

Original

16-035

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION AUG 26 2016

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD**Facility/Project Identification**

Facility Name: <i>Fresenius Medical Care Evergreen Park</i>			
Street Address: <i>8901 S. Kedzie Avenue</i>			
City and Zip Code: <i>Evergreen Park 60805</i>			
County: <i>Cook</i>	Health Service Area <i>7</i>	Health Planning Area:	

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

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

Type of Ownership of Applicant

☐ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
☒ Limited Liability Company	☐ Sole Proprietorship ☐
Other	
○ Corporations and limited liability companies must provide an Illinois certificate of good standing. ○ Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each ○ is a general or limited partner.	
APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

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

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

Type of Ownership of Co-Applicant

☐ Non-profit Corporation	☐ Partnership
☒ For-profit Corporation	☐ Governmental
☐ Limited Liability Company	☐ Sole Proprietorship ☐
☐ Other	
- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.	
APPEND DOCUMENTATION AS ATTACHMENT-1, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Primary Contact

Name: <i>Lori Wright</i>
Title: <i>Senior CON Specialist</i>
Company Name: <i>Fresenius Kidney Care</i>
Address: <i>3500 Lacey Road, Suite 900, Downers Grove, IL 60515</i>
Telephone Number: <i>630-960-6807</i>
E-mail Address: <i>lori.wright@fmc-na.com</i>
Fax Number: <i>630-960-6812</i>

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

Name: <i>Teri Gurchiek</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Kidney Care</i>
Address: <i>3500 Lacey Road, Suite 900, Downers Grove, IL 60515</i>
Telephone Number: <i>630-960-6806</i>
E-mail Address: <i>teri.gurchiek@fmc-na.com</i>
Fax Number: <i>630-960-6812</i>

Post Permit Contact

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

Name: <i>Lori Wright</i>
Title: <i>Senior CON Specialist</i>
Company Name: <i>Fresenius Kidney Care</i>
Address: <i>3500 Lacey Road, Suite 900, Downers Grove, IL 60515</i>
Telephone Number: <i>630-960-6807</i>
E-mail Address: <i>lori.wright@fmc-na.com</i>
Fax Number: <i>630-960-6812</i>

Additional Contact

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

Name: <i>Clare Ranalli</i>
Title: <i>Attorney</i>
Company Name: <i>McDermott, Will & Emery</i>
Address: <i>227 W. Monroe Street, Suite 4700, Chicago, IL 60606</i>
Telephone Number: <i>312-984-3365</i>
E-mail Address: <i>cranalli@mwe.com</i>
Fax Number: <i>312-984-7500</i>

Site Ownership

Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>Net3, LLC</i>
Address of Site Owner: <i>2803 W. Butterfield Road, Suite 310, Oak Brook, IL 60523</i>
Street Address or Legal Description of Site: <i>8901 S. Kedzie Avenue, Evergreen Park, 60805</i>

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: <i>Fresenius Medical Care Chicagoland, LLC d/b/a Fresenius Medical Care Evergreen Park</i>	
Address: <i>920 Winter Street, Waltham, MA 02451</i>	
☐ Non-profit Corporation ☐ For-profit Corporation ☒ Limited Liability Company ☐ Other	☐ Partnership ☐ Governmental ☐ Sole Proprietorship
○ 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.

Fresenius Medical Care Chicagoland, LLC is requesting an emergency permit to relocate its Fresenius Medical Care Evergreen Park ESRD facility in HSA 7, pursuant to 77IAC 1130.610. The facility closed effective July 22, 2016 due to a court ordered condemnation of the property's parking structure, which is not owned by Fresenius. The closed site is located at 9730 S. Western Avenue, Evergreen Park. The clinic will be relocated to 8901 S. Kedzie Avenue, also in Evergreen Park (PIN #s 24-01-115-021-000 & 24-01-115-022-0000).

The Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health were both notified of this discontinuation. The decision has been made to relocate the facility since the parking structure's condition will not be remedied and the entire building is scheduled to be demolished. The written request for emergency classification was submitted to the Board on July 7, 2016

At the time of the clinic's closing there were 164 patients receiving dialysis treatment at the site and it was 90% utilized (utilization of this facility has been above 80% for many years). The facility also treats over 40 home dialysis patients. These patients are currently being treated at other area Fresenius facilities and a few have gone to other providers in the area. Their lives have been severely disrupted due to the change in treatment schedule times for most, not to mention the transportation and travel issues these changes have triggered. As well, an access crisis has erupted in the area with 10 Fresenius facilities now at capacity and all are preparing to initiate a 4th daily treatment shift that does not end until midnight.

Because the current site in HSA 7 is on the border of Chicago (HSA 6) it took longer than expected to find a site large enough that was not located across the street in Chicago. The new clinic site will be in an existing building at 8901 S. Kedzie Avenue, Evergreen Park (see attached letter of intent for leased space). It is 4 minutes from the previous location. Both the current and proposed sites are in HSA 7. We will be able to accommodate all of the patients that had previously dialyzed at the Evergreen Park facility and will be around 90% utilized upon opening and will not have to rely on physician referrals to achieve target utilization. The landlord/developer will be providing the build-out of the interior of leased space as included in the lease and we anticipate treating patients at the new site in early 2017 or sooner if possible to reduce stress on the displaced patients.

Dr. Paul Crawford is the Medical Director of the current site and will remain the Medical Director after the relocation. A patient transfer agreement with Little Company of Mary Hospital in Evergreen Park is in place and will continue to remain in effect after the relocation.

According to the June 2016 Board station inventory there is a determined need for an additional 60 stations in HSA 7. This project will have no impact on the inventory.

This project is "substantive" under Planning Board rule 1110.40 as it entails the discontinuation of a health care facility and the establishment of a replacement facility (relocation).

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	NON-CLINICAL	TOTAL
Preplanning Costs	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	N/A	N/A	N/A
Contingencies	N/A	N/A	N/A
Architectural/Engineering Fees	N/A	N/A	N/A
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	617,135	85,000	702,135
Bond Issuance Expense (project related)	N/A	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A	N/A
Fair Market Value of Leased Space 8,299,235 or Equipment 23,000	5,892,457	2,429,778	8,322,235
Other Costs To Be Capitalized	N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)	N/A	N/A	N/A
TOTAL USES OF FUNDS	\$6,509,592	\$2,514,778	\$9,024,370
SOURCE OF FUNDS	CLINICAL	NON-CLINICAL	TOTAL
Cash and Securities	617,135	85,000	702,135
Pledges	N/A	N/A	N/A
Gifts and Bequests	N/A	N/A	N/A
Bond Issues (project related)	N/A	N/A	N/A
Mortgages	N/A	N/A	N/A
Leases (fair market value)	5,892,457	2,429,778	8,322,235*
Governmental Appropriations	N/A	N/A	N/A
Grants	N/A	N/A	N/A
Other Funds and Sources	N/A	N/A	N/A
TOTAL SOURCES OF FUNDS	\$6,509,592	\$2,514,778	\$9,024,370
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

*Landlord/developer will incur all costs of construction and architecture and it will be paid back over the term of the lease as rent.

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 (Relocation of existing facility)

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 \$ 511,153.

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): December 31, 2017*
**The facility is expected to reopen by March 2017 however it will take several additional months to receive CMS recertification and receive certification letter to close out the permit.*

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							
In-Center Hemodialysis	\$6,509,592		11,658		11,658		
Total Clinical	\$6,509,592		11,658		11,658		
NON REVIEWABLE							
Non-Clinical (Administrative, Mechanical, Staff, Waiting Room Areas)	\$2,514,778		4,842		4,842		
Total Non-clinical	\$2,514,778		4,842		4,842		
TOTAL	\$9,024,370		16,500		16,500		

CERTIFICATION

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

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

This Application for Permit is filed on the behalf of Fresenius Medical Care Chicagoland, LLC *

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


SIGNATURE

Teri Gurschick
PRINTED NAME

Regional Vice President
PRINTED TITLE

Notarization:
this 15th day of July 2016


Signature of Notary OFFICIAL SEAL
Seal CANDACE M TUROSKI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/09/17

*Insert EXACT legal name of the applicant

CERTIFICATION

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

- 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 Fresenius Medical Care Holdings, Inc. *

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

SIGNATURE

PRINTED NAME
Bryan Mello

PRINTED TITLE

SIGNATURE

PRINTED NAME
Mark Fawcett

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____ 2016

Notarization:

Subscribed and sworn to before me
this 14 day of July 2016

Signature of Notary

Seal

Signature of Notary



*Insert EXACT legal name of the applicant

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

PURPOSE OF PROJECT

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: NOT APPLICABLE – THERE IS NO UNFINISHED SHELLSPACE

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: NOT APPLICABLE – THERE IS NO UNFINISHED SHELLSPACE

Submit the following:

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

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

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

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

G. Criterion 1110.1430 - In-Center Hemodialysis

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

Category of Service	# Existing Stations	# Proposed Stations
☒ In-Center Hemodialysis	30	30

- 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

- 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:**

<u>702,135</u>	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
	1)	the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
	2)	interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
<u>N/A</u>	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
<u>N/A</u>	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>8,322,235</u>	d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
	1)	For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
	2)	For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
	3)	For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
	4)	For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
	5)	For any option to lease, a copy of the option, including all terms and conditions.
<u>N/A</u>	e)	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
<u>N/A</u>	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
<u>N/A</u>	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$ 9,024,370	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	APPLICANT MEETS THE FINANCIAL VIABILITY WAIVER CRITERIA IN THAT ALL OF THE PROJECTS CAPITAL EXPENDITURES ARE COMPLETELY FUNDED THROUGH INTERNAL SOURCES, THEREFORE NO RATIOS ARE PROVIDED.			
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

2. Variance

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
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)
ESRD								
Contingency			NOT APPLICABLE – Buildout of the leased space is included in the rent as leasehold improvement and will be paid back to the landlord over the term of the lease.					
Total Clinical								
Non Clinical								
Contingency								
Total Non								
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 40.

Safety Net Information per PA 96-0031			
CHARITY CARE			
	2013	2014	2015
Net Revenue	\$398,570,288	\$411,981,839	\$438,247,352
Charity *(# of self-pay patients)	499	251	195
Charity (cost in dollars)	\$5,346,976	\$5,211,664	\$2,983,427
Ratio Charity Care Cost to Net Patient Revenue	1.34%	1.27%	.68%
MEDICAID			
	2013	2014	2015
Medicaid (# of patients)	1,660	750	396
Medicaid (revenue)	\$31,373,534	\$22,027,882	\$7,310,484
Ratio Medicaid to Net Patient Revenue	7.87%	5.35%	1.67%

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			
	2013	2014	2015
Net Patient Revenue	\$398,570,288	\$411,981,839	\$438,247,352
Amount of Charity Care (charges)	\$5,346,976	\$5,211,664	\$2,983,427
Cost of Charity Care	\$5,346,976	\$5,211,664	\$2,983,427
Ratio Charity Care Cost to Net Patient Revenue	1.34%	1.27%	0.68%

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

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Co-applicant Identification including Certificate of Good Standing	
2	Site Ownership	
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	
8	Obligation Document if required	
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	
12	Purpose of the Project	
13	Alternatives to the Project	
14	Size of the Project	
15	Project Service Utilization	
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	
27	Non-Hospital Based Ambulatory Surgery	
28	Selected Organ Transplantation	
29	Kidney Transplantation	
30	Subacute Care Hospital Model	
31	Children's Community-Based Health Care Center	
32	Community-Based Residential Rehabilitation Center	
33	Long Term Acute Care Hospital	
34	Clinical Service Areas Other than Categories of Service	
35	Freestanding Emergency Center Medical Services	
	Financial and Economic Feasibility:	
36	Availability of Funds	
37	Financial Waiver	
38	Financial Viability	
39	Economic Feasibility	
40	Safety Net Impact Statement	
41	Charity Care Information	
	Appendix 1 – MapQuest Travel Times	
	Appendix 2 – Service Demand - Physician Referral Letter	

Applicant Identification

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

Type of Ownership of Applicant

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

***Certificate of Good Standing for Fresenius Medical Care Chicagoland, LLC on following page.**

Co - Applicant Identification

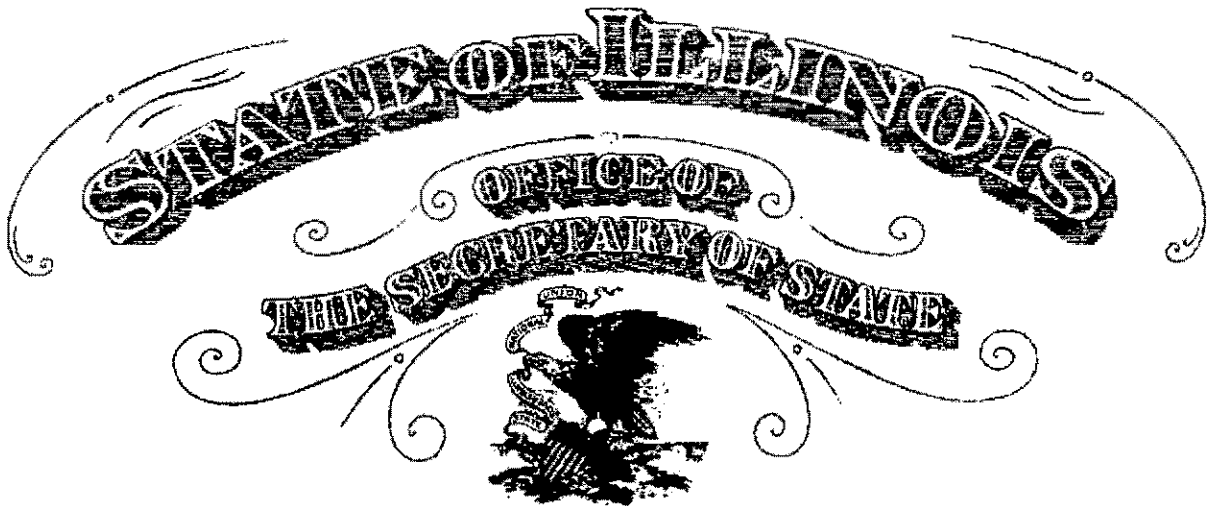
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: <i>Fresenius Medical Care Holdings, Inc.</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Ron Kuerbitz</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02541</i>
Telephone Number: <i>781-669-9000</i>

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

Type of Ownership – Co-Applicant

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



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

FRESENTUS MEDICAL CARE CHICAGOLAND, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON AUGUST 24, 2011, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 1818801902 verifiable until 07/06/2017

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

In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 6TH
day of JULY A.D. 2016 .

Jesse White

SECRETARY OF STATE

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>Net3, LLC</i>
Address of Site Owner: <i>2803 W. Butterfield Road, Suite 310, Oak Brook, IL 60523</i>
Street Address or Legal Description of Site: <i>8901 S. Kedzie Ave., Evergreen Park, IL 60805</i>

APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Mr. David E. Cunningham
Managing Director
Net³ Real Estate, LLC
220 North Green Street
Chicago, IL 60607

RE: 8901 S. Kedzie Street
Evergreen Park, IL
Letter of Intent

David,

FRESENIUS KIDNEY CARE is pleased to present the following letter of intent to lease space from your company.

LANDLORD:	Net3 Realty.
TENANT:	Fresenius Medical Care Chicagoland LLC.
LOCATION:	8901 S Kedzie, Evergreen, Park, IL.
INITIAL SPACE REQUIREMENTS:	Approximately 16,500 sq.ft.
PRIMARY TERM:	15 years.
DELIVERY OF PREMISES:	Landlord shall provide a turnkey transaction.
OPTIONS TO RENEW:	Four (4), five (5) year options to renew the Lease. Option rental rates shall be based upon 90% of market rent. Tenant shall provide six months (6) sixty (60) days' prior written notification of its desire to exercise the option.
RENTAL RATE:	\$28.00 Net Net.
COMMENCEMENT:	Rent to commence after completion of interior improvements.
EXPENSES AND REAL ESTATE TAXES:	Tenant shall be responsible for all Real Estate Taxes and Operating Expenses.
ESCALATION:	The 10% escalation every five (5) years.
LANDLORD BASE BUILDING WORK:	Landlord shall complete all interior tenant improvements.
USE:	FRESENIUS KIDNEY CARE shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes except those authorized in writing by Landlord, which shall not be unreasonably withheld, conditioned or delayed. FRESENIUS KIDNEY

[Type here]

CARE may operate on the Premises, at FRESenius KIDNEY CARE's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

**CONTRACTOR FOR
TENANT IMPROVEMENTS:**

Landlord shall hire a contractor of its' choosing for interior improvements.

DELIVERIES:

FRESenius KIDNEY CARE requires delivery access to the Premises 24 hours per day, 7 days per week.

EMERGENCY GENERATOR:

FRESenius KIDNEY CARE shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.

**SPACE PLANNING/
ARCHITECTURAL AND
MECHANICAL DRAWINGS:**

FRESenius KIDNEY CARE will provide all space planning and architectural and mechanical drawings required to build out the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the Tenant's responsibility.

PARKING:

Landlord will provide a parking ratio of 4 per 1,000 RSF with as many of those spaces as possible to be directly in front of the building for patient use. FRESenius KIDNEY CARE shall require that 10% of the parking be designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at Landlord's sole cost and expense). FMC will need at least 45 parking stalls.

BUILDING CODES:

FRESenius KIDNEY CARE requires that the site, shell and all interior structures constructed or provided by the Landlord to meet all local, State, and Federal building code requirements, including all provisions of ADA.

**CORPORATE
IDENTIFICATION:**

Tenant shall have signage rights in accordance with local code.

**ASSIGNMENT/
SUBLETTING:**

FRESenius KIDNEY CARE requires the right to assign or sublet all or a portion of the demised premises to any subsidiary or affiliate without Landlord's consent. Any other assignment or subletting will be subject to Landlord's prior consent, which shall not be unreasonably withheld or delayed.

MAINTENANCE:

Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the exterior portions and structural portions of the Building to keep the building weather and water tight and structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, doors and windows, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, footings as well as any elevators, water mains, gas and sewer lines, sidewalks, private

[Type here]

roadways, landscape, parking areas, common areas, and loading docks, if any, on or appurtenant to the Building or the Premises.

With respect to the parking and other exterior areas of the Building and subject to reasonable reimbursement by Tenant, Landlord shall perform the following, pursuant to good and accepted business practices throughout the term: repainting the exterior surfaces of the building when necessary, repairing, resurfacing, repaving, re-striping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

Tenant shall maintain and keep the interior of the Premises in good repair, free of refuse and rubbish and shall return the same at the expiration or termination of the Lease in as good condition as received by Tenant, ordinary wear and tear, and damage or destruction by fire, flood, storm, civil commotion or other unavoidable causes excepted. Tenant shall be responsible for maintenance and repair of Tenant's equipment in the Premises.

UTILITIES:

Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of any of Tenant's utility specifications in the Premises. Landlord agrees to bring water, electricity, gas and sanitary sewer to the Premises in sizes and to the location specified by Tenant and pay for the cost of meters to meter their use. Landlord shall pay for all impact fees and tapping fees associated with such utilities.

SURRENDER:

At any time prior to the expiration or earlier termination of the Lease, Tenant may remove any or all the alterations, additions or installations, installed by or on behalf of Tenant, in such a manner as will not substantially injure the Premises. Tenant agrees to restore the portion of the Premises affected by Tenant's removal of such alterations, additions or installations to the same condition as existed prior to the making of such alterations, additions, or installations. Upon the expiration or earlier termination of the Lease, Tenant shall turn over the Premises to Landlord in good condition, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commotion, or other unavoidable cause excepted.

**ZONING AND
RESTRICTIVE COVENANTS:**

Landlord confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no restrictive covenants imposed by the development, owner, and/or municipality that would in any way limit or restrict the operation of FRESENIUS KIDNEY CARE's dialysis clinic

FLOOD PLAIN:

Landlord confirms that the property and premises is not in a Flood Plain.

CAPITALIZATION TEST:

Landlord will complete the attached Accounting Classification Form to ensure FRESENIUS KIDNEY CARE is not entering into a capitalized lease arrangement.

[Type here]

SNDA: Landlord will provide a non-disturbance agreement.

EXCLUSIVITY Landlord will not, during the term of the Lease and any option terms, lease space in a five (5) mile radius to any other provider of hemodialysis services.

ENVIRONMENTAL: Landlord will provide all environmental soil tests to tenant.

DRAFT LEASE: FRESenius KIDNEY CARE requires the use of its Standard Form Lease.

LEASE EXECUTION: Both parties agree that they will make best efforts to reach a fully executed lease document within thirty days of the execution of this letter of intent.

LEASE SECURITY: Fresenius Medical Holdings, Inc. shall fully guarantee the lease. Financials will be provided to the Landlord.

CONFIDENTIAL: The material contained herein is confidential. It is intended for use of Landlord and Tenant solely in determining whether they desire to enter into a Lease, and it is not to be copied or discussed with any other person.

NON-BINDING NATURE: This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive Lease agreement has been fully executed and delivered by the parties. The parties agree that this proposal is not intended to create any agreement or obligation by either party to negotiate a definitive Lease agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive, fully executed agreement, and without any liability to the other party, either party may (i) propose different terms from those summarized herein, (ii) enter into negotiations with other parties and/or (iii) unilaterally terminate all negotiations with the other party hereto.

CON Approval: The lease shall be contingent upon Tenant's award of a Certificate of Need by the Illinois Health Facilities Planning Commission. Estimated approval month is September 2016.

You may email the proposal to loren.guzik@fmc-na.com. Thank you for your time and cooperation in this matter, should you have any questions please call me at 312.470.1897.

Sincerely,

Loren Guzik

[Type here]

Transaction Manager
Fresenius Medical Care
3500 Lacey Rd.
Downers Grove, IL 60515

AGREED AND ACCEPTED this 24th day of August, 2016

By: Dei A. Suredin

Title: Regional Vice President

AGREED AND ACCEPTED this ____ day of _____, 2016

By:

Title:

[Type here]

Operating Identity/Licensee

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

Type of Ownership of Applicant

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

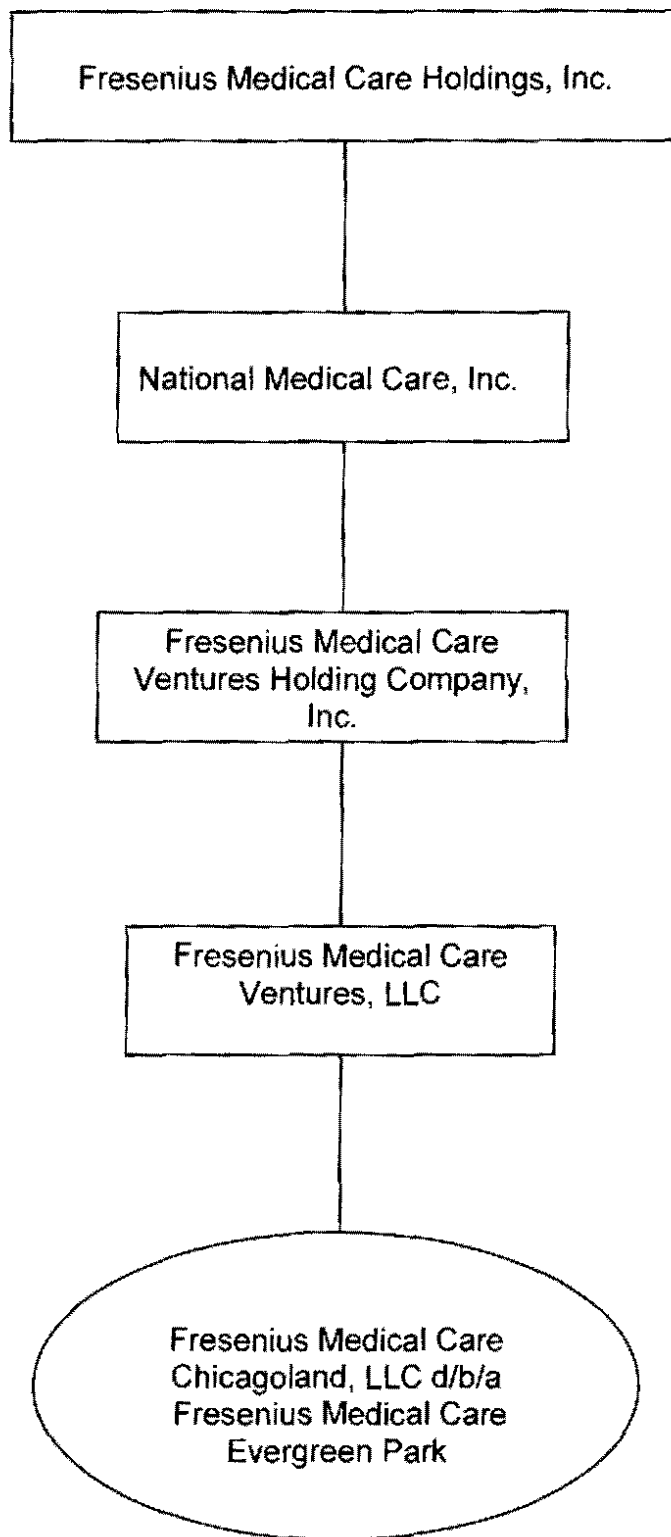
- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each
- o is a general or limited partner.

*Certificate of Good Standing at Attachment – 1.

Ownership

Fresenius Medical Care Ventures, LLC has a 60% membership interest in Fresenius Medical Care Chicagoland, LLC. Its address is 920 Winter Street, Waltham, MA 02451

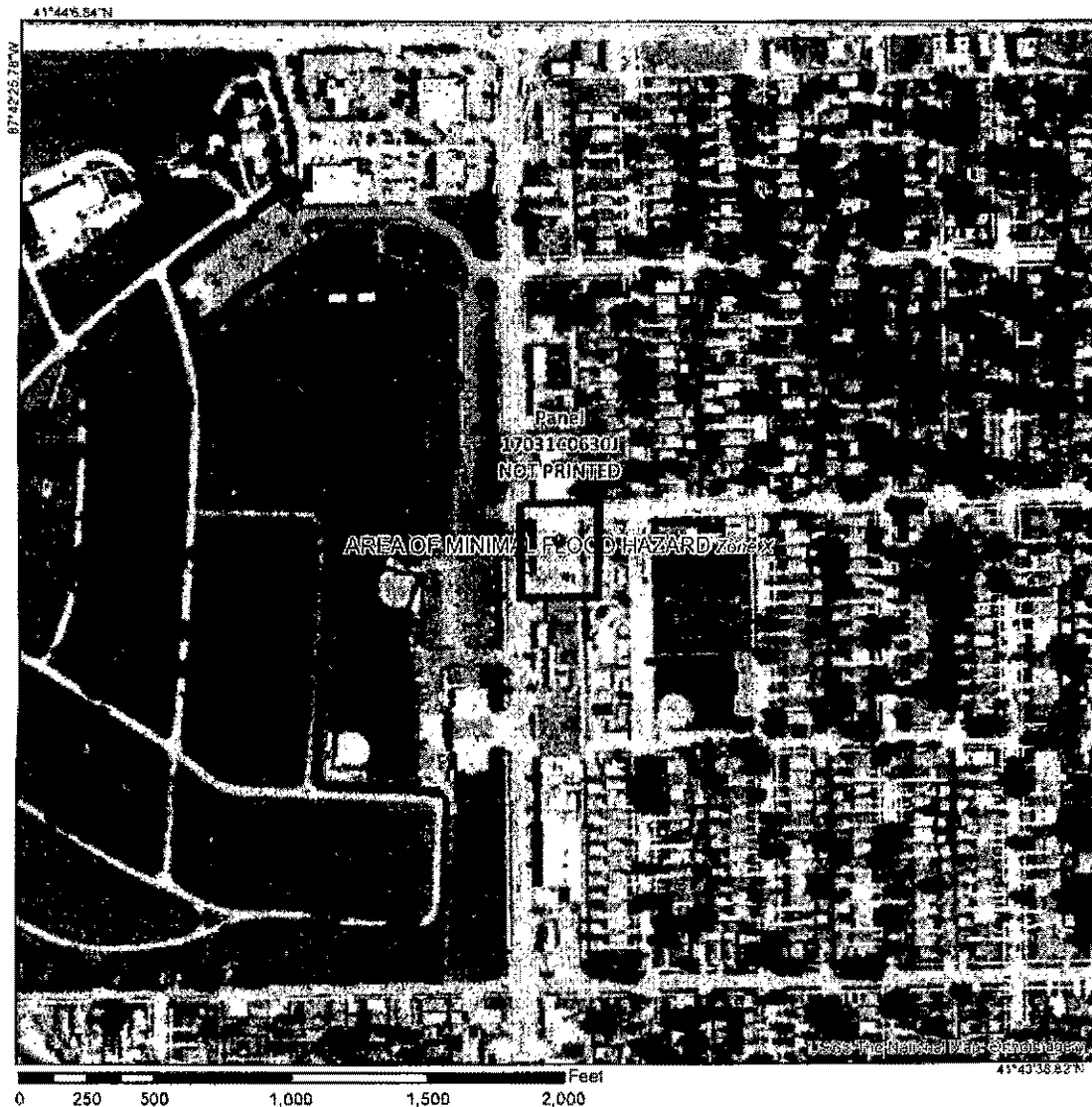
AIN Ventures, LLC has a 40% membership interest in Fresenius Medical Care Chicagoland, LLC. Its address is 210 S. Des Plaines Street, Chicago, IL 60661.



Flood Plain Requirements

The proposed site for the relocation of Fresenius Medical Care Evergreen Park complies with the requirements of Illinois Executive Order #2005-5. The site, 8901 S. Kedzie Avenue, Evergreen Park, is not located in a flood plain.

National Flood Hazard Layer FIRMette



Legend

- Cross-Sections
- ~ Base Flood Elevations
- Flood Hazard Zones**
 - 1% Annual Chance Flood
 - Regulatory Floodway
 - Special Floodway
 - Area of Undetermined Flood Hazard
 - 0.2% Annual Chance Flood
 - Future Conditions 1% Annual Chance Flood Hazard
 - Area with Reduced Risk Due to Levee
- LOMRs**
 - Effective
- Map Panels**
 - Digital Data
 - Unmodernized Maps
 - Unmapped

This map complies with FEMA's standards for the use of digital flood maps. The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This base map shown complies with FEMA's base map accuracy standards.

The NFHL is a living database, updated daily, and this map represents a snapshot of information at a specific time.

Flood risks are dynamic and can change frequently due to a variety of factors, including weather patterns, erosion, and new development. FEMA flood maps are continually updated through a variety of processes. Users should always verify through the Map Service Center (<http://msc.fema.gov>) or the Community Map Repository that they have the current effective information.

NFHL maps should not be created for unmapped or unmodernized areas.



FEMA

Date: 6/2/2016 Time: 2:13:10 PM



Illinois Historic Preservation Agency

1 Old State Capitol Plaza • Springfield, Illinois 62701-1507 • (217) 782-4836 • TTY (217) 524-7128 FAX (217) 524-7525

Cook County

Evergreen Park

CON - Lease to Relocate a 30-Station Dialysis Facility

Existing - 9730 S. Western Ave., Proposed - 8901 S. Kedzie Ave.

IHPA Log #008080516

August 18, 2016

Lori Wright

Fresenius Medical Care

3500 Lacey Road, suite 900

Downers Grove, IL 60515

Dear Ms. Wright:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact David Halpin, Cultural Resources Manager, at 217/785-4998.

Sincerely,

Rachel Leibowitz, Ph.D.

Deputy State Historic

Preservation Officer

SUMMARY OF PROJECT COSTS

Modernization	
General Conditions	N/A
Temp Facilities, Controls, Cleaning, Waste Management	N/A
Concrete	N/A
Masonry	N/A
Metal Fabrications	N/A
Carpentry	N/A
Thermal, Moisture & Fire Protection	N/A
Doors, Frames, Hardware, Glass & Glazing	N/A
Walls, Ceilings, Floors, Painting	N/A
Specialities	N/A
Casework, FI Mats & Window Treatments	N/A
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	N/A
Wiring, Fire Alarm System, Lighting	N/A
Miscellaneous Construction Costs	N/A
Total	N/A*
Contingencies	
	N/A*
Architecture/Engineering Fees	
	N/A*
Moveable or Other Equipment	
Dialysis Machines	140,135
Dialysis Chairs	75,000
Clinical Furniture & Equipment	40,000
Office Equipment & Other Furniture	60,000
Water Treatment	210,000
TVs & Accessories	85,000
Telephones	27,000
Generator Switch	10,000
Facility Automation	30,000
Other miscellaneous	25,000
	\$702,135
Fair Market Value of Leased Space and Equipment	
FMV Leased Space (16,500 GSF)	8,299,235
FMV Leased Office Equipment	23,000
	\$8,322,235
Grand Total	\$9,024,370

*All project construction and architecture costs are being incurred by the landlord and being paid back through the term of the lease as rent.

Itemized Costs
ATTACHMENT - 7

Current Fresenius CON Permits and Status

Project Number	Project Name	Project Type	Completion Date	Comment
#14-012	Fresenius Medical Care Gurnee	Relo/Expansion	12/31/2016	Open 3/21/16 awaiting CMS certification
#14-019	Fresenius Medical Care Summit	Establishment	12/31/2016	Open 8/03
#13-040	Fresenius Medical Care Lemont	Establishment	09/30/2016	Open 7/06
#14-026	Fresenius Medical Care New City	Establishment	09/30/2017	Construction Underway – Opening 10/2016
#14-047	Fresenius Medical Care Humboldt Park	Establishment	12/31/2016	Construction Underway – Opening 12/2016
#14-065	Fresenius Medical Care Plainfield North	Relocation	12/31/2016	Opening 9/2016
#15-001	Fresenius Medical Care Steger	Expansion	12/31/2016	Done – Waiting for CMS certification
#15-022	Fresenius Medical Care Blue Island	Expansion	12/31/2016	Done – Waiting for CMS certification
#15-024	Fresenius Medical Care Chicago	Change Ownership	12/31/2016	In Negotiations
#15-034	Fresenius Medical Care South Holland	Expansion	12/31/2015	Done – Waiting for CMS certification
#15-028	Fresenius Medical Care Schaumburg	Establishment	02/28/2017	Obligated/Bidding/Permitting Phase
#15-036	Fresenius Medical Care Zion	Establishment	06/30/2017	Obligated/Bidding/Permitting Phase
#15-062	Fresenius Medical Care Belleville	Establishment	12/31/2017	Bidding/Permitting Phase

Cost Space Requirements

Provide in the following format, the department/area GSF and cost. 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							
In-Center Hemodialysis	\$6,509,592		11,658		11,658		
Total Clinical	\$6,509,592		11,658		11,658		
NON REVIEWABLE							
Non-Clinical (Administrative, Mechanical, Staff, Waiting Room Areas)	\$2,514,778		4,842		4,842		
Total Non-clinical	\$2,514,778		4,842		4,842		
TOTAL	\$9,024,370		16,500		16,500		

1110.130 – DISCONTINUATION

General Information Requirements

Fresenius Medical Care Chicagoland, LLC was forced to discontinue its 30-station ESRD facility located at 9730 S. Western Avenue, Evergreen Park, operating at 91% utilization as of July 2016 due to the City condemning the facility parking structure, which is also the entrance to the clinic. Fresenius proposes establishing a replacement facility to be located at 8901 S. Kedzie Avenue. Both facilities are in Evergreen Park in HSA 7. All patients are expected to transfer back to the new facility and therefore all medical records will be transferred to the new site as well.

The discontinuation was effective as of July 16, 2016 and the patients are expected to transfer back to the relocated facility on or before March 31, 2017. There will be no break in service to the patients involved as they are currently being treated at other area facilities.

Reasons for Discontinuation

The Evergreen Park facility is located in a development that has seen recent demolition and revitalization. Demolition activity has rendered the parking structure/entrance to the facility unstable and therefore it was condemned by the City of Evergreen Park as of July 1, 2016. As of July 16, 2016 all 164 patients were temporarily transferred to other area facilities for treatment pending relocation of the facility.

Impact On Access

The southwest Chicago area clinics are now in a state of crisis as it relates to access due to the transfer of the 164 in-center ESRD patients and 40-plus home dialysis patients. This shifting of patients has caused all area facilities to be at capacity. There are currently 10 Fresenius facilities initiating a 4th treatment shift to be able to accommodate new patients beginning dialysis. It is determined that the "relocation" of the Evergreen Park facility to an alternate site will not have any impact on any area ESRD providers other than to alleviate the current access crisis. Given its current patient load, the proposed facility will still be above 80% utilization after relocating, without the need for any further patient referrals. No additional patients are being transferred from any other facility. The "relocation" will have a positive impact for ESRD patients in the Evergreen Park area by restoring and maintaining access to dialysis services. It is imperative to have continued access to treatment for this large patient population that is 86% African American.

Fresenius Kidney Care

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

Alongside our core business with dialysis products and the treatment of dialysis patients, Fresenius Kidney Care maintains a network of additional medical services to better address the full spectrum of our patients' health care needs. These include pharmacy services, vascular, cardiovascular and endovascular surgery services, non-dialysis laboratory testing services, physician services, hospitalist and intensivist services, non-dialysis health plan services and urgent care services. We have a singular focus: improving the quality of life of every patient every day.

The size of the company and range of services provides healthcare partners/employees and patients with an expansive range of resources from which to draw experience, knowledge and best practices. It has also allowed it to establish an unrivaled emergency preparedness and disaster relief program that's designed to provide life sustaining dialysis care to dialysis patients whose access to clinics are disrupted in areas of the U.S. that are compromised by disaster (e.g. hurricanes, tornadoes, earthquakes). Through this program we also provide clinics, employees and others with essential supplies such as generators, gasoline and water.

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

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

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

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

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

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

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

Diabetes Care Partnership - Fresenius Kidney Care and Joslin Diabetes Center, the world's preeminent diabetes research, clinical care and education organization, announced an agreement to jointly develop renal care programs in select Joslin Affiliated Centers for patients with diabetic kidney disease (DKD). Fresenius and Joslin will jointly develop clinical guidelines and effective care delivery systems to manage high blood pressure, glucose, and nutrition in patients with DKD. In addition, the organizations will help educate patients as they prepare for the possibility of end stage renal disease (ESRD) and the necessity for dialysis or kidney transplantation. Fresenius Medical Care and Joslin's multidisciplinary and coordinated approach to chronic disease management will seek to improve patient outcomes while reducing unnecessary or lengthy hospitalizations, drug interactions and overall morbidity and mortality associated with uncoordinated care.

Locally, in Illinois, Fresenius Kidney Care is a predominant supporter of the National Kidney Foundation of Illinois (NKFI), Kidney Walk in downtown Chicago. Fresenius Kidney Care employees in Chicago alone raised \$22,000 for the foundation. The NKFI is an affiliate of the National Kidney Foundation, which funds medical research improving lives of those with kidney disease, prevention screenings and is a leading educator on kidney disease. Fresenius Kidney Care also donates another \$25,000 annually to the NKFI and another \$5,000 in downstate Illinois.

Fresenius Kidney Care In-center Clinics in Illinois

Clinic	Provider #	Address	City	Zip
Aledo	14-2658	409 NW 9th Avenue	Aledo	61231
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002
Aurora	14-2615	455 Mercy Lane	Aurora	60506
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651
Belleville	-	6525 W. Main Street	Belleville	62223
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406
Bolingbrook	14-2605	329 Remington	Bolingbrook	60440
Breese	14-2637	160 N. Main Street	Breese	62230
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609
Burbank	14-2641	4811 W. 77th Street	Burbank	60459
Carbondale	14-2514	1425 Main Street	Carbondale	62901
Centre West Springfield	14-2546	1112 Centre West Drive	Springfield	62704
Champaign	14-2588	1405 W. Park Street	Champaign	61801
Chatham	14-2744	333 W. 87th Street	Chicago	60620
Chicago Dialysis	14-2506	1806 W. Hubbard Street	Chicago	60622
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608
Cicero	14-2754	3000 S. Cicero	Chicago	60804
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624
Crestwood	14-2538	4861 W. Cal Sag Road	Crestwood	60445
Decatur East	14-2603	1830 S. 44th St.	Decatur	62521
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015
Des Plaines	14-2774	1625 Oakton Place	Des Plaines	60018
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185
DuQuoin	14-2595	825 Sunset Avenue	DuQuoin	62832
East Peoria	14-2562	3300 North Main Street	East Peoria	61611
Elgin	14-2726	2130 Point Boulevard	Elgin	60123
Elk Grove	14-2507	901 Biesterfield Road, Ste. 400	Elk Grove	60007
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609
Geneseo	14-2592	600 North College Ave, Suite 150	Geneseo	61254
Glendale Heights	14-2617	130 E. Army Trail Road	Glendale Heights	60139
Glenview	14-2551	4248 Commercial Way	Glenview	60025
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619
Gurnee	14-2549	101 Greenleaf	Gurnee	60031
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429
Highland Park	14-2782	1657 Old Skokie Road	Highland Park	60035
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195
Humboldt Park	-	3500 W. Grand Avenue	Chicago	60651
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649
Joliet	14-2739	721 E. Jackson Street	Joliet	60432
Kewanee	14-2578	230 W. South Street	Kewanee	61443
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613
Lemont	-	16177 W. 127th Street	Lemont	60439
Logan Square	14-2766	2721 N. Spalding	Chicago	60647
Lombard	14-2722	1940 Springer Drive	Lombard	60148
Macomb	14-2591	523 E. Grant Street	Macomb	61455
Maple City	14-2790	1225 N. Main Street	Monmouth	61462
Marquette Park	14-2566	6515 S. Western	Chicago	60636
McHenry	14-2672	4312 W. Elm St.	McHenry	60050
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704
Melrose Park	14-2554	1111 Superior St., Ste. 204	Melrose Park	60160
Merrionette Park	14-2667	11630 S. Kedzie Ave.	Merrionette Park	60803
Metropolis	14-2705	20 Hospital Drive	Metropolis	62960
Midway	14-2713	6201 W. 63rd Street	Chicago	60638
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448
Moline	14-2526	400 John Deere Road	Moline	61265
Morris	14-2596	1401 Lakewood Dr., Ste. B	Morris	60450
Mundelein	14-2731	1400 Townline Road	Mundelein	60060
Naperbrook	14-2765	2451 S Washington	Naperville	60565

Clinic	Provider #	Address	City	Zip
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563
New City	-	4622 S. Bishop Street	Chicago	60609
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714
Normal	14-2778	1531 E. College Avenue	Normal	61761
Norridge	14-2521	4701 N. Cumberland	Norridge	60656
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630
Northcenter	14-2531	2620 W. Addison	Chicago	60618
Northfield	14-2771	480 Central Avenue	Northfield	60093
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611
Oak Forest	14-2764	5340A West 159th Street	Oak Forest	60452
Oak Park	14-2504	773 W. Madison Street	Oak Park	60302
Orland Park	14-2550	9160 W. 159th St.	Orland Park	60462
Oswego	14-2677	1051 Station Drive	Oswego	60543
Ottawa	14-2576	1601 Mercury Circle Drive, Ste. 3	Ottawa	61350
Palatine	14-2723	691 E. Dundee Road	Palatine	60074
Pekin	14-2571	3521 Veteran's Drive	Pekin	61554
Peoria Downtown	14-2574	410 W Romeo B. Garrett Ave.	Peoria	61605
Peoria North	14-2613	10405 N. Juliet Court	Peoria	61615
Plainfield	14-2707	2320 Michas Drive	Plainfield	60544
Polk	14-2502	557 W. Polk St.	Chicago	60607
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764
Prairie	14-2569	1717 S. Wabash	Chicago	60616
Randolph County	14-2589	102 Memorial Drive	Chester	62233
Regency Park	14-2558	124 Regency Park Dr., Suite 1	O'Fallon	62269
River Forest	14-2735	103 Forest Avenue	River Forest	60305
Rock Island	14-2703	2623 17th Street	Rock Island	61201
Rock River - Dixon	14-2645	101 W. Second Street	Dixon	61021
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008
Roseland	14-2690	135 W. 111th Street	Chicago	60628
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621
Round Lake	14-2616	401 Nippersink	Round Lake	60073
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946
Sandwich	14-2700	1310 Main Street	Sandwich	60548
Schaumburg	-	815 Wise Road	Schaumburg	60193
Silvis	14-2658	880 Crosstown Avenue	Silvis	61282
Skokie	14-2618	9801 Wood Dr.	Skokie	60077
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617
South Deering	14-2756	10559 S. Torrence Ave.	Chicago	60617
South Holland	14-2542	17225 S. Paxton	South Holland	60473
South Shore	14-2572	2420 E. 79th Street	Chicago	60649
Southside	14-2508	3134 W. 76th St.	Chicago	60652
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461
Southwestern Illinois	14-2535	7 Professional Drive	Alton	62002
Spoon River	14-2565	340 S. Avenue B	Canton	61520
Spring Valley	14-2564	12 Wolfer Industrial Drive	Spring Valley	61362
Steger	14-2725	219 E. 34th Street	Steger	60475
Streator	14-2695	2356 N. Bloomington Street	Streator	61364
Summit	-	7319-7322 Archer Avenue	Summit	60501
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640
Waterloo	14-2789	624 Voris-Jost Drive	Waterloo	62298
Waukegan Harbor	14-2727	101 North West Street	Waukegan	60085
West Batavia	14-2729	2580 W. Fabyan Parkway	Batavia	60510
West Belmont	14-2523	4943 W. Belmont	Chicago	60641
West Chicago	14-2702	1859 N. Neilnor	West Chicago	60185
West Metro	14-2536	1044 North Mozart Street	Chicago	60622
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302
West Willow	14-2730	1444 W. Willow	Chicago	60620
Westchester	14-2520	2400 Wolf Road, Ste. 101A	Westchester	60154
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959
Willowbrook	14-2632	6300 S. Kingery Hwy, Ste. 408	Willowbrook	60527
Zion	-	1920-1920 N. Sheridan Road	Zion	60099

Certification & Authorization

Fresenius Medical Care Chicagoland, LLC

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

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

By: *[Signature]*

ITS: Regional Vice President

Notarization:

Subscribed and sworn to before me
this 15th day of July, 2016

Candace M. Turossi
Signature of Notary

Seal



Certification & Authorization

Fresenius Medical Care Holdings, Inc.

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

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

By: [Signature]
ITS: Assistant Treasurer
Bryan Mello

By: [Signature]
ITS: Mark Fawcett
Senior Vice President & Treasurer

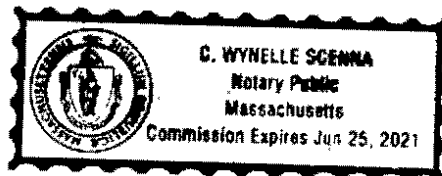
Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2016

Notarization:
Subscribed and sworn to before me
this 14 day of July, 2016

Signature of Notary C. Wynelle Scenna Signature of Notary

Seal

Seal



Criterion 1110.230 – Purpose of Project

The purpose of this project is to restore and continue access to dialysis services to ESRD patients of the Fresenius Evergreen Park ESRD facility.

Fresenius Evergreen Park was established at 9730 S. Western, Evergreen Park 17 years ago. In recent months the site has been undergoing redevelopment. Due to this process the parking garage, which is also the main entrance to the building, has been condemned and can no longer be used. The facility discontinued operations as of July 16, 2016. The 164 patients the facility was treating were transferred to facilities in southwest Chicago and Suburbs until the facility can be relocated. This necessary move has created stress and disruption for the patients' lives with many having to switch to a different treatment schedule and added transportation issues for all.

The Evergreen Park facility is located on the border of Evergreen Park (HSA 7) and Chicago (HSA 6) in the southwest suburbs in HSA 7. The facility serves both HSA 6 & 7 and it will continue to do so after what is essentially a "relocation" of the existing facility to another site in Evergreen Park. Because of its location near Chicago, all of the southwest Chicago area clinics are now full after accepting the 164 Evergreen Park patients. Many of these clinics can no longer accept new patients and 10 Fresenius clinics are initiating a 4th daily treatment shift, that does not end until midnight, to accommodate patients new to dialysis.

Historical and supporting patient data was obtained from Associates in Nephrology. Clinic utilization was obtained from quarterly utilization reports received from the Illinois Health Facilities & Services Review Board.

The new location will allow the Evergreen Park patients to return to their home ESRD treatment center, original treatment schedules, and familiar staff. It will ease transportation issues that were caused by the disruption in services at the facility resulting in the patient's transfer to clinics further away and reduce the capacity utilization rates at area clinics.

Also, the new site will be in leased space that is going to be built-out by the developer/landlord to speed up the opening of the facility allowing the patients to move back to their home facility.

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. The quality outcomes for the Evergreen Park facility for the past year have been above the State standard:

- 92% of patients had a URR $\geq$ 65%
- 98% of patients had a Kt/V $\geq$ 1.2

Alternatives

1) All Alternatives

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

There were no projects of a lesser scope considered. The Evergreen Park facility was treating 164 in-center patients and 44 home dialysis patients when the parking structure, which is also the main entrance to the facility, was condemned. This facility, serving over 200 patients, is an integral part of health care for ESRD patients in the Evergreen Park area. It is imperative that it be re-established at another site in Evergreen Park to restore and continue access to dialysis services.

B. Pursuing a joint venture

This facility is a joint venture. See Attachment - 3 for ownership information.

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

Due to the temporary closure of the Evergreen Park facility all 164 patients have been transferred to area Fresenius facilities. This is not a permanent option for these patients not only because of the hardships placed on the patients by the disruption to their lives with transportation issues and treatment schedule changes, but because this has caused mass overutilization of area clinics creating barriers to access on the southwest side of the Chicago area. This was not considered as a viable alternative in the long run. There is no cost to this alternative.

D. Project as outlined in the application

The only alternative that is in the patient's best interest is to restore dialysis services to Evergreen Park by relocating the facility to another location within the same town to allow the former Evergreen Park clinic patients continued access to dialysis services. The cost of this project is \$9,024,370.

2) Comparison of Alternatives

Alternative	Total Cost	Patient Access	Quality	Financial
There were no other alternatives entertained by Fresenius Kidney Care that would serve the Evergreen Park patients.				
Relocate the 30-station Evergreen Park ESRD facility to another location in Evergreen Park.	\$9,024,370	Patients will have access to dialysis services restored in Evergreen Park after sudden facility closure.	Patient clinical quality would remain above standards. There would likely be less missed treatments due to available access in the patient's community.	The cost of relocation is necessary to keep dialysis services accessible in the Evergreen Park area. This is a cost only to Fresenius Medical Care. Forcing patients to dialyze outside of their health care market place increases transportation costs.

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

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. Fresenius Medical Care Evergreen Park has had above standard quality outcomes.

- 92% of patients had a URR $\geq$ 65%
- 98% of patients had a Kt/V $\geq$ 1.2

Criterion 1110.234, Size of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD 450-650 BGSF Per Station	DIFFERENCE	MET STANDARD?
ESRD IN-CENTER HEMODIALYSIS	11,658 (30 Stations)	13,500 – 19,500 BGSF	None	Yes
Non-clinical	4,842	N/A	N/A	N/A

As seen in the chart above, the State Standard for ESRD is between 450 - 650 BGSF per station or 13,500 – 19,500 BGSF. The proposed 11,658 BGSF for the in-center hemodialysis space meets the State standard.

Criterion 1110.234, Project Services Utilization

UTILIZATION					
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	IN-CENTER HEMODIALYSIS	07/2016	91%	80%	Yes
YEAR 1	IN-CENTER HEMODIALYSIS	Upon Opening w/return of 164 Evergreen Park Patients	91%	80%	Yes

As seen in the chart above, the facility will have already met the State standard utilization target of 80% upon its opening with transfer of the former Evergreen Park patients back into their home facility. Given the near capacity utilization of the clinic for the past ten-plus years it is reasonable to expect that the facility's utilization will remain above 80%.

Planning Area Need – Formula Need Calculation:

The proposed relocated Fresenius Medical Care Evergreen Park dialysis facility is located in Evergreen Park in HSA 7. HSA 7 is comprised of suburban Cook and DuPage Counties. According to the June 2016 Inventory there is a need for an additional 60 stations in this HSA, however the relocation will have no affect on the inventory.

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Paul Crawford is currently the Medical Director for Fresenius Medical Care Evergreen Park and will continue to be the Medical Director. Attached is his curriculum vitae.

B. All Other Personnel

The Gurnee facility currently employs the following staff:

- Clinic Manager who is a Registered Nurse
- 9 Registered Nurses
- 17 Patient Care Technicians
- Full-time Registered Dietitian
- Part-time Registered Dietitian
- Full-time Licensed Master level Social Worker
- Part-time Licensed Master level Social Worker
- Full-time Equipment Technician
- 2 Full-time Secretaries

- 3) All patient care staff and licensed/registered professionals will meet the State of Illinois requirements. Any additional staff hired must also meet these requirements along with completing a 9 week orientation training program through the Fresenius Medical Care staff education department.

Annually all clinical staff must complete OSHA training, Compliance training, CPR Certification, Skills Competency, CVC Competency, Water Quality training and pass the Competency Exam.

- 4) The above staffing model is required to maintain a 4 to 1 patient-staff ratio at all times on the treatment floor. A RN will be on duty at all times when the facility is in operation.

CURRICULUM VITAE

PAUL W. CRAWFORD, MD, FASN

PERSONAL INFORMATION

Date of Birth: October 31, 1948
Place of Birth: Toledo, Ohio USA
Home address/phone: 904 N. Kenilworth
Oak Park, IL 60302
708-524-9712
Professional address/phone: 210 South Des Plaines
Chicago, IL 60661
312-654-2700

PRESENT ACADEMIC RANK AND POSITION

Adjunct Professor, Department of Medicine,
Northwestern University Medical School
Chicago, Illinois

EDUCATION

College/University: University of Illinois, Champaign-Urbana
9/1996 - 6/1970 B.S. Degree
Medical School: Loyola University Stritch School of Medicine,
Maywood, Illinois
7/1970 - 6/1974 M.D. Degree
Residency: St. Joseph Hospital, Chicago, Illinois
7/1974 - 6/1977 Internal Medicine
Fellowship: University of Illinois Medical Center, Chicago
7/1977 - 6/1979 Nephrology

BOARD CERTIFICATION

American Board of Internal Medicine, 9/1983
American Board of Nephrology, 11/1984

MEDICAL LICENSURE

State of Illinois 036-052828

HONORS AND AWARDS

- Undergraduate: Dean's List, Outstanding Senior Award, Phi Epsilon
- Kappa, Jewel Tea Scholarship
- Medical School: Student Admission Committee Representative
- Fellow, American College of Physicians
- Golden Heart Award, Chicago Heart Association, 1983-86
- Chicago's Caring Physician Award, EHS Trinity Hospital, 1987
- Louis B. Russell Jr. Award, American Heart Association, 1999
- Family Life Award, African American Family Association, 1999
- Top Doctor (no info)
- Named "Today's Medical Prodigy", Chicago Defender Publication, Vol XCVII, No 147, 2002.

PREVIOUS PROFESSIONAL POSITIONS AND APPOINTMENTS

Associate in Medicine
University of Illinois, Abraham Lincoln School of Medicine
Chicago, Illinois 1977 - 1979

Assistant Attending
Rush-Presbyterian-St. Luke's Medical Center
Chicago, Illinois 1989 - 1990

EDUCATION-TEACHING

- Attending Physician, Teaching Service; Hyde Park Community Hospital, University of Chicago Medical Center; Internal Medicine Residents, 1987-1990.
- Attending Physician, Teaching Service; Trinity Hospital, Mt. Sinai Hospital; Internal Medicine Residents, July, 1984 - June, 1989.
- Attending Physician, Teaching Service; Rush-Presbyterian-St. Luke's Medical Center, second year medical students, September, 1989 - December, 1989.
- African-American Heart Health Takes Center Stage, Chicago State University, Community Leadership Panel, N. Lubin, P. Crawford, J. Carter and L. Becker Panelists, October 2001.

INSTITUTIONAL, DEPARTMENTAL, AND DIVISIONAL ADMINISTRATIVE RESPONSIBILITIES, COMMITTEE MEMBERSHIPS, AND OTHER ACTIVITIES

- Chairman, Renal Dialysis Technician, Education Advisory Committee, Malcolm X College; Chicago, Illinois, 1980
- Chairman, Hypertension Subcommittee, Chicago Heart Association, 1981-1982
- Co-Chairman, Church-based Hypertension Control Program; Chicago Heart Association, 1983-1985
- Chicago Coalition for Hypertension Control, 1982-1987
- Hypertension Task Force of Chicago Heart Association, 1982-1983
- Prevention Goal Committee; Chicago Heart Association, 1985-1990
- Chairman, Church-based Hypertension Control Program; Chicago Heart Association, 1985-1999
- Long-Range Planning Committee; American Heart Association of Metropolitan Chicago, 1989
- AIDS Task Force, Oak Park, Illinois, 1989-1991
- Medical Executive Committee, Advocate Trinity Hospital, 1990-Present
- Chicago Pilot Project of American Heart Association of Metropolitan Chicago, 1990
- President, American Heart Association of Metropolitan Chicago
- Board Member, Midwest Regional Board of the American Heart Association, 1997-2000.
- President-Elect, Medical Staff, Advocate Trinity Hospital, 1999-2000
- Chairman, Medical Affairs, American Kidney Fund, 2000-Present
- Member, National Anemia Action Council, 2000-Present
- Medical Staff President, Advocate Trinity Hospital, Chicago, Illinois, 2001-2003
- Member, Medical Review Board, Advocate Trinity, 2002-Present
- Board Member, Gift of Hope (formerly Regional Organ Bank of Illinois)

PROFESSIONAL AND SOCIETY MEMBERSHIPS

- American College of Physicians
- American Society of Internal Medicine
- American Society of Nephrology
- International Society of Nephrology
- Illinois Society of Internal Medicine
- National Medical Association
- Illinois State Medical Society
- International Society on Hypertension in Blacks

- Renal Physicians Association
- American Society of Artificial Organs
- American Society of Hypertension, Charter Member Pheresis Forum
- Cook County Physicians Association
- American Heart Association
- National Kidney Foundation
- Regional Organ Bank of Illinois

PRESENTATIONS

Church-based Hypertension Control Program, Chicago Heart Association, Harry Porterfield, Moderator; Chicago Heart Association; Chicago, Illinois, 1984.

Moderator, Hypertension Session of the Cardiology Update Symposium; Itasca, Illinois, 1986.

Emergencies in Renal Failure, American Society of Critical Care Nurses, South Side Chapter, Chicago, Illinois, 1987.

Hypertension and Heart Disease as it Relates to the Black Community; WVON Radio, Chicago, Illinois, 1988.

Church-based Hypertension Control Program, Chicago Heart Association, Bill Campbell, Moderator; Chicago Heart Association; Chicago, Illinois, 1989.

Hypertension in Blacks (Urban Medicine Videocassette); American Heart Association of Metropolitan Chicago. Mark Alyn and Paul Crawford, moderators, 1989.

Hypertension Control Efforts, Ninth Annual Great Lakes Conference on High Blood Pressure Control, American Heart Association of Metropolitan Chicago, Great Lakes, Illinois, 1989.

Taking Care of Yourself (Black Health Awareness Week Seminar), National Association for the Advancement of Colored People (NAACP), National Kidney Foundation, Renal Network of Illinois and the Baxter Healthcare Corporation, Chicago, Illinois, 1989.

Church-based Hypertension Control Program, the International Society on Hypertension in Blacks, P. Crawford & J. Harrington; Long Beach, California; 1990.

Quality Assurance Concerns with Angioaccess Grafts Symposium; W.L. Gore & Associates, J. King, P. Lubin and P. Crawford, panelists. Chicago, Illinois, 1990.

Overview of 1992 Report of Joint National Committee on Detection, Evaluation and Treatment of High Blood Pressure, Church-based Hypertension Control Program of American Heart Association of Metropolitan Chicago, Chicago, Illinois, 1992.

Risk Factors in Stroke and Heart Disease, WVAZ Radio Interview, American Heart Association of Metropolitan Chicago (for broadcast throughout the month of February, designated "Heart" month). Chicago, Illinois, 1993.

Kidney Disease in African Americans, National Society of Black Engineers. Kansas City, Missouri, 1999.

New Strategies and Diagnoses in Treatment of Kidney Disease, Blacks in Government Conference, Atlanta, Georgia, 2002.

New Strategies in Treatment and Diagnosis of Chronic Kidney Disease, Emory University, 2002.

Educational Opportunities for Patients and Medical Professionals, Racial Disparities and Kidney Disease, Advisory Board Meeting. P. Crawford and M. Freeman Group Facilitators, Dallas, Texas, 2002.

INTRAMURAL PRESENTATIONS

Lecture series presented at Advocate Trinity Hospital, South Shore Hospital and St. Frances Medical Center, 1997-1999. Topics included:

- Acid Base Disturbances - Implications for Patient Care
- Principles of Hemodialysis and Peritoneal Dialysis
- Clinical Assessment of Patients with Renal Failure
- Fluid and Electrolyte Disorders
- Chronic Renal Failure
- Acute Renal Failure
- Hypertension
- Plasmapheresis

CLINICAL PRACTICE, INTERESTS, AND ACCOMPLISHMENTS

- President, Associates in Nephrology 1997 - 2000
- Medical Director, Evergreen Park Dialysis Center 1995 - Present
- Nephrology Chief, Cermak Branch (Cook County Hospital) 1998 - Present
- Vice-President, Associates in Nephrology 2009 - Present

RESEARCH INTERESTS

Developed pilot study to reach high-risk population for the Church-based Hypertension Control Screening Program of the American Heart Association of Metropolitan Chicago, 1983-1984.

African American Outreach Study presented to American Kidney Foundation, sponsored by Amgen, Principle Investigator, 2000

Chronic Renal Insufficiency Study, sponsored by Amgen. Principal Investigator 2000-2001

AMPS Study, sponsored by Amgen, Principle Investigator 2002-2003

RESEARCH GRANTS AWARDED

Church-based Hypertension Control program of American Heart Association of Metropolitan Chicago, Frank Douglas, M.D., Ph.D. and Paul W. Crawford, M.D., Co-Investigators, 1985-1987.

NIH Education Project of Church-based Hypertension Control Program of American Heart Association of Metropolitan Chicago, Eva Smith, R.N., Ph.D., Principal Investigator, Paul W. Crawford, M.D., Co-Investigator, 1988.

Marion Laboratories, Inc., Church-based Hypertension Control Program, Paul W. Crawford, M.D., Principal Investigator, 1989-1991.

CIVIC ACTIVITIES

Jamaica 2002 Crusade, Sheldon Heights Church of Christ. Two-week medical mission to St. Catherine Parish in Jamaica. Volunteered personal services and raised funds for (Include grant number and title, time period, and Category 1 time.)

Sickle Cell Fundraiser, Rotary Club, F. Igleski, President. P. Crawford on Planning Committee. 2001

Heart Ball Gala, Member, Planning Committee, 2001

BIBLIOGRAPHY

Publications - Journals

Westenfelder C, Crawford PW, Baranowski RL, Earnest W, Kurtzman NA. Renal tubular function and Na-K-ATPase(NKA) activity in nonoliguric acute renal failure (ARF). Clin Res 1978;26:479A.

Westenfelder C, Crawford PW, McClurkin C, Zerwer P, Earnest W, Baranowski RL, Kurtzman NA. Effects of glycerol rechallenge (RC) or saline loading (SL) on the renal function in glycerol (G) induced acute renal failure (ARF). Proc Amer Soc Neph 1978;11:101A.

Westenfelder C, Crawford PW, Baranowski RL, Kurtzman NA. Effect of glycerol rechallenge (RC) or saline loading (SL) on the course of glycerol-induced acute renal failure (ARF) Clin Res 1979;27:433A.

Westenfelder C, Battle D, Crawford PW, Baranowski RL, Kurtzman NA. Estudios en el fallo renal agudo (FRA) despues de un episodio previo de fallo renal o sobrecarga saline (SS). IV Lat Amer Congress of Nephrology.

Westenfelder C, Arevalo GJ, Crawford PW, Zerwer P, Baranowski RL, Birch RM, Earnest W, Hamburger RK, Coleman RD, Kurtzman, NA. Recent tubular function in glycerol-induced acute renal failure. Kidney International, 1980;18:432.

Crawford PW, Murphy M. Controlling hypertension from the pews. Chicago Medicine, Vol 93 No 8, April 1990.

Crawford, PW. Urban Renal Disease: Reflections of an Urban Nephrologist, Seminars in Nephrology, Vol 21, No 4, July 2001.

Crawford, PW, Lea, J. Developing a CRI pre-screening program for African Americans, Nephrology News & Issues, Vol 16, No 5, April, 2002.

Crawford, PW, Maxey, R, and Dacosta, K. Community Outreach: A Call for Community Action, Journal of the National Medical Association, Vol 94, No 8 (Suppl), August 2002.

Publications - Abstracts

Reducing Hyperparathyroidism in African-American Hemodialysis Patients Using Paricalcitol. P. Crawford, M. Sobrero, S. Shott, A. Deering, T. Young. FMC Neomedica, Evergreen Park, Illinois. National Kidney Foundation, Orlando, Florida. 2001.

Publications- Editorials

Time Deficiency: How to be Counted In While Your Doctor is Maxed Out. Health Adviser Section, Chicago Tribune, July 7, 2002.

MEDIA APPEARANCES/ARTICLES

Black Churches Widen Scope of Targeted Blood Pressure Screenings, Medical World News, 1988.

Hypertension - The Silent Killer, Two Part Series, Chicago Sun Times, Chicago, Illinois, April 26, 1989.

Hypertension - Church-based Hypertension Control Program, American Heart Association of Metropolitan Chicago, Crawford PW, Miller A, Moderator, HEARTBEAT, Public Access Television, Channel 19, September, 1989.

PAUL W. CRAWFORD, M.D.

Hypertension and Heart Disease; WGCI AM Radio, Chicago, Illinois, 1989.

Hypertension, Cable TV Station 26, Chicago, Illinois, 1991

Hypertension, WVON AM Radio, Melody Spann, Moderator, Chicago, Illinois, 1992.

"American Kidney Fund Cites Studies as Cause for Concern" discussion by P. Crawford via radio and website appearances. 2002

The Washington Post

CBS Marketwatch

BostonGlobe.com (*The Boston Globe*)

DallasNews.com (*The Dallas Morning News*)

NBC6.com (NCB channel 6 in Charlotte, NC website)

Canada. Com

NewsAlert.com

National Hispanic Corporate Council (NHCC.com)

Yahoo.com

WKYU National Public Radio affiliate

WKPB National Public Radio affiliate

WKUE National Public Radio affiliate

WDCL National Public Radio affiliate

Chicago Tribune

Kidney Disease and Osama Bin Laden, PBS National Public Radio, Chicago, Illinois, 2002

09/07

ASSOCIATES IN NEPHROLOGY, S.C.
NEPHROLOGY AND HYPERTENSION

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(312) 654-2720

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MARIA I. SOBRERO, M.D.
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AMITABHA MITRA, M.D.
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EDUARDO J. CREMER, M.D.
RICHARD HONG, M.D.
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BOGDAN DERYLO, M.D., M.Sc.
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MADHAV RAO, M.D.
APRIL KENNEDY, M.D.
RIZWAN MOINUDDIN, D.O.
NIMEET BRAHMBHATT, M.D.
ALI KHAN, M.D.
MATTHEW MENEZES, M.D.
SUMANTH MCLAMALLA, M.D.

Paul W. Crawford, M.D.

Additional Hospital Staff Appointments:

Advocate South Suburban Hospital

17800 South Kedzie Avenue

Hazel Crest, Illinois 60429

Membership Status: Attending Staff

Dates: 1984 **To:** Present

Department/Division: Internal Medicine/Nephrology **Fax:** 708-799-9283

Phone: 708-799-8000 No limitations

South Shore Hospital

8012 South Crandon Avenue

Chicago, Illinois 60617

Membership Status: Active Staff/Resigned

Dates: 1981 **To:** 12/2002

Department/Division: Internal Medicine/Nephrology **Fax:** 773-768-8154

Phone: 773-356-5362 No limitations

Little Company of Mary

2800 W. 95th Street

Evergreen Park, IL 60805

Phone: 708.229.5681 Fax: 708.422.2042

Status: Active 1989 to Present

Advocate Trinity Hospital

2320 E. 93rd Street

Chicago, IL 60617

Phone: 773.967-5804

Fax: 773.967-5808

Status: Active Current/Present

Roseland Community Hospital

45 W. 111th St.

Chicago, IL 60628

Phone: 773.995.3195 Fax 773.995.3223

Status: Active 1989 to Present

Metro South Hospital

12935 South Gregory Street

Blue Island, IL 60406

Phone: 708-597-2000 Fax: 708.389.9480

Status: Active 1985 to Present

St. James Hospitals and Health Centers – Chicago Heights

1423 Chicago Road
Chicago Heights, Illinois 60411-3483

St. James Hospitals - Olympia Fields

20201 S. Crawford Avenue
Olympia Fields, Illinois 60461-1010

Membership Status: Associate

Dates: 1985 To: 05/12 Resigned

Department/Division: **Internal Medicine/Nephrology** Fax: 708-709-6874

Michael Reese Hospital and Medical Center

2929 S. Ellis Avenue
Chicago, Illinois 60616

Membership Status: Consult-Attending Staff

Dates: 1980 To: 2008/Hospital Closed

Department/Division: **Internal Medicine/Nephrology** Fax: 312-791-5968

Phone: 312-791-5515 No limitations

Paul W. Crawford, M.D.

Previous Hospital Staff Appointments:

Michael Reese Hospital and Medical Center

2929 S. Ellis Avenue

Chicago, Illinois 60616

Membership Status: Consult-Attending Staff

Dates: 1980 **To:** 2008/Hospital Closed

Department/Division: Internal Medicine/Nephrology **Fax:** 312-791-5968

Phone: 312-791-5515 No limitations

Mercy Hospital and Medical Center

2525 S. Michigan Avenue

Chicago, Illinois 60616

Membership Status: Resigned

Dates: 2000 **To:** 2001

Department/Division: Internal Medicine/Nephrology **Fax:** 312-567-6189

Phone: 312-567-2153 No limitations

St. Joseph Hospital

2900 North Lake Shore Drive

Chicago, Illinois 60657

Membership Status: Courtesy Staff

Dates: 1980 **To:** Resigned

Department/Division: Internal Medicine/Nephrology **Fax:** 773-665-3126

Phone: 773-665-3392 No limitations

South Shore Hospital

8012 South Crandon Avenue

Chicago, Illinois 60617

Membership Status: Active Staff/Resigned

Dates: 1981 **To:** 12/2002

Department/Division: Internal Medicine/Nephrology **Fax:** 773-768-8154

Phone: 773-356-5362 No limitations

Criterion 1110.1430 (e)(5) Medical Staff

I am the Regional Vice President of the Chicago Region of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Evergreen Park, I certify the following:

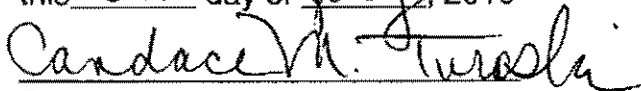
Fresenius Medical Care Evergreen Park will be an "open" unit with regards to medical staff. Any Board Licensed nephrologist may apply for privileges at the Evergreen Park facility, just as they currently are able to at all Fresenius Medical Care facilities.


Signature

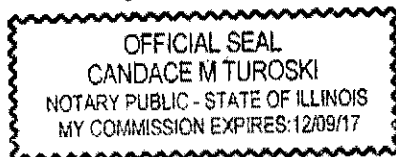
Teri Gurchiek
Printed Name

Regional Vice President
Title

Subscribed and sworn to before me
this 15th day of July, 2016


Signature of Notary

Seal



Criterion 1110.1430 (g) – Minimum Number of Stations

Fresenius Medical Care Evergreen Park is located in the Chicago-Naperville-Joliet-Gary, IL-IN-WI Metropolitan Statistical Area (MSA). A minimum of eight dialysis stations is required to establish an in-center hemodialysis center in an MSA. The relocated Fresenius Medical Care Evergreen Park facility will have 30 dialysis stations thereby meeting this requirement.

 **Little Company
of Mary Hospital**
and Health Care Centers

2800 W. 95th Street
Evergreen Park, Illinois 60642
312-422-6200



February 20, 1990

Dr. Paul W. Crawford
Medical Director
NEOMEDICA DIALYSIS CENTER
9730 S. Western Avenue, Suite 619
Evergreen Park, Illinois 60642

Dear Dr. Crawford:

At the request of Sr. Kathleen McIntyre, John Prout and I have discussed the agreement between Little Company of Mary Hospital and Health Care Centers and Neomedica Dialysis Center.

We feel our hospital has the capability to:

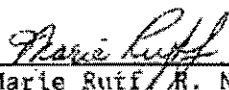
1. Provide for the timely acceptance and admission of transferred patients when medically determined appropriate by the attending or treating physician.
2. Provide for the ready acceptance of the ESRD patients by the renal dialysis center in emergency situations.
3. Provide hemodialysis and peritoneal dialysis for patients in our hospital and necessary continuum of care.

This letter is to confirm the agreement between Little Company of Mary Hospital and Health Care Centers and Neomedica Dialysis, Inc., wherein Little Company of Mary Hospital agrees to act as a backup facility and will provide hospitalization for any patients of Neomedica Dialysis who develop intercurrent illness and require hospitalization.

This agreement shall remain in effect unless terminated by either party within a 60-day notice.

Sincerely,


John Prout
Executive Vice President


Marie Ruff, R. N.
Vice President/Patient Care Services

MR/al

cc: Sr. Kathleen McIntyre, LCM
President

Neomedica, Inc.

450 East Ohio Street
Chicago, Illinois 60611
312.951.4900



February 7, 1990

Sister Kathleen McIntyre
President/CEO
Little Company of Mary Hospital
2800 W. 95th St.
Evergreen Park, IL 60642

Dear Sister McIntyre:

In order to comply with ESRD Interpretive Guidelines and Requirements of the Illinois Department of Public Health, we will require a letter signed by the legally authorized representative of your facility, which will list services provided to our patients by Little Company of Mary Hospital. The following services must be listed in order to comply with the ESRD guidelines:

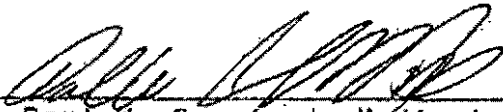
1. Provide for the timely acceptance and admission of transferred patients when medically determined appropriate by the attending or treating physician.
2. Provide for the ready acceptance of the ESRD patients by the renal dialysis center in emergency situations.
3. Provide for the security and accountability of patient's personal effects.
4. Specify the specific service(s) being covered, including Hemodialysis or Peritoneal Dialysis, the basic working relationships between the facilities, including patient care responsibilities.
5. Upon transfer of a patient, provide for interchange within one working day of the patient long-term program and patient care, plus other medical and other information necessary for continuity of care.

Please include the following statements in your reply:

1. This is to confirm the agreement between Little Company of Mary Hospital and Neomedica Dialysis, Inc., that Little Company of Mary Hospital agrees to act as a back-up facility, and will provide hospitalization for any patients of Neomedica Dialysis who develop intercurrent illness and require hospitalization.

2. This agreement shall remain in affect, unless terminated by either party within a sixty-day notice.

Sincerely,



Dr. Paul W. Crawford, Medical Director
Neomedica Dialysis Center
9730 S. Western Avenue
Suite #619
Evergreen Park, IL 60642
(708)423-8833

PWC/ab

RELOCATION OF FACILITIES

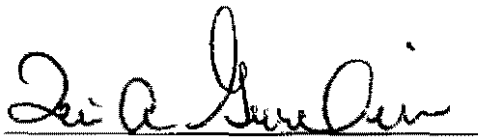
- 1) The Fresenius Evergreen Park Dialysis Center was operating at 91% utilization serving 164 patients as of July 2016 not including the 40-plus home dialysis patients, when the facility's parking structure/main entrance was condemned forcing closure of the facility. It has been operating near capacity for over ten years.
- 2) Physical access to the Evergreen Park facility has been cut off forcing closure of the facility. This has created a lack of access to the Evergreen Park area's 200 plus ESRD patients. Sending these patients to area Fresenius facilities has created a ripple-effect forcing area clinics to capacity. Currently there are 10 Fresenius facilities initiating a 4th treatment shift that does not end until midnight. Relocating the facility to another site in Evergreen Park will restore the much needed access to dialysis services to Evergreen Park.

Criterion 1110.1430 (j) – Assurances

I am the Regional Vice President of the Chicago Region of the West Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Evergreen Park, I certify the following:

1. As supported in this application through expected referrals to Fresenius Medical Care Evergreen Park in the first two years of operation after the relocation, the facility is expected to achieve and maintain the utilization standard, specified in 77 Ill. Adm. Code 1100, of 80% and;
2. Fresenius Kidney Care hemodialysis patients at the Evergreen Park facility currently have the adequacy outcomes of:
 - o 92% of patients had a URR $\geq$ 65%
 - o 98% of patients had a Kt/V $\geq$ 1.2

and the same is expected after the relocation.



Signature

Teri Gurchiek/Regional Vice President

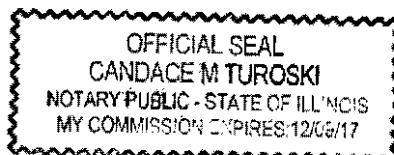
Name/Title

Subscribed and sworn to before me
this 15th day of July, 2016



Signature of Notary

Seal



Mr. David E. Cunningham
Managing Director
Net³ Real Estate, LLC
220 North Green Street
Chicago, IL 60607

RE: 8901 S. Kedzie Street
Evergreen Park, IL
Letter of Intent

David,

FRESENIUS KIDNEY CARE is pleased to present the following letter of intent to lease space from your company.

LANDLORD:	Net3 Realty.
TENANT:	Fresenius Medical Care Chicagoland LLC.
LOCATION:	8901 S Kedzie, Evergreen, Park, IL.
INITIAL SPACE REQUIREMENTS:	Approximately 16,500 sq.ft.
PRIMARY TERM:	15 years.
DELIVERY OF PREMISES:	Landlord shall provide a turnkey transaction.
OPTIONS TO RENEW:	Four (4), five (5) year options to renew the Lease. Option rental rates shall be based upon 90% of market rent. Tenant shall provide six months (6) sixty (60) days' prior written notification of its desire to exercise the option.
RENTAL RATE:	\$28.00 Net Net.
COMMENCEMENT:	Rent to commence after completion of interior improvements.
EXPENSES AND REAL ESTATE TAXES:	Tenant shall be responsible for all Real Estate Taxes and Operating Expenses.
ESCALATION:	The 10% escalation every five (5) years.
LANDLORD BASE BUILDING WORK:	Landlord shall complete all interior tenant improvements.
USE:	FRESENIUS KIDNEY CARE shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes except those authorized in writing by Landlord, which shall not be unreasonably withheld, conditioned or delayed. FRESENIUS KIDNEY

[Type here]

CARE may operate on the Premises, at FRESENIUS KIDNEY CARE's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

**CONTRACTOR FOR
TENANT IMPROVEMENTS:**

Landlord shall hire a contractor of its' choosing for interior improvements.

DELIVERIES:

FRESENIUS KIDNEY CARE requires delivery access to the Premises 24 hours per day, 7 days per week.

EMERGENCY GENERATOR:

FRESENIUS KIDNEY CARE shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.

**SPACE PLANNING/
ARCHITECTURAL AND
MECHANICAL DRAWINGS:**

FRESENIUS KIDNEY CARE will provide all space planning and architectural and mechanical drawings required to build out the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the Tenant's responsibility.

PARKING:

Landlord will provide a parking ratio of 4 per 1,000 RSF with as many of those spaces as possible to be directly in front of the building for patient use. FRESENIUS KIDNEY CARE shall require that 10% of the parking be designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at Landlord's sole cost and expense). FMC will need at least 45 parking stalls.

BUILDING CODES:

FRESENIUS KIDNEY CARE requires that the site, shell and all interior structures constructed or provided by the Landlord to meet all local, State, and Federal building code requirements, including all provisions of ADA.

**CORPORATE
IDENTIFICATION:**

Tenant shall have signage rights in accordance with local code.

**ASSIGNMENT/
SUBLETTING:**

FRESENIUS KIDNEY CARE requires the right to assign or sublet all or a portion of the demised premises to any subsidiary or affiliate without Landlord's consent. Any other assignment or subletting will be subject to Landlord's prior consent, which shall not be unreasonably withheld or delayed.

MAINTENANCE:

Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the exterior portions and structural portions of the Building to keep the building weather and water tight and structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, doors and windows, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, footings as well as any elevators, water mains, gas and sewer lines, sidewalks, private

[Type here]

roadways, landscape, parking areas, common areas, and loading docks, if any, on or appurtenant to the Building or the Premises.

With respect to the parking and other exterior areas of the Building and subject to reasonable reimbursement by Tenant, Landlord shall perform the following, pursuant to good and accepted business practices throughout the term: repainting the exterior surfaces of the building when necessary, repairing, resurfacing, repaving, re-striping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

Tenant shall maintain and keep the interior of the Premises in good repair, free of refuse and rubbish and shall return the same at the expiration or termination of the Lease in as good condition as received by Tenant, ordinary wear and tear, and damage or destruction by fire, flood, storm, civil commotion or other unavoidable causes excepted. Tenant shall be responsible for maintenance and repair of Tenant's equipment in the Premises.

UTILITIES:

Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of any of Tenant's utility specifications in the Premises. Landlord agrees to bring water, electricity, gas and sanitary sewer to the Premises in sizes and to the location specified by Tenant and pay for the cost of meters to meter their use. Landlord shall pay for all impact fees and tapping fees associated with such utilities.

SURRENDER:

At any time prior to the expiration or earlier termination of the Lease, Tenant may remove any or all the alterations, additions or installations, installed by or on behalf of Tenant, in such a manner as will not substantially injure the Premises. Tenant agrees to restore the portion of the Premises affected by Tenant's removal of such alterations, additions or installations to the same condition as existed prior to the making of such alterations, additions, or installations. Upon the expiration or earlier termination of the Lease, Tenant shall turn over the Premises to Landlord in good condition, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commotion, or other unavoidable cause excepted.

**ZONING AND
RESTRICTIVE COVENANTS:**

Landlord confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no restrictive covenants imposed by the development, owner, and/or municipality that would in any way limit or restrict the operation of FRESSENIUS KIDNEY CARE's dialysis clinic

FLOOD PLAIN:

Landlord confirms that the property and premises is not in a Flood Plain.

CAPITALIZATION TEST:

Landlord will complete the attached Accounting Classification Form to ensure FRESSENIUS KIDNEY CARE is not entering into a capitalized lease arrangement.

[Type here]

SNDA: Landlord will provide a non-disturbance agreement.

EXCLUSIVITY Landlord will not, during the term of the Lease and any option terms, lease space in a five (5) mile radius to any other provider of hemodialysis services.

ENVIRONMENTAL: Landlord will provide all environmental soil tests to tenant.

DRAFT LEASE: FRESenius KIDNEY CARE requires the use of its Standard Form Lease.

LEASE EXECUTION: Both parties agree that they will make best efforts to reach a fully executed lease document within thirty days of the execution of this letter of intent.

LEASE SECURITY: Fresenius Medical Holdings, Inc. shall fully guarantee the lease. Financials will be provided to the Landlord.

CONFIDENTIAL: The material contained herein is confidential. It is intended for use of Landlord and Tenant solely in determining whether they desire to enter into a Lease, and it is not to be copied or discussed with any other person.

NON-BINDING NATURE: This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive Lease agreement has been fully executed and delivered by the parties. The parties agree that this proposal is not intended to create any agreement or obligation by either party to negotiate a definitive Lease agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive, fully executed agreement, and without any liability to the other party, either party may (i) propose different terms from those summarized herein, (ii) enter into negotiations with other parties and/or (iii) unilaterally terminate all negotiations with the other party hereto.

CON Approval: The lease shall be contingent upon Tenant's award of a Certificate of Need by the Illinois Health Facilities Planning Commission. Estimated approval month is September 2016.

You may email the proposal to loren.guzik@fmc-na.com. Thank you for your time and cooperation in this matter, should you have any questions please call me at 312.470.1897.

Sincerely,

Loren Guzik

[Type here]

Transaction Manager
Fresenius Medical Care
3500 Lacey Rd.
Downers Grove, IL 60515

AGREED AND ACCEPTED this 24th day of August, 2016

By: Dei A. Swedlin

Title: Regional Vice President

AGREED AND ACCEPTED this ____ day of _____, 2016

By:

Title:

[Type here]

Criterion 1120.310 Financial Viability

Financial Viability Waiver

This project is being funded entirely through cash and securities thereby meeting the criteria for the financial waiver.

2014 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #15-022, Fresenius Medical Care Blue Island. 2015 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #16-023, Fresenius Kidney Care East Aurora. These are the same financials that pertain to this application. In order to reduce bulk these financials can be referred to if necessary.

Criterion 1120.310 (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)	
ESRD			NOT APPLICABLE -- Buildout of the leased space is included in the rent as leasehold improvement and will be paid back to the landlord over the term of the lease.						
Contingency									
TOTALS									
Include the percentage (%) of space for circulation									

Criterion 1120.310 (d) – Projected Operating Costs

Year 2017

Estimated Personnel Expense:	\$2,708,011
Estimated Medical Supplies:	\$1,019,144
Estimated Other Supplies (Exc. Dep/Amort):	\$2,766,248
	<u>\$6,493,403</u>
Estimated Annual Treatments:	29,118
Cost Per Treatment:	\$223.00

Criterion 1120.310 (e) – Total Effect of the Project on Capital Costs

Year 2017

Depreciation/Amortization:	\$290,000
Interest	<u>\$0</u>
Capital Costs:	\$290,000
Treatments:	29,118
Capital Cost per Treatment	\$9.96

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Chicagoland, LLC

The applicant is paying for the project with cash on hand, and not borrowing any funds for the project. However, per the Board's rules the entering of a lease is treated as borrowing. As such, we are attesting that the entering into of a lease (borrowing) is less costly than the liquidation of existing investments which would be required for the applicant to buy the property and build a structure itself to house a dialysis clinic. Further, should the applicant be required to pay off the lease in full, its existing investments and capital retained could be converted to cash or used to retire the outstanding lease obligations within a sixty (60) day period.

By: *David J. Sullivan*

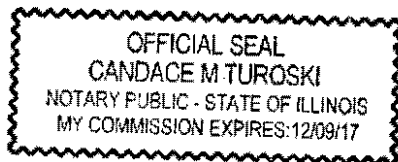
Title: Regional Vice President

Notarization:

Subscribed and sworn to before me
this 15th day of July 2016

Candace M. Turoski
Signature of Notary

Seal



Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Holdings, Inc.

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By: [Signature]
Title: Bryan Mello
Assistant Treasurer

By: [Signature]
Title: Mark Fawcett
Senior Vice President & Treasurer

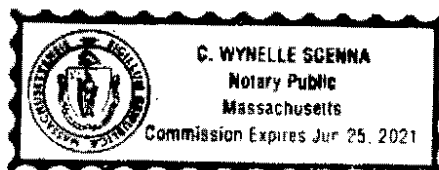
Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2016

Notarization:
Subscribed and sworn to before me
this 14 day of July, 2016

C Wynelle Scenna
Signature of Notary Signature of Notary

Seal

Seal



Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Chicagoland, LLC

In accordance with 77 ILL. ADM Code 1120, Subpart D, Section 1120.310, of the Illinois Health Facilities & Services Review Board Application for Certificate of Need; I do hereby attest to the fact that:

There is no debt financing. The project will be funded with cash and leasing arrangements; and

The expenses incurred with leasing the proposed facility and cost of leasing the equipment is less costly than constructing a new facility or purchasing new equipment.

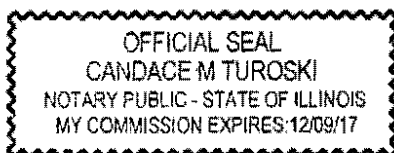
By: [Signature]
ITS: Regional Vice President

Notarization:

Subscribed and sworn to before me
this 15th day of July, 2016

[Signature]
Signature of Notary

Seal



Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Holdings, Inc.

In accordance with 77 ILL. ADM Code 1120, Subpart D, Section 1120.310, of the Illinois Health Facilities & Services Review Board Application for Certificate of Need; I do hereby attest to the fact that:

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The expenses incurred with leasing the proposed facility and cost of leasing the equipment is less costly than constructing a new facility or purchasing new equipment.

By: [Signature]
ITS: Bryan Mello
Assistant Treasurer

By: [Signature]
ITS: Mark Fawcett
Senior Vice President & Treasurer

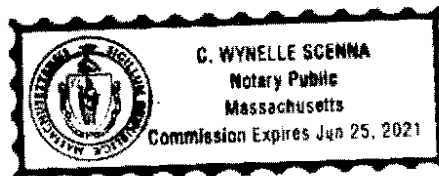
Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2016

Notarization:
Subscribed and sworn to before me
this 14 day of July, 2016

Signature of Notary C Wynelle Scenna Signature of Notary

Seal

Seal



Safety Net Impact Statement

The relocation of the Fresenius Medical Care Evergreen Park ESRD facility, to a location 4 minutes away, will not have any impact on safety net services in Evergreen Park. Outpatient dialysis services are not typically considered "safety net" services, to the best of our knowledge. However, we do provide care for patients in the community who are economically challenged and/or who are undocumented aliens, who do not qualify for Medicare/Medicaid pursuant to an Indigent Waiver policy. We assist patients who do not have insurance in enrolling when possible in Medicaid for ESRD or insurance on the Healthcare Marketplace. Also our social services department assists patients who have issues regarding transportation and/or who are wheel chair bound or have other disabilities which require assistance with respect to dialysis services and transport to and from the unit.

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

Fresenius Kidney Care is a for-profit publicly traded company and is not required to provide charity care, nor does it do so according to the Board's definition. However, Fresenius Kidney Care provides care to patients who do not qualify for any type of coverage for dialysis services. These patients are considered "self-pay" patients. They are billed for services rendered, and after three statement reminders the charges are written off as bad debt. Collection actions are not initiated unless the applicants are aware that the patient has substantial financial resources available and/or the patient has received reimbursement from an insurer for services we have rendered, and has not submitted the payment for same to the applicants. Fresenius notes that as a for profit entity, it does pay sales, real estate and income taxes. It also does provide community benefit by supporting various medical education activities and associations, such as the Renal Network, National Kidney Foundation and American Kidney Fund.

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

CHARITY CARE			
	2013	2014	2015
Net Revenue	\$398,570,288	\$411,981,839	\$438,247,352
Charity *			
(# of self-pay patients)	499	251 ¹	195 ²
Charity (cost in dollars)	\$5,346,976	\$5,211,664	\$2,983,427
Ratio Charity Care Cost to Net Patient Revenue	1.34%	1.27%	0.68%
MEDICAID			
	2013	2014	2015
Medicaid (# of patients)	1,660	750	396 ³
Medicaid (revenue)	\$31,373,534	\$22,027,882	\$7,310,484
Ratio Medicaid to Net Patient Revenue	7.87%	5.35%	1.67%

Note:

- 1) Charity (self-pay) patient numbers decreased however treatments were higher per patient resulting in similar costs as 2013.
- 2) Charity (self-pay) patient numbers continue to decrease as Fresenius Financial Coordinators assist patients in signing up for health insurance in the Healthcare Marketplace. Patients who cannot afford the premiums have them paid by the American Kidney Fund.
- 3) Medicaid number of patients is decreasing as Fresenius Financial Coordinators assist patients in signing up for health insurance in the Healthcare Marketplace. Patients who cannot afford the premiums have them paid by the American Kidney Fund.

Charity Care Information

The applicant(s) do not provide charity care at any of their facilities per the Board's definition of charity care because self-pay patients are billed and their accounts are written off as bad debt. Fresenius takes Medicaid patients without limitations or exception. The applicant(s) are for profit corporations and do not receive the benefits of not for profit entities, such as sales tax and/or real estate exemptions, or charitable donations. The applicants are not required, by any State or Federal law, including the Illinois Healthcare Facilities Planning Act, to provide charity care. The applicant(s) are prohibited by Federal law from advising patients that they will not be invoiced for care, as this type of representation could be an inducement for patients to seek care prior to qualifying for Medicaid, Medicare or other available benefits. Self-pay patients are invoiced and then the accounts written off as bad debt.

Uncompensated care occurs when a patient is not eligible for any type of insurance coverage (whether private or governmental) and receives treatment at our facilities. It is rare in Illinois for patients to have no coverage as patients who are not Medicare eligible are Medicaid eligible or are able to purchase insurance on the Healthcare Marketplace with premiums paid for by The American Kidney Fund. This represents a small number of patients, as Medicare covers all dialysis services as long as an individual is entitled to receive Medicare benefits (i.e. has worked and paid into the social security system as a result) regardless of age. In addition, in Illinois Medicaid covers patients who are undocumented for ESRD only. Also, the American Kidney Fund funds health insurance premiums for patients who meet the AKF's financial parameters and who suffer from end stage renal disease (see uncompensated care attachment). The applicants work with patients to procure coverage for them as possible whether it be Medicaid, Medicare and/or coverage on the Healthcare Marketplace funded by AKF. The applicants donate to the AKF to support its initiatives as do most dialysis providers.

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

Nearly all dialysis patients in Illinois will qualify for some type of coverage and Fresenius works aggressively with the patient to obtain insurance coverage for each patient.

Uncompensated Care For All Fresenius Facilities in Illinois

CHARITY CARE			
	2013	2014	2015
Net Patient Revenue	\$398,570,288	\$411,981,839	\$438,247,352
Amount of Charity Care (charges)	\$5,346,976	\$5,211,664	\$2,983,427
Cost of Charity Care	\$5,346,976	\$5,211,664	\$2,983,427
Ratio Charity Care Cost to Net Patient Revenue	1.34%	1.27%	0.68%

Fresenius Medical Care North America - Community Care

Fresenius Medical Care North America (FMCNA) assists all of our patients in securing and maintaining insurance coverage when possible.

American Kidney Fund

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

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

Our team of Financial Coordinators and Social Workers assist patients in purchasing insurance on the Healthcare Marketplace and then connects patients who cannot afford to pay their insurance premiums, with AKF, which provides financial assistance to the patients for this purpose. The benefit of working with the AKF is that the insurance coverage which AKF facilitates applies to all of the patient's insurance needs, not just coverage for dialysis services.

Indigent Waiver Program

FMCNA has established an indigent waiver program to assist patients who are unable to obtain insurance coverage or who lack the financial resources to pay for medical services.

In order to qualify for an indigent waiver, a patient must satisfy eligibility criteria for both annual income and net worth.

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

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

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

IL Medicaid and Undocumented patients

FMCNA has a bi-lingual Regional Insurance Coordinator who works directly with Illinois Medicaid to assist patients with Medicaid applications. An immigrant who is unable to produce proper documentation

will not be eligible for Medicaid unless there is a medical emergency. ESRD is considered a medical emergency.

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

FMCNA Collection policy

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

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

Medicare and Medicaid Eligibility

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

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

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

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

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

Self-Pay

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

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