COOK	IL	60618	14-2534
Loop Renal Center	1101 SOUTH CANAL STREET	CHICAGO	COOK	IL	60607-4901	14-2505
Machesney Park Dialysis	6950 NORTH PERRYVILLE ROAD	MACHESNEY PARK	WINNEBAGO	IL	61115	
Macon County Dialysis	1090 W MCKINLEY AVE	DECATUR	MACON	IL	62526-3208	14-2584
Marengo City Dialysis	910 GREENLEE STREET, STE B	MARENGO	MCHENRY	IL	60152-8200	14-2643
Marion Dialysis	324 S 4TH ST	MARION	WILLIAMSON	IL	62959-1241	14-2570
Maryville Dialysis	2130 VADALABENE DR	MARYVILLE	MADISON	IL	62062-5632	14-2634

Mattoon Dialysis	6051 DEVELOPMENT DRIVE	CHARLESTON	COLES	IL	61938-4652	14-2585
Metro East Dialysis	5105 W MAIN ST	BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527
Montclare Dialysis Center	7009 W BELMONT AVE	CHICAGO	COOK	IL	60634-4533	14-2649
Montgomery County Dialysis	1822 SENATOR MILLER DRIVE	HILLSBORO	MONTGOMERY	IL	62049	
Mount Vernon Dialysis	1800 JEFFERSON AVE	MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541
Mt. Greenwood Dialysis	3401 W 111TH ST	CHICAGO	COOK	IL	60655-3329	14-2660
Olney Dialysis Center	117 N BOONE ST	OLNEY	RICHLAND	IL	62450-2109	14-2674
Olympia Fields Dialysis Center	4557B LINCOLN HWY, STE B	MATTESON	COOK	IL	60443-2318	14-2548
Palos Park Dialysis	13155 5 LaGRANGE ROAD	ORLAND PARK	COOK	IL	60462-1162	14-2732
Pittsfield Dialysis	640 W WASHINGTON ST LOT 4 IN 1ST ADDITION OF EAST INDUSTRIAL PARK	PITTSFIELD	PIKE	IL	62363-1350	14-2708
Red Bud Dialysis		RED BUD	RANDOLPH	IL	62278	14-2772
Robinson Dialysis	1215 N ALLEN ST, STE B	ROBINSON	CRAWFORD	IL	62454-1100	14-2714
Rockford Dialysis	3339 N ROCKTON AVE	ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647
Roxbury Dialysis Center	622 ROXBURY RD	ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665
Rushville Dialysis	112 SULLIVAN DRIVE	RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620
Sauget Dialysis	2061 GOOSE LAKE RD	SAUGET	SAINT CLAIR	IL	62206-2822	14-2561
Schaumburg Renal Center	1156 5 ROSELLE ROAD	SCHAUMBURG	COOK	IL	60193-4072	14-2654
Shiloh Dialysis	1095 NORTH GREEN MOUNT RD	SHILOH	ST CLAIR	IL	62269	14-2753
Silver Cross Renal Center - Morris	1551 CREEK DRIVE	MORRIS	GRUNDY	IL	60450	14-2740

Silver Cross Renal Center - New Lenox	1890 SILVER CROSS BOULEVARD	NEW LENOX	WILL	IL	60451	14-2741
Silver Cross Renal Center - West	1051 ESSINGTON ROAD	JOLIET	WILL	IL	60435	14-2742
South Holland Renal Center	16136 SOUTH PARK AVENUE	SOUTH HOLLAND	COOK	IL	60473-1511	14-2544
Springfield Central Dialysis	932 N RUTLEDGE ST	SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586
Springfield Montvale Dialysis	2930 MONTVALE DR, STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590
Springfield South	2930 SOUTH 6th STREET	SPRINGFIELD	SANGAMON	IL	62703	14-2733
Stonecrest Dialysis	1302 E STATE ST	ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615
Stony Creek Dialysis	9115 S CICERO AVE	OAK LAWN	COOK	IL	60453-1895	14-2661
Stony Island Dialysis	8725 S STONY ISLAND AVE	CHICAGO	COOK	IL	60617-2709	14-2718
Sycamore Dialysis	2200 GATEWAY DR	SYCAMORE	DEKALB	IL	60178-3113	14-2639
Taylorville Dialysis	901 W SPRESSER ST	TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587
Tazewell County Dialysis	1021 COURT STREET	PEKIN	TAZEWELL	IL	61554	14-2767
Timber Creek Dialysis	1001 S. ANNIE GLIDDEN ROAD	DEKALB	DEKALB	IL	60115	14-2763
Tinley Park Dialysis	16767 SOUTH 80TH AVENUE	TINLEY PARK	COOK	IL	60477	
TRC Children's Dialysis Center	2611 N HALSTED ST	CHICAGO	COOK	IL	60614-2301	14-2604
Vandalia Dialysis	301 MATTES AVE	VANDALIA	FAYETTE	IL	62471-2061	14-2693
Vermillion County Dialysis	22 WEST NEWELL ROAD	DANVILLE	VERMILION	IL	61834	
Waukegan Renal Center	1616 NORTH GRAND AVENUE, STE C	Waukegan	COOK	IL	60085-3676	14-2577
Wayne County Dialysis	303 NW 11TH ST, STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688
West Lawn Dialysis	7000 S PULASKI RD	CHICAGO	COOK	IL	60629-5842	14-2719
West Side Dialysis	1600 W 13TH STREET	CHICAGO	COOK	IL	60608	
Whiteside Dialysis	2600 N LOCUST, STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648
Woodlawn Dialysis	5060 S STATE ST	CHICAGO	COOK	IL	60609	14-2310

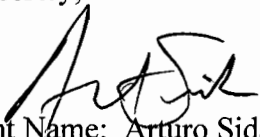
Kathryn Olson
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Chair Olson:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against any in-center dialysis facility owned or operated by DaVita HealthCare Partners Inc. or Renal Treatment Centers – Illinois, Inc. in the State of Illinois during the three year period prior to filing this application.

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

Sincerely,


Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.
Renal Treatment Centers – Illinois, Inc.

Subscribed and sworn to me
This ____ day of _____, 2015

See Attached

Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On October 20, 2015 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

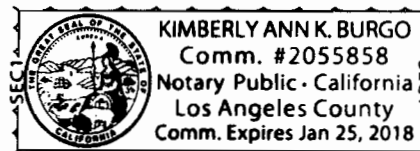
personally appeared ** Arturo Sida **

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kimberly Ann K. Burgo
Signature



OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson re CON Application (Sauget Dialysis, LLC)

Document Date: October 20, 2015 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☒ Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(c)(2), Planning Area Need

1. Service to Planning Area Residents

The primary purpose of this project is to ensure the residents of Sauget and the surrounding communities have access to life sustaining dialysis. As shown in Table 110.1430(c)(2) below 31 new patients have been admitted to Sauget Dialysis from January 1, 2014 through September 30, 2015. 29 of the 31 newly admitted patients (or 93.5%) reside within the Sauget Dialysis geographic service area ("GSA"). Accordingly this project will serve the residents of the GSA.

Table 110.1430(c)(2)	
Projected Referrals by Physician & Zip Code	
Zip Code	Patients
61101	1
62201	2
62203	3
62204	1
62205	8
62206	7
62207	4
62221	1
62226	1
62239	1
62254	1
63121	1
Total	31

2. Service Demand – Expansion of In-Center Hemodialysis Service

Sauget Dialysis' current utilization is 96%, which is an increase of 10% over the prior year. The facility currently treats 92 patients and can only accommodate 4 patients before it reaches full capacity. As shown in the referral letter at appendix - 1, Dr. Dalal anticipates that he will refer a total of 58 patients within 12 to 24 months following project completion. This will result in 104% utilization by the end of the second year of operation.

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

1. Sauget Dialysis is staffed in accordance with all State and Medicare staffing requirements.
 - a. Medical Director: Dr. Rashid A. Dalal, M.D. serves as the Medical Director for the Sauget Dialysis. A copy of Dr. Dalal's curriculum vitae is attached at Attachment – 26E.
 - b. As discussed throughout this application, the Applicants seek authority to expand their existing 16-station dialysis facility to a 24-station dialysis facility. Sauget Dialysis is Medicare certified and fully staffed with a medical director, administrator, registered nurses, patient care technicians, social worker, and registered dietitian.
2. All staff is trained under the direction of Sauget Dialysis' Governing Body, utilizing DaVita's comprehensive training program. DaVita's training program meets all State and Medicare requirements. The training program includes introduction to the dialysis machine, components of the hemodialysis system, infection control, anticoagulation, patient assessment/data collection, vascular access, kidney failure, documentation, complications of dialysis, laboratory draws, and miscellaneous testing devices used. In addition, it includes in-depth theory on the structure and function of the kidneys; including, homeostasis, renal failure, ARF/CRF, uremia, osteodystrophy and anemia, principles of dialysis; components of hemodialysis system; water treatment; dialyzer reprocessing; hemodialysis treatment; fluid management; nutrition; laboratory; adequacy; pharmacology; patient education, and service excellence. A summary of the training program is attached at Attachment – 26F.
3. As set forth in the letter from Arturo Sida, Assistant Corporate Secretary of DaVita HealthCare Partners Inc., attached at Attachment – 26G, Sauget Dialysis will maintain an open medical staff.

Curriculum Vitae

Rashid A. Dalal, M.D.

EMPLOYMENT

PRESENT EMPLOYMENT

Rashid A. Dalal, MD PC dba Midwest NHA
Nephrology Partner

January 2009-Present
4550 Memorial Drive, Ste. 360
Belleville, IL 62226

Davita Dialysis Unit
Hemodialysis Unit Medical Director

November 1997-Present
2061 Goose Lake Drive
Sauget, IL 62206

PAST EMPLOYMENT

Rashid A. Dalal, MD, PC
Solo Practice/Nephrologist

October 1998-December 2008
4550 Memorial Drive, Ste. 480
Belleville, IL 62226

Catherine Kasper Center
Nephrologist

February 1996-September 1998
432 South Sabre Drive
East St. Louis, IL 62221

Complete Health Center

October 1995-February 1996

Locum Tenens
General Practice

September 1987-December 1987
Lusaka, Zambia

EDUCATION

FELLOWSHIP

Saint Louis University Hospital
Nephrology

1993-1995
St. Louis, MO

RESIDENCY

Saint Luke's Hospital
Internal Medicine

1990-1993
Chesterfield, MO

Prince Charles and St. Tydfil's Hospitals
Internal Medicine and Geriatric Medicine

1988-1989
Merthyr Tydfil, Wales, United Kingdom

INTERNSHIP

Ndola Central and Arthur Davison Hospitals
Ndola, Zambia

1985-1986

PROFESSIONAL

University of Zambia School of Medicine
Bachelor of Medicine, Bachelor of Surgery
MBChB

1978-1985
Lusaka, Zambia

University of Zambia School of Natural Sciences

Bachelor of Science on Human Biology
Bsc

Lusaka, Zambia

Passed ECFMG

July 1987

CURRENT HOSPITAL PRIVILEGES

Memorial Hospital	Belleville, IL	Active
St. Elizabeth's Hospital	Belleville, IL	Active
Gateway Regional Medical Center	Granite City, IL	Active
Touchette Regional Hospital	Centreveille, IL	Active
St. Joseph's Hospital	Breese, IL	Active
Gambro Health Care Dialysis Center	Fairview Heights, IL	Active
Davita Dialysis Center	Belleville, IL	Active
Maryville Dialysis Unit	Maryville, IL	Active

LICENSURE AND CERTIFICATION

CERTIFICATION

Board Certified, Nephrology American Board of Internal Medicine
Board Certified, Internal Medicine American Board of Internal Medicine
Licentiate of the Royal College of Physicians (LRCP)
Member of the Royal College of Surgeons (MRCS), UK
FLEX

ACTIVE LICENSES

Illinois Medical	036.090043
DEA	BD3901724
Illinois Controlled Substance	336.051748
Missouri Medical	103192
Missouri BNDD	14495

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

Attached at Attachment – 26G is a letter from Arturo Sida, Assistant Corporate Secretary of DaVita HealthCare Partners Inc., attesting that Saugnet Dialysis will participate in a dialysis data system, will make support services available to patients, and will provide training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training.

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

Re: Certification of Support Services

Dear Chair Olson:

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

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

- DaVita utilizes an electronic dialysis data system;
- Sauget Dialysis will have available all needed support services required by CMS which may consist of clinical laboratory services, blood bank, nutrition, rehabilitation, psychiatric services, and social services; and
- Patients, either directly or through other area DaVita facilities, will have access to training for self-care dialysis, self-care instruction, and home hemodialysis and peritoneal dialysis.

Sincerely,



Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.
Renal Treatment Centers – Illinois, Inc.

Subscribed and sworn to me
This ____ day of _____, 2015

Notary Public

2000 16th Street, Denver, CO 80202 | P (303) 876-6000 | F (310) 536-2675 | DaVitaHealthcarePartners.com

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On October 20, 2015 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

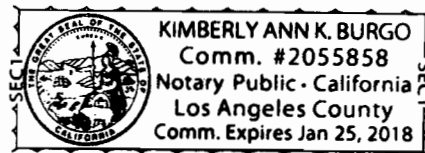
personally appeared ** Arturo Sida **

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~
is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~
executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~
signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~
acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kimberly Ann K. Burgo
Signature



OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson re Certification of Support (Sauget Dialysis, LLC)

Document Date: October 20, 2015 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☒ Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc.

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

Attached at Attachment – 26H is a letter from Arturo Sida, Assistant Corporate Secretary of DaVita HealthCare Partners Inc., certifying that Sauget Dialysis will achieve target utilization by the second year of operation.

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

Re: In-Center Hemodialysis Assurances

Dear Chair Olson:

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

- By the second year after project completion, Sauget Dialysis expects to achieve and maintain 80% target utilization; and
- Sauget Dialysis also expects hemodialysis outcome measures will be achieved and maintained at the following minimums:
 - $\geq 85\%$ of hemodialysis patient population achieves urea reduction ratio (URR) $\geq 65\%$ and
 - $\geq 85\%$ of hemodialysis patient population achieves Kt/V Daugirdas II .1.2

Sincerely,



Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.
Renal Treatment Centers – Illinois, Inc.

Subscribed and sworn to me
This ____ day of ____, 2015

See Attached

Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On October 20, 2015 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

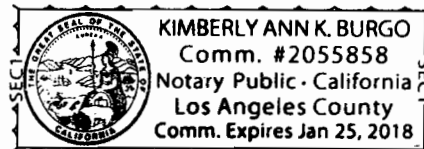
personally appeared ** Arturo Sida **

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature



OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson re In-Center Hemodialysis Assurances (Sauget Dialysis, LLC)

Document Date: October 20, 2015 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☒ Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc.

Section VIII, Availability of Funds Review Criteria
Criterion 1120.120, Availability of Funds

The project will be funded entirely with cash and cash equivalents, and a lease between Union Planter Trust No. 03-09-1090-00 and DaVita for Sauget Dialysis. A copy of DaVita's most recent 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted with the application for Project No. 15-020. The lease for the facility is attached at Attachment – 36.

Section IX, Financial Feasibility
Criterion 1120.130 – Financial Viability Waiver

The project will be funded entirely with cash. A copy of DaVita's 2014 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted with the application for Project No. 15-020.

Section X, Economic Feasibility Review Criteria

Criterion 1120.140(a), Reasonableness of Financing Arrangements

Attached at Attachment – 39A is a letter from Arturo Sida, Assistant Corporate Secretary of DaVita HealthCare Partners Inc., attesting that the total estimated project costs will be funded entirely with cash.

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

Re: Reasonableness of Financing Arrangements

Dear Chair Olson:

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

Sincerely,



Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.
Renal Treatment Centers – Illinois, Inc.

Subscribed and sworn to me
This ____ day of _____, 2015

Notary Public

See Attached

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On October 20, 2015 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

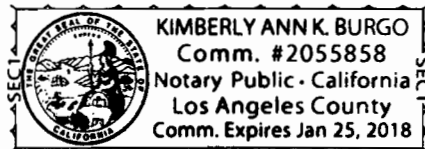
personally appeared **** Arturo Sida ****

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson re Reasonableness of Financing Arrangements (Sauget Dialysis,

Document Date: October 20, 2015 Number of Pages: 1 (one) LLC

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☒ Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc.

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

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

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

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

Table 1120.310(c)									
COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New Mod.		Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD	\$0	\$73.53	0		6,800		\$0	\$500,00	\$500,000
Contingency	\$0	\$4.41	0		6,800		\$0	\$30,000	\$30,000
TOTALS	\$0	\$77.94	0		6,800		\$0	\$530,000	\$530,000
* Include the percentage (%) of space for circulation									

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

Table 1120.310(c)			
	Expansion Project	State Standard	Above/Below State Standard
Modernization Costs	\$530,000	\$183.68 per gross square foot x 6800 gross square feet = 1,249,024	Below State Standard
Contingencies	\$30,000	7% of Construction Costs = 7% x \$500,000= \$35,000	Below State Standard
Architectural/Engineering Fees	\$50,000	7.96-11.94% x (Construction Costs + Contingencies) = 7.36-11.06% x (\$500,000+\$30,000 = 7.36-11.06% x \$530,000 = \$39,008 - \$58,618	Meets State Standard
Consulting and Other Fees	\$50,000	No State Standard	No State Standard
Moveable Equipment	\$396,092	\$50,601.13 per station x 8 = \$404,809	Below State Standard

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(d), Projected Operating Costs

Operating Expenses: \$3,290,599

Treatments: 23,400

Operating Expense per Treatment: \$140.62

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(e), Total Effect of Project on Capital Costs

Capital Costs:

Depreciation: \$78,550

Amortization: \$3,185

Total Capital Costs: \$81,735

Treatments: 24,000

Capital Costs per Treatment: \$3.49

Section XII, Charity Care Information

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

CHARITY CARE			
	2012	2013	2014
Net Patient Revenue	\$228,403,979	\$244,115,132	\$266,319,949
Amount of Charity Care (charges)	\$1,199,657	\$2,175,940	\$2,477,363
Cost of Charity Care	\$1,199,657	\$2,175,940	\$2,477,363

Appendix 1 – Physician Referral Letter

Attached as Appendix -1 is a physician referral letter from Dr. Rashid A. Dalal projecting 58 pre-ESRD patients will be referred to Sauget Dialysis within 12-24 months of project completion.

Midwest Nephrology & Hypertension



Associates

Dr. Rashid Dalal
4550 Memorial Drive, Ste. 360
Medical Building One
Belleville, IL 62226
Ph: 618-239-9500 Fax: 618-239-9555
www.midwestnha.com

Kathryn J. Olson
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd floor
Springfield, Illinois 62761

Dear Chair Olson:

I am pleased to support DaVita's expansion of Sauget Dialysis. The proposed 8-station expansion will directly benefit my patients.

DaVita's expanded facility will improve access to necessary dialysis services in Sauget and the surrounding communities. DaVita is well-positioned to provide these services, as it delivers life sustaining dialysis for residents of similar communities throughout the country and abroad. It has also invested in many quality initiatives to improve its patients' health and outcomes.

There are 7 dialysis facilities within 30 minutes of Sauget Dialysis and are operating at 74% as of June 30, 2015.

I have identified 83 patients from my practice who are suffering from Stage 4 or 5 CKD who all reside within an approximate 15 minute commute of the proposed facility. Conservatively, I predict at least 58 of these 83 patients will progress to dialysis within the 12 to 24 months of project completion. My large patient base and the significant utilization at the nearby facilities demonstrate considerable demand for this facility.

A list of patients who have received care at existing facilities in the area over the past 3 ¼ years is provided at Attachment -1. A list of new patients my practice has referred for in-center hemodialysis for the past 1 ½ years is provided at Attachment -2. The list of zip codes for the 83 pre-ESRD patients previously referenced is provided at Attachment-3.

These patient referrals have not been used to support another pending or approved certificate of need application. The information in this letter is true and correct to the best of my knowledge.

**Midwest Nephrology & Hypertension
Associates**



Dr. Rashid Dalal
4550 Memorial Drive, Ste. 360
Medical Building One
Belleville, IL 62226
Ph: 618-239-9500 Fax: 618-239-9555
www.midwestnha.com

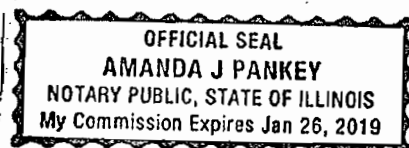
Davita is a leading provider of dialysis services in the United States and I support the expense of Saugert Dialysis.

Sincerely,

Rashid A. Dalal, M.D.
Midwest Nephrology & Hypertension Associates
4550 Memorial Dr.
Belleville, IL. 62226

Subscribed and sworn to me:
This 5 day of November, 2015

Notary Public: Amanda J. Pankey



ATTACHMENT 1							
Historical Patient Data							
Metro East Dialysis							
2012		2013		2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count
62040	2	62201	5	62040	1	62201	8
62201	4	62203	14	62201	6	62203	22
62203	11	62204	8	62203	18	62204	11
62204	10	62205	16	62204	10	62205	23
62205	12	62206	8	62205	20	62206	14
62206	9	62207	8	62206	11	62207	13
62207	8	62208	9	62207	13	62208	9
62208	9	62220	9	62208	10	62220	9
62220	12	62221	12	62220	10	62221	10
62221	10	62222	1	62221	11	62223	8
62222	1	62223	9	62222	1	62226	18
62223	13	62225	1	62223	12	62236	1
62225	1	62226	11	62225	1	62239	1
62226	21	62232	1	62226	15	62240	1
62232	3	62234	1	62232	1	62243	1
62234	1	62237	1	62239	1	62254	2
62237	1	62239	1	62243	1	62257	2
62240	1	62240	1	62249	1	62258	1
62243	2	62243	1	62254	2	62264	1
62254	5	62249	1	62257	4	62269	5
62257	4	62254	3	62258	2	62278	1
62258	5	62257	4	62264	2	62292	1
62260	2	62258	3	62265	1	62298	1
62264	4	62264	2	62269	9		
62265	1	62265	2	62278	1		
62269	15	62269	10	62285	2		
62278	1	62278	1	62286	1		
62285	2	62285	1	62294	1		
62286	1	62286	1	62298	1		
62292	1	62294	2	63139	1		
62294	2	62298	1	66205	1		
62298	1						
62919	1						

ATTACHMENT 1					
Historical Patient Data					
Shiloh Dialysis					
2013		2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count
		49202	1	62201	1
62203	1	62201	1	62203	1
62220	1	62203	1	62205	1
62221	3	62205	1	62207	3
62223	1	62208	1	62208	5
62226	3	62220	2	62214	1
62269	5	62221	6	62220	3
62298	1	62223	2	62221	8
		62226	5	62222	1
		62243	1	62223	3
		62254	2	62226	3
		62264	1	62243	1
		62266	1	62254	3
		62269	11	62267	1
		62282	1	62269	12
		62298	1	62282	1
				62286	1

ATTACHMENT 1							
Historical Patient Data							
Breese Dialysis							
2012		2013		2014		2015 YTD 06/30	
Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt Count	Zip Code	Pt. Count
62206	1	62216	1	62231	1	62219	1
62216	2	62231	1	62249	1	62231	1
62231	1	62249	1	62254	1	62258	1
62258	2	62254	1	62258	1	62293	1
62803	1	62258	1	62293	1		

ATTACHMENT 1							
Historical Patient Data							
Sauget Dialysis							
2012		2013		2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count
55445	1	61111	1	61101	1	61111	1
60428	1	62201	2	61111	1	62024	1
62201	3	62202	1	62201	4	62201	4
62202	1	62203	7	62202	1	62202	1
62203	5	62204	8	62203	9	62203	6
62204	14	62205	11	62204	7	62204	6
62205	8	62206	19	62205	16	62205	19
62206	20	62207	7	62206	23	62206	23
62207	11	62221	1	62207	10	62207	14
62221	1	62223	4	62221	2	62208	1
62223	2	62226	4	62223	3	62221	2
62226	4	62232	3	62226	6	62223	1
62232	2	62234	1	62232	3	62226	5
62234	1	62239	3	62234	1	62232	2
62236	1	62254	1	62239	4	62239	4
62239	1	622201	1	62254	1	62254	1
62254	1					63121	1
						66203	1

ATTACHMENT 1							
Historical Patient Data							
Maryville Dialysis							
2012		2013		2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count
62025	1	62025	1	62025	1	62034	2
62034	3	62034	2	62034	2	62040	2
62060	1	62040	1	62040	2	62204	1
62062	1	62205	1	62204	1	62205	2
62088	1	62234	3	62205	1	62222	1
62208	1	62239	1	62220	1	62232	1
62234	4	62249	1	62232	1	62234	4
62239	1	62294	1	62234	5	62249	2
62249	1			62249	2	62281	1
62281	1			62281	1		
62294	1						
63102	1						

ATTACHMENT 1							
Historical Patient Data							
FVH Dialysis							
2012		2013		2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count
62025	1	62040	1	62040	1	62040	1
62040	1	62060	2	62060	2	62060	1
62060	2	62090	1	62090	1	62090	1
62090	1	62201	1	62201	1	62201	1
62201	1	62202	1	62202	1	62202	1
62203	3	62203	3	62203	3	62203	3
62204	4	62204	2	62204	1	62205	4
62205	3	62205	6	62205	7	62206	3
62206	5	62206	5	62206	3	62207	1
62207	3	62207	4	62207	4	62208	4
62208	6	62208	4	62208	5	62217	1
62220	1	62220	2	62220	2	62220	2
62221	5	62221	7	62221	4	62221	2
62223	1	62223	1	62223	1	62222	1
62226	9	62226	9	62226	11	62223	1
62232	2	62232	2	62232	1	62226	10
62234	4	62234	2	62234	3	62232	2
62236	1	62236	1	62236	1	62234	3
62237	1	62254	2	62254	3	62236	1
62254	1	62257	1	62257	1	62254	3
62258	2	62258	2	62258	2	62257	1
62269	4	62269	4	62269	6	62258	2
		62286	1	63116	1	62269	5
						622205	1

ATTACHMENT 1							
Historical Patient Data							
GC Dialysis							
2012		2013		2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count	Zip Code	Pt. Count
62040	11	62040	10	62040	9	62040	7
62060	7	62060	6	62060	5	62060	6
62090	1	62090	1	62090	1	62090	2
62201	7	62201	5	62201	4	62201	3
62203	1	62203	1	62203	1	62203	1
62204	3	62204	1	62204	1	62234	1
62205	1	62205	1	62205	2	62260	1
62206	1	62206	1	62234	1		
62208	1	62234	1	62269	1		
62234	1	622206	1				

ATTACHMENT 2			
New Patients			
Sauget Dialysis			
2014		2015	
Zip Code	Pt. Count	Zip Code	Pt. Count
61101	1	62203	2
62201	2	62204	1
62203	1	62205	3
62205	5	62206	3
62206	4	62207	2
62207	2	62254	1
62221	1	63121	1
62226	1		
62239	1		

ATTACHMENT 2			
New Patients			
Shiloh Dialysis			
2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count
62205	1	62214	1
62220	1	62221	1
62221	1	62222	1
		62243	1

ATTACHMENT 2			
New Patients			
Metro East Dialysis			
2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count
62040	1	62201	2
62201	3	62203	3
62203	5	62204	2
62204	1	62205	5
62205	4	62206	7
62206	4	62207	3
62207	2	62208	2
62220	3	62220	1
62221	3	62221	1
62223	3	62226	5
62226	7	62239	1
62236	1	62240	1
62240	1	62269	2
62285	1		
62292	1		
63139	1		

ATTACHMENT 2			
New Patients			
FVH Dialysis			
2014		2015 YTD 09/30	
Zip Code	Pt. Count	Zip Code	Pt. Count
62205	1	62221	1
62208	1	62226	1
62221	2	62254	1
62226	1	62269	2
62232	1		
62234	1		
62254	1		
63116	1		

ATTACHMENT 3 Pre-ESRD Patients Saguet Dialysis	
Zip Code	PT. Count
62240	1
62260	2
62239	3
62206	10
62207	13
62205	18
62201	4
62204	11
62223	15
62203	6
	83

Appendix 2 – Time & Distance Determination

Attached as Appendix 2 are the distance and normal travel time from all existing dialysis facilities in the GSA to Sauget Dialysis, as determined by MapQuest.

YOUR TRIP TO:

Rosewood Heights, IL



28 MIN | 26.8 MI

Trip time based on traffic conditions as of 1:18 PM on October 26, 2015.



Start out going north on Goose Lake Rd toward Grizzlie Bear Blvd.

Then 0.35 miles



Take the 1st right onto Mousette Ln.

Mousette Ln is 0.1 miles past Grizzlie Bear Blvd.

If you are on S 50th St and reach Church Rd you've gone about 0.4 miles too far.

Then 0.26 miles



Merge onto I-255 N via the ramp on the left toward Chicago.

If you reach Lorraine Dr you've gone about 0.3 miles too far.

Then 15.27 miles



Take IL-255 N toward Alton.

Then 8.39 miles



Merge onto IL-111/S Bellwood Dr via EXIT 8 toward Wood River/Bethalto.

Then 1.43 miles



Turn left onto E Airline Dr.

E Airline Dr is 0.5 miles past Cardinal Dr.

If you are on N Bellwood Dr and reach St Louis Regional Airport you've gone a little too far.

Then 1.05 miles

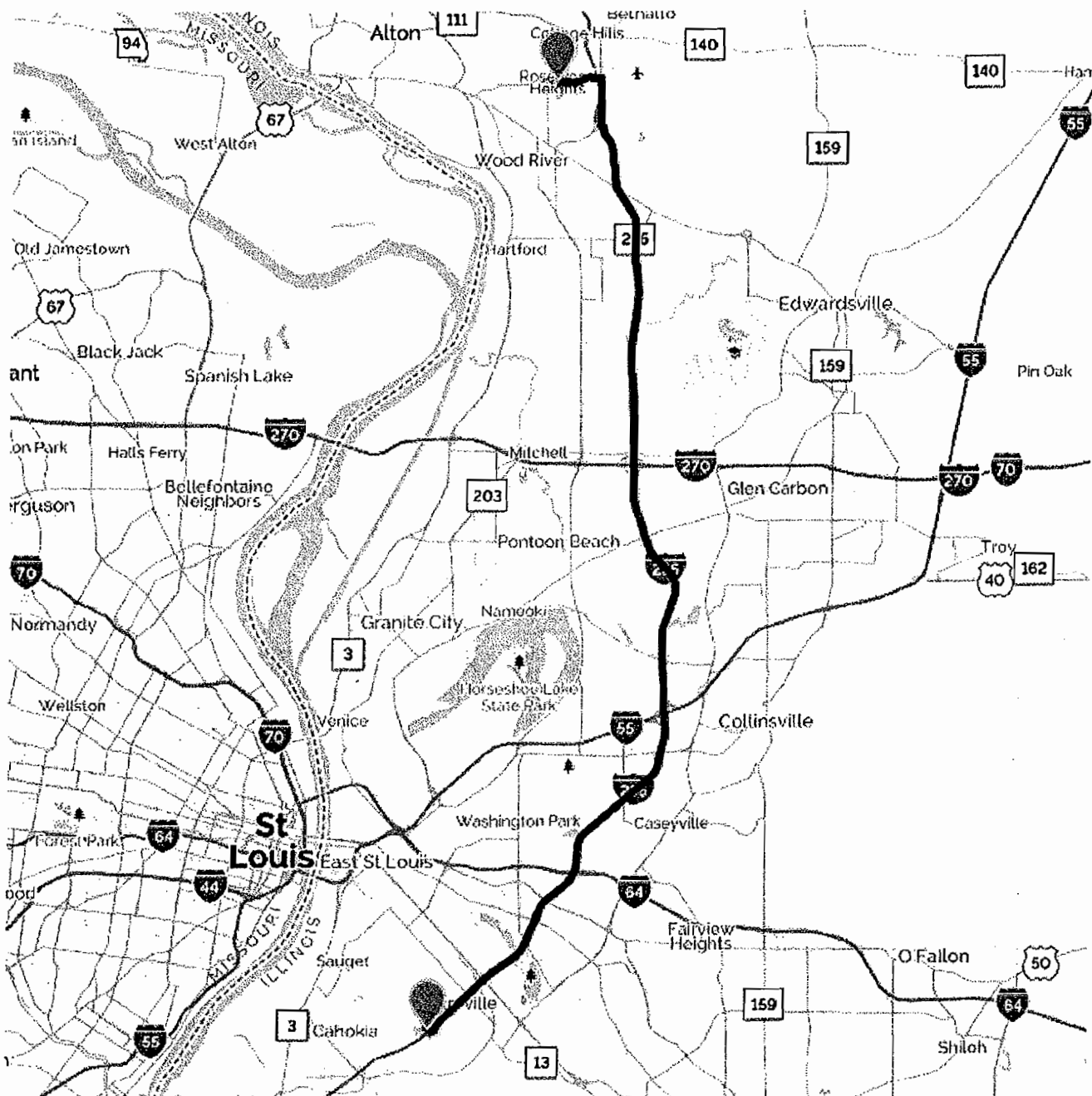


Welcome to ROSEWOOD HEIGHTS, IL.

Your destination is just past Sullivan St.

If you reach Bert Ave you've gone a little too far.

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YOUR TRIP TO:

Troy, IL



23 MIN | 19.9 MI

Trip time based on traffic conditions as of 1:17 PM on October 26, 2015.



Start out going north on Goose Lake Rd toward Grizzlie Bear Blvd.

Then 0.35 miles



Take the 1st right onto Mousette Ln.

Mousette Ln is 0.1 miles past Grizzlie Bear Blvd.

If you are on S 50th St and reach Church Rd you've gone about 0.4 miles too far.

Then 0.26 miles



Merge onto I-255 N via the ramp on the left toward Chicago.

If you reach Lorraine Dr you've gone about 0.3 miles too far.

Then 9.36 miles



Merge onto I-55 N/I-70 E via EXIT 25A toward Chicago/Indianapolis.

Then 8.04 miles



Take the IL-162 exit, EXIT 18, toward Troy.

Then 0.23 miles



Merge onto IL-162 toward Troy.

Then 1.67 miles

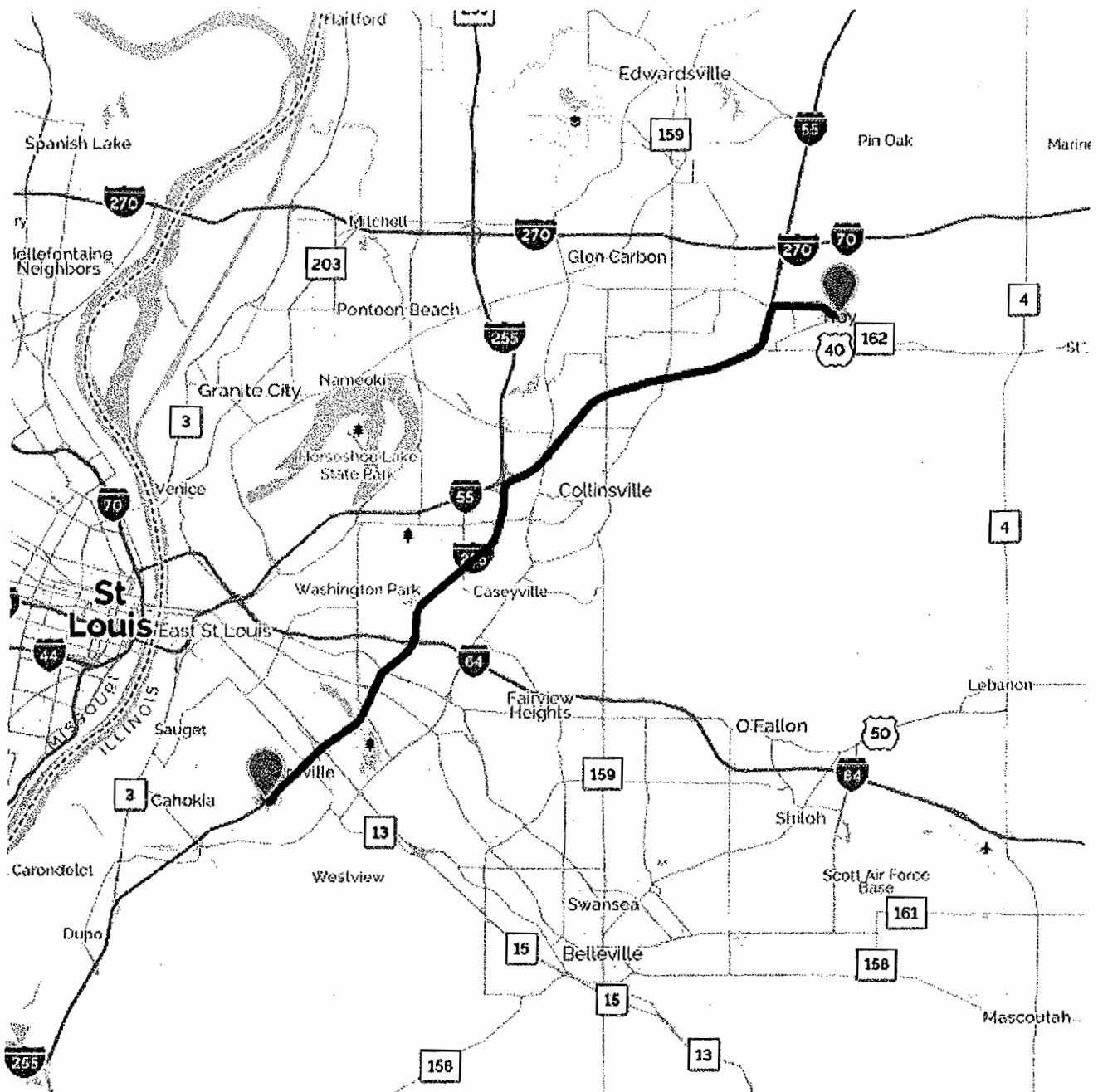


Welcome to TROY, IL.

Your destination is just past S Washington St.

If you are on E Market St and reach N Kimberlin St you've gone a little too far.

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YOUR TRIP TO:

New Baden, IL



29 MIN | 27.5 MI

Trip time based on traffic conditions as of 1:17 PM on October 26, 2015.



Start out going north on Goose Lake Rd toward Grizzlie Bear Blvd.

Then 0.35 miles



Take the 1st right onto Mousette Ln.

Mousette Ln is 0.1 miles past Grizzlie Bear Blvd.

If you are on S 50th St and reach Church Rd you've gone about 0.4 miles too far.

Then 0.26 miles



Merge onto I-255 N/US-50 E via the ramp on the left toward Chicago.

If you reach Lorraine Dr you've gone about 0.3 miles too far.

Then 4.58 miles



Merge onto I-64 E via EXIT 20 toward Louisville.

Then 20.17 miles



Take the IL-161 exit, EXIT 27, toward New Baden.

Then 0.28 miles



Keep left to take the ramp toward New Baden.

Then 0.04 miles



Merge onto IL-161/W Hanover St.

Then 1.84 miles

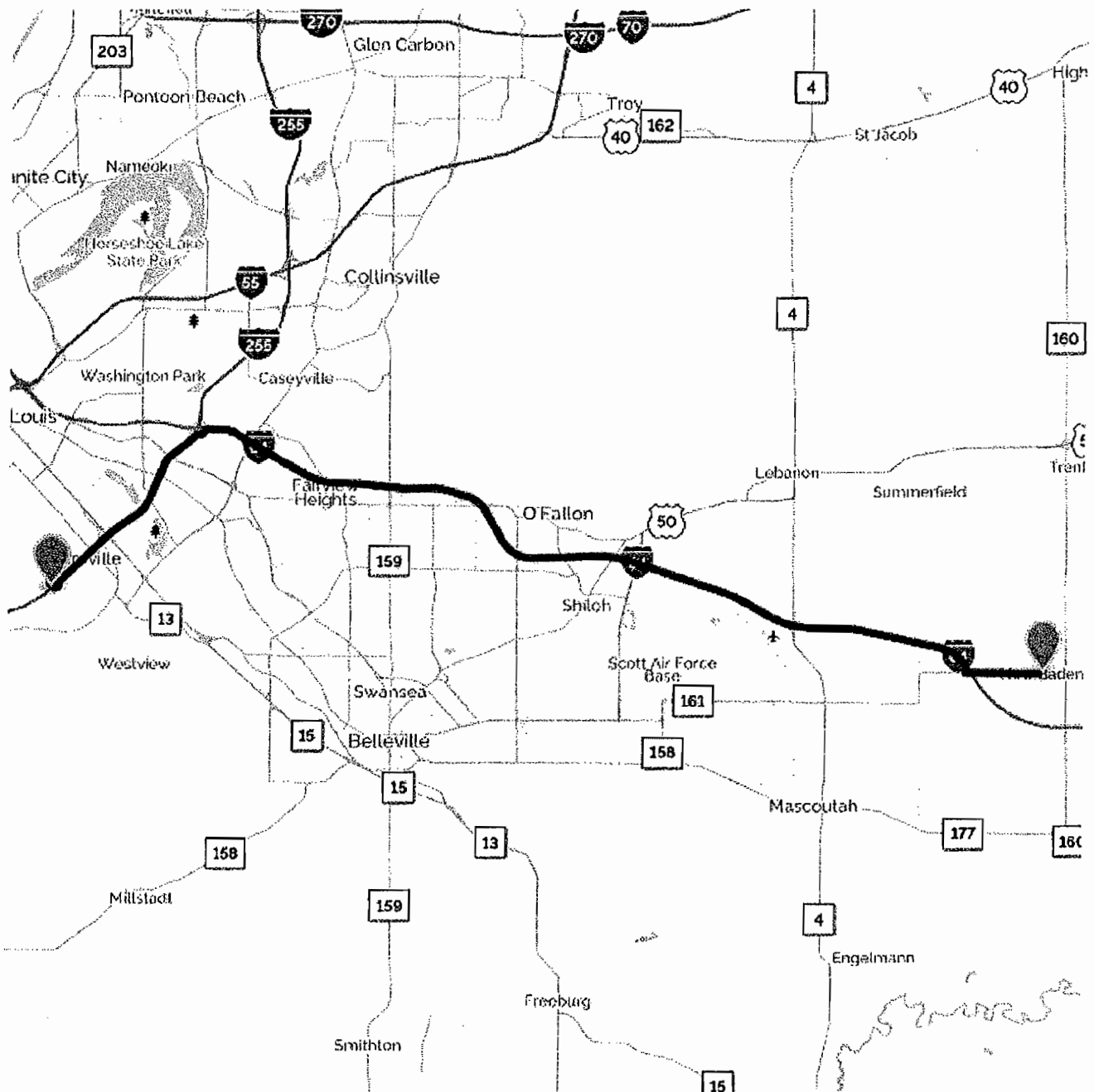


Welcome to NEW BADEN, IL.

Your destination is just past S 3rd St.

If you reach S 4th St you've gone a little too far.

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YOUR TRIP TO:

Mascoutah, IL



28 MIN | 25.8 MI

Trip time based on traffic conditions as of 1:16 PM on October 26, 2015.



Start out going north on Goose Lake Rd toward Grizzlie Bear Blvd.

Then 0.35 miles



Take the 1st right onto Mousette Ln.

Mousette Ln is 0.1 miles past Grizzlie Bear Blvd.

If you are on S 50th St and reach Church Rd you've gone about 0.4 miles too far.

Then 0.26 miles



Merge onto I-255 N/US-50 E via the ramp on the left toward Chicago.

If you reach Lorraine Dr you've gone about 0.3 miles too far.

Then 4.58 miles



Merge onto I-64 E via EXIT 20 toward Louisville.

Then 15.69 miles



Take the IL-4 exit, EXIT 23, toward Mascoutah/Lebanon.

Then 0.36 miles



Merge onto IL-4 toward Mascoutah/MidAmerica Airport.

Then 4.36 miles



Turn right onto E Main St/IL-177.

E Main St is just past E Church St.

ALL Mart is on the corner.

If you are on S Jefferson St and reach E State St you've gone a little too far.

Then 0.20 miles

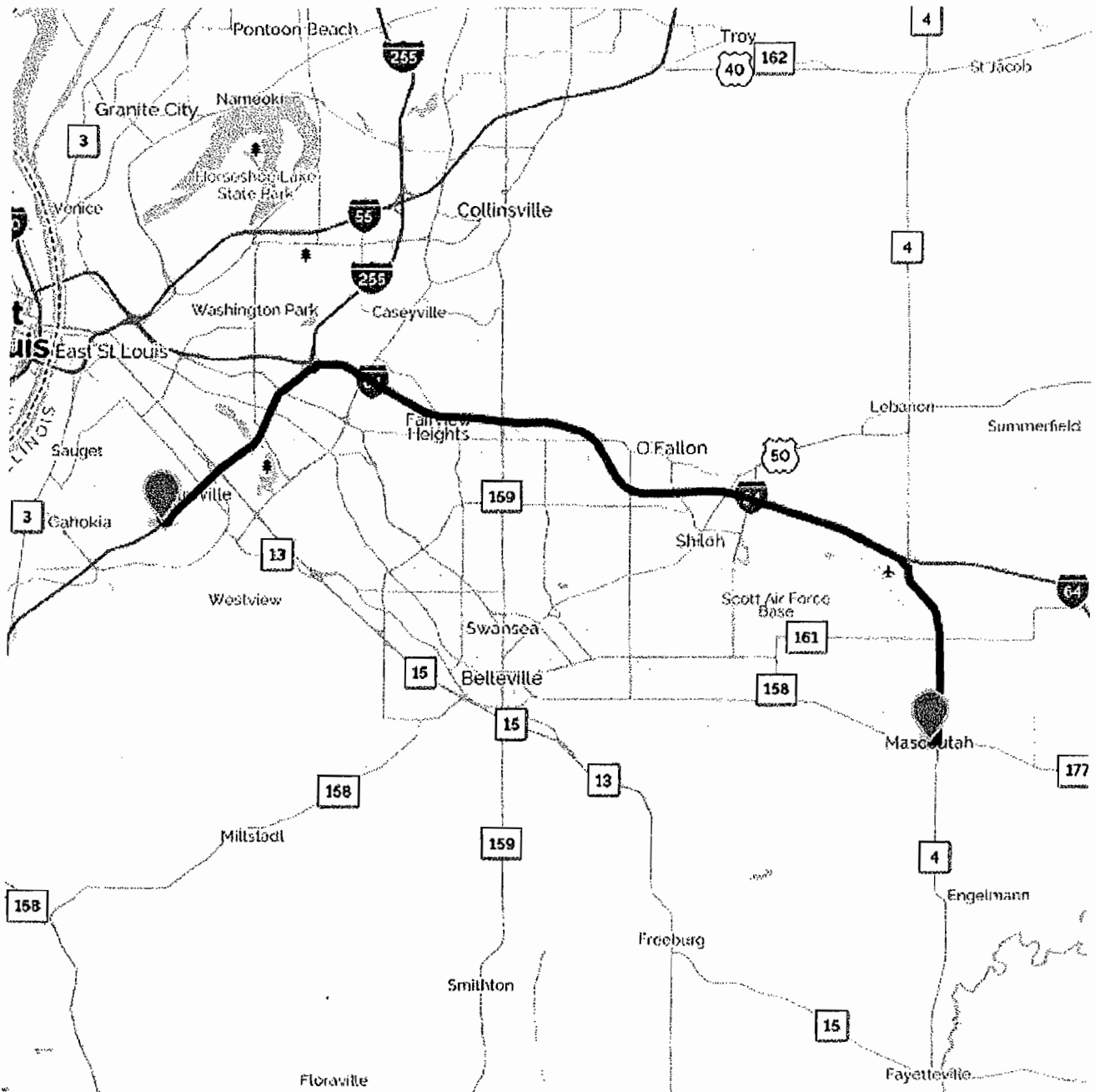


Welcome to MASCOUTAH, IL.

Your destination is just past S Market St.

If you are on W Main St and reach N 1st St you've gone about 0.1 miles too far.

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YOUR TRIP TO:

Waterloo, IL



27 MIN | 20.9 MI

Trip time based on traffic conditions as of 1:15 PM on October 26, 2015.



Start out going north on Goose Lake Rd toward Grizzlie Bear Blvd.

Then 0.35 miles



Take the 1st right onto Mousette Ln.

Mousette Ln is 0.1 miles past Grizzlie Bear Blvd.

If you are on S 50th St and reach Church Rd you've gone about 0.4 miles too far.

Then 0.13 miles



Merge onto I-255 S/US-50 W toward Memphis.

If you reach Lorraine Dr you've gone about 0.4 miles too far.

Then 8.26 miles



Merge onto IL-3 S via EXIT 6 on the left toward Columbia.

Then 10.25 miles



Turn left onto N Market St.

N Market St is 0.3 miles past Country Club Ln.

Walgreens is on the corner.

Then 1.95 miles

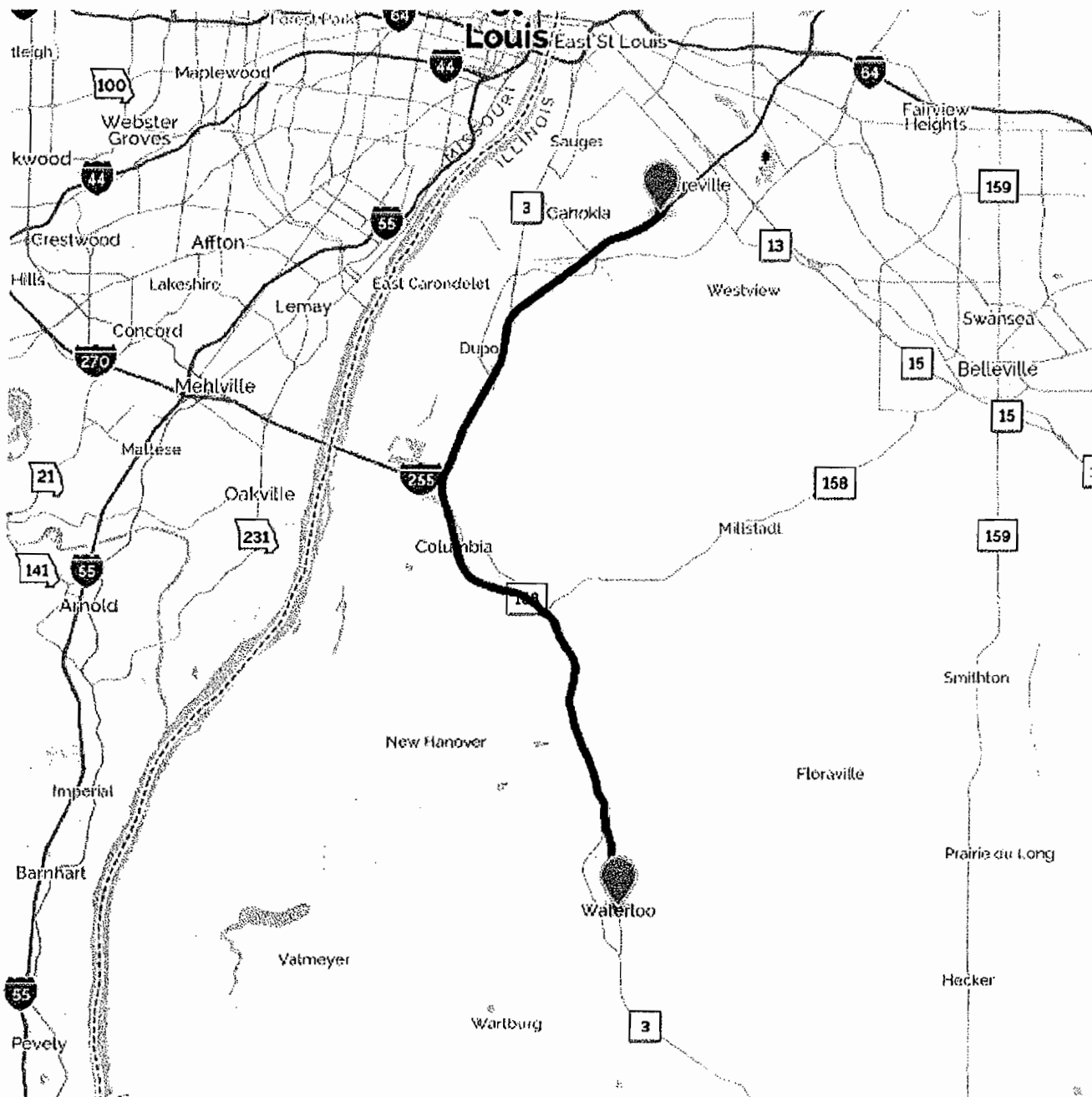


Welcome to WATERLOO, IL.

Your destination is 0.1 miles past Sycamore Dr.

If you reach Hartmann St you've gone about 0.1 miles too far.

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YOUR TRIP TO:

Interstate 55 S St Louis, MO 63118



19 MIN | 11.4 MI

Trip time based on traffic conditions as of 12:39 PM on November 4, 2015. Current Traffic:



Start out going southwest on Goose Lake Rd toward Carol St.

Then 1.00 miles



Turn right onto Jerome Ln.

Then 2.47 miles



Turn right onto Mississippi Ave/IL-3. Continue to follow IL-3.

IL-3 is just past Kinder St.

First Assembly Of God is on the right.

Then 2.27 miles



Merge onto I-64 W/US-40 W/Congressman William L. Clay Sr. Bridge toward St Louis (Crossing into Missouri).

Then 1.50 miles



Take the 9th St exit, EXIT 40A, toward Stadium/Tucker Blvd.

Then 0.32 miles



Turn slight right onto Clark Ave.

Then 0.25 miles



Take the 2nd right onto S Broadway.

S Broadway is 0.1 miles past S 8th St.

St Louis Community College Center for Business, Industry & Labor is on the corner.

If you reach S 4th St you've gone a little too far.

Then 0.06 miles



Take the 1st left onto Spruce St.

Ben & Jerry's is on the corner.

If you reach Poplar St you've gone a little too far.

Then 0.31 miles

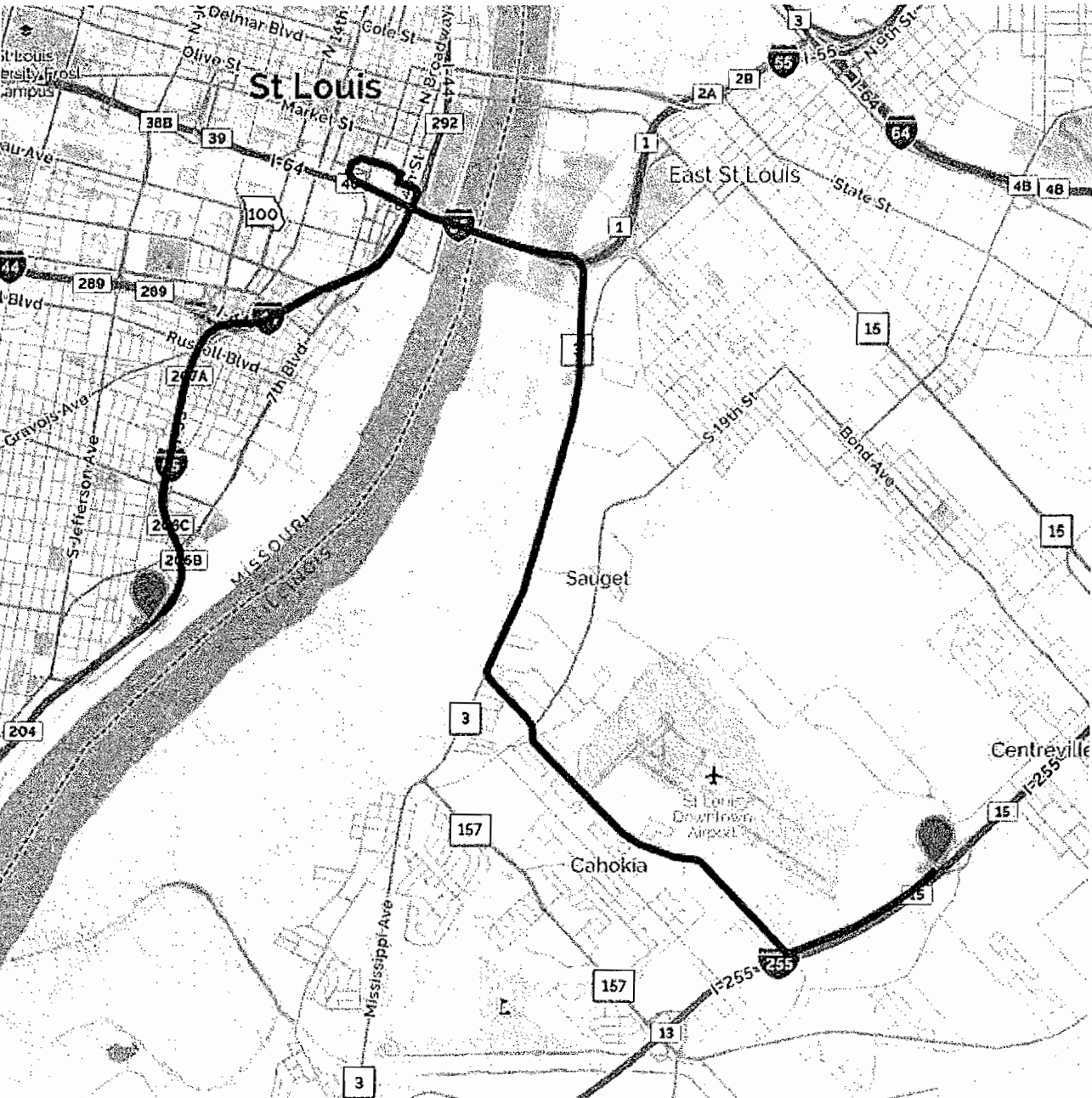


Stay straight to go onto I-44 W.

Then 0.93 miles

↖

Then 2.27 miles

[illegible]

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Appendix - 2

YOUR TRIP TO:

10715 Levee Rd Columbia, IL 62236-3711

mapquest

19 MIN | 15.0 MI

Trip time based on traffic conditions as of 12:41 PM on November 4, 2015. Current Traffic:



Start out going north on Goose Lake Rd toward Grizzlie Bear Blvd.

Then 0.35 miles



Take the 1st right onto Mousette Ln.

Mousette Ln is 0.1 miles past Grizzlie Bear Blvd.

If you are on S 50th St and reach Church Rd you've gone about 0.4 miles too far.

Then 0.13 miles



Merge onto I-255 S/US-50 W toward Memphis.

If you reach Lorraine Dr you've gone about 0.4 miles too far.

Then 8.26 miles



Merge onto IL-3 S/IL-158/Admiral Pkwy via EXIT 6 on the left toward Columbia.

Then 0.92 miles



Take the Palmer Road ramp toward Quarry Road.

Then 0.28 miles



Turn slight right onto Palmer Rd.

Then 0.22 miles



Palmer Rd becomes Bluff Rd.

Then 0.60 miles



Stay straight to go onto Bluff Rd/County Hwy-6.

Then 1.01 miles



Turn right onto Bottom Rd.

Bottom Rd is 0.3 miles past Valmeyer Rd.

If you reach Steppig Rd you've gone about 1.1 miles too far.

Then 2.31 miles



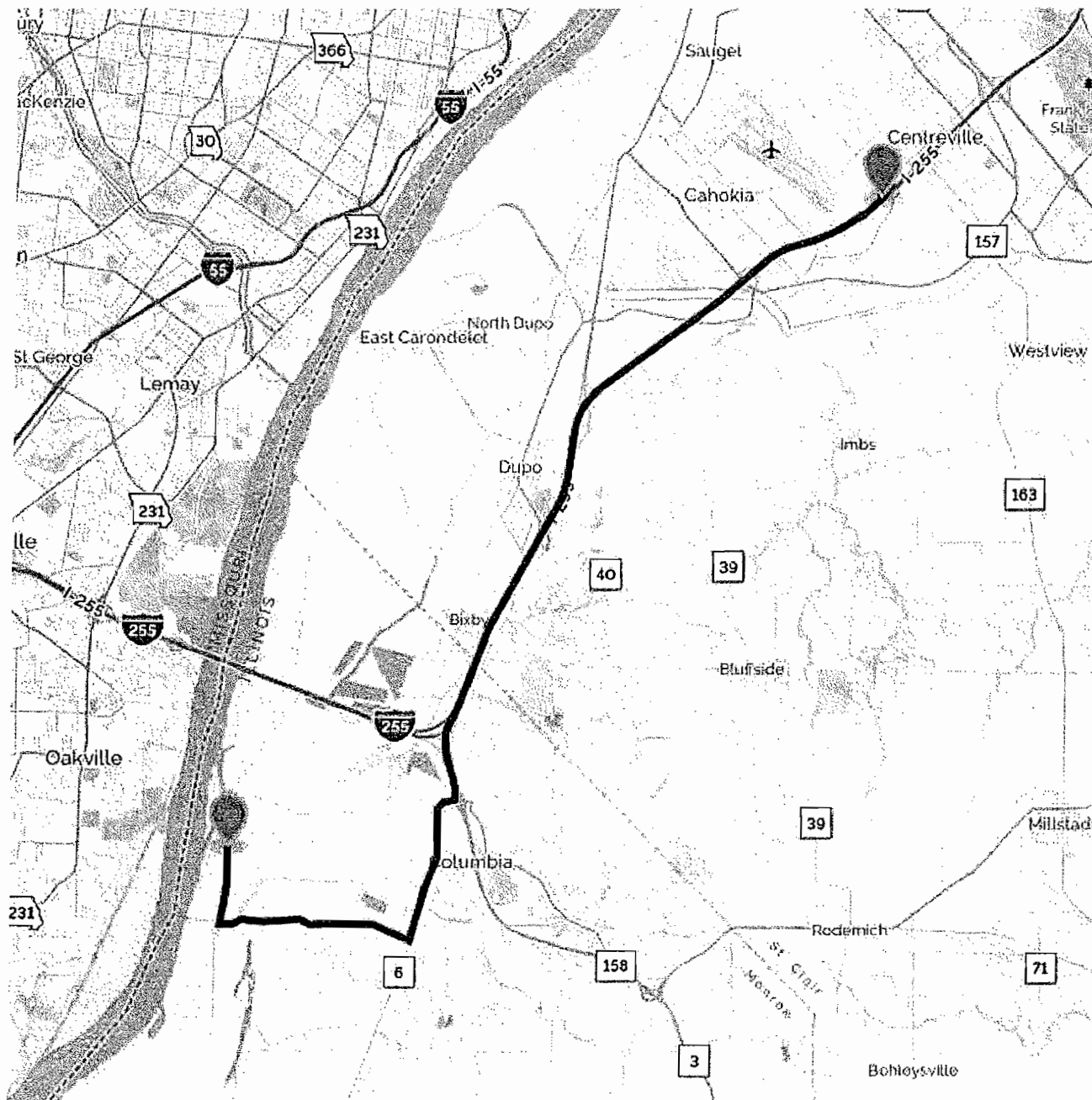
Turn right onto Levee Rd.

Then 0.93 miles



Your destination is 0.3 miles past Columbia.

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YOUR TRIP TO:

100 S 2nd St Lovejoy, IL 62059



20 MIN | 9.7 MI

Trip time based on traffic conditions as of 12:42 PM on November 4, 2015. Current Traffic:



Start out going north on Goose Lake Rd toward Grizzlie Bear Blvd.

Then 0.35 miles



Take the 1st right onto Mousette Ln.

Mousette Ln is 0.1 miles past Grizzlie Bear Blvd.

If you are on S 50th St and reach Church Rd you've gone about 0.4 miles too far.

Then 0.26 miles



Merge onto I-255 N/US-50 E via the ramp on the left toward Chicago.

If you reach Lorraine Dr you've gone about 0.3 miles too far.

Then 1.76 miles



Merge onto IL-15 W/Missouri Ave via EXIT 17B toward East St Louis.

Then 4.07 miles



Turn right onto Katherine Dunham Pl.

US Post Office is on the corner.

If you reach N 9th St you've gone a little too far.

Then 0.67 miles



Turn left onto Pennsylvania Ave.

Pennsylvania Ave is 0.1 miles past Summit Ave.

If you reach the end of Katherine Dunham Pl you've gone a little too far.

Then 0.07 miles



Take the 1st right onto N 9th St.

If you reach N 8th St you've gone a little too far.

Then 0.14 miles



Enter next roundabout and take the 3rd exit onto IL-3.

Then 2.38 miles

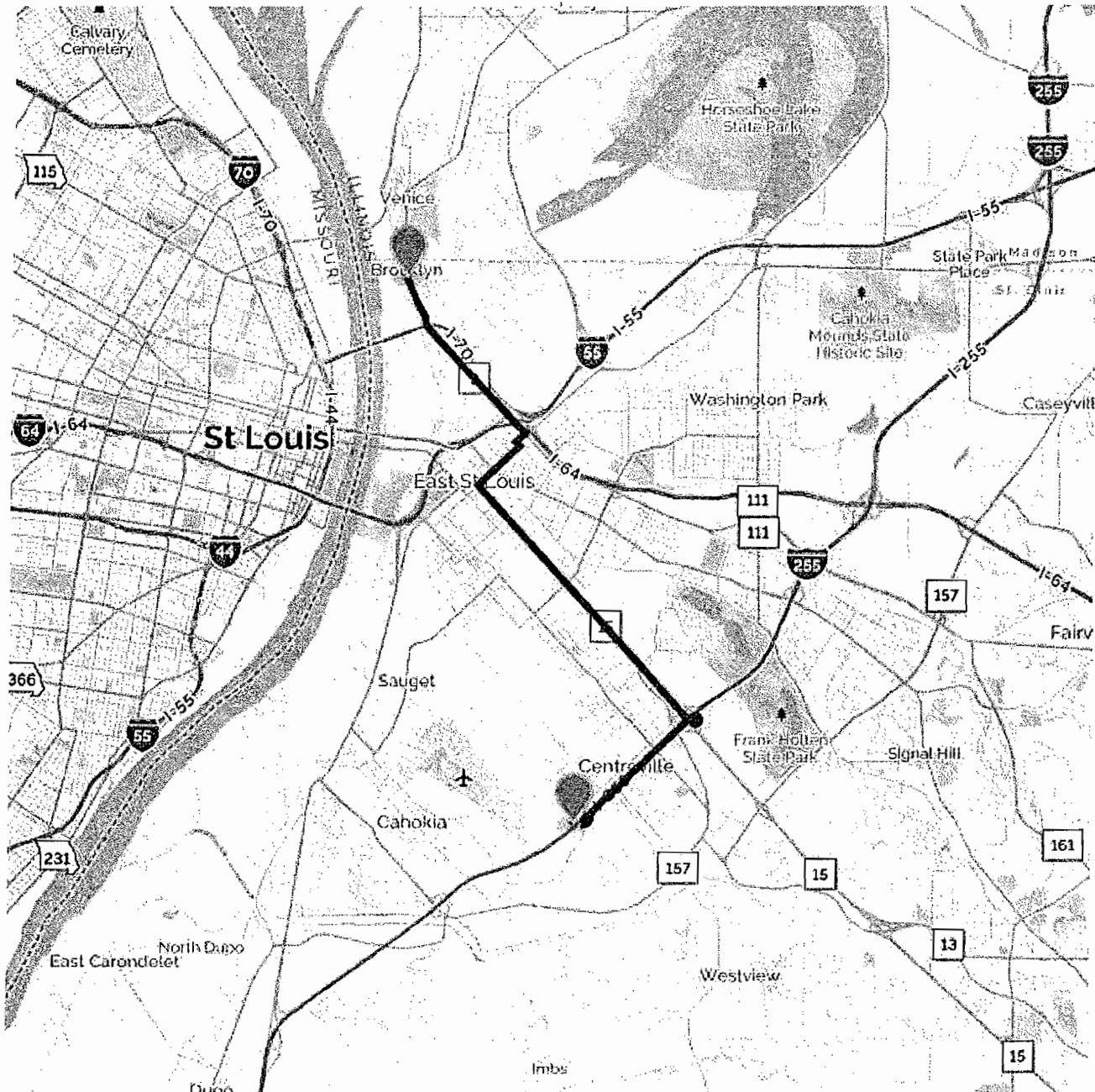


100 S 2ND ST is on the left.

Your destination is just past Jefferson St.

If you reach Madison St you've gone a little too far.

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

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3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	61-62
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	63-64
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6	Historic Preservation Act Requirements	67-78
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22	Acute Mental Illness	
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