

Original

16-049

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

NOV 28 2016

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name:	Fresenius Medical Care Macomb*		
Street Address:	212 East Calhoun Street		
City and Zip Code:	Macomb 61455		
County:	McDonough	Health Service Area	2 Health Planning Area:

*Facility will be renamed Fresenius Kidney Care Macomb after relocation.

Applicant Identification

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

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

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 Medical 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>Zubair Munshey</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>3500 Lacey Road, Suite 900, Downers Grove, IL 60515</i>
Telephone Number: <i>630-960-6709</i>
E-mail Address: <i>zubair.munshey@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 Medical 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>Fred Heslop & K.K. Heslop, LP</i>
Address of Site Owner: <i>1022 E. Adams Street, Springfield, IL 62703</i>
Street Address or Legal Description of Site: <i>212 E. Calhoun Street, Macomb, IL 61455</i>
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS 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 of Illinois, LLC</i>	
Address: <i>920 Winter Street, Waltham, MA 02451</i>	
☐ Non-profit Corporation ☐ For-profit Corporation ☒ Limited Liability Company ☐ Other	☐ Partnership ☐ Governmental ☐ Sole Proprietorship
- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

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 of Illinois, LLC proposes to discontinue its 6-station Fresenius Medical Care Macomb ESRD facility located at 523 E. Grant Street, Macomb in McDonough County. An 8-station replacement facility is proposed to be located at 212 E. Calhoun Street, also in Macomb and 4 minutes from the current facility. The 17 current patients are expected to transfer to the new site upon opening.

All of McDonough County is a Federally Designated Medically Underserved Area and the Fresenius Macomb ESRD facility is the only one in the County as well as within 30 minutes travel time.

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) along with the addition of 2 ESRD stations for a total of 8.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	608,536	231,512	840,048
Contingencies	60,146	22,882	83,028
Architectural/Engineering Fees	66,860	25,140	92,000
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	240,000	85,000	325,000
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 727,865 or Equipment 155,250	667,241	215,874	883,115
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	\$1,642,783	\$580,408	\$2,223,191
SOURCE OF FUNDS	CLINICAL	NON-CLINICAL	TOTAL
Cash and Securities	975,542	364,534	1,340,076
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)	667,241	215,874	883,115
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	\$1,642,783	\$580,408	\$2,223,191
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No
 Purchase Price: \$ _____
 Fair Market Value: \$ _____

The project involves the establishment of a new facility or a new category of service
☒ Yes ☐ No

(Discontinuation/Relocation/Expansion)

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 \$ 70,443.

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, 2018

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 6 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	\$1,642,783		3,538		3,538		
Total Clinical	\$1,642,783		3,538		3,538		
NON REVIEWABLE							
Non-Clinical (Administrative, Mechanical, Staff, Waiting Room Areas)	\$580,408		1,346		1,346		
Total Non-clinical	\$580,408		1,346		1,346		
TOTAL	\$2,223,191		4,884		4,884		

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 of Illinois, 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

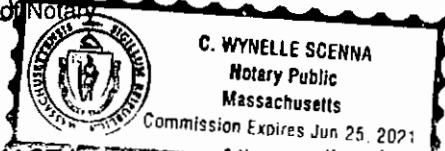
Bryan Mello
PRINTED NAME
Assistant Treasurer

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 27 day of Sept 2016


Signature of Notary

Seal



*Insert EXACT legal name of the applicant...

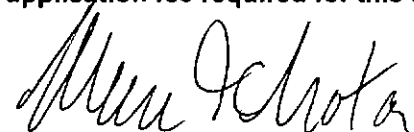
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The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- 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

Maria T. C. Notar

PRINTED NAME Assistant Treasurer

PRINTED TITLE



SIGNATURE

Bryan Mello

Assistant Treasurer

PRINTED NAME

PRINTED TITLE

Notarization:

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

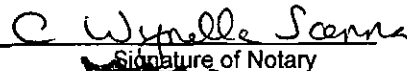
Notarization:

Subscribed and sworn to before me
this 27 day of Sept 2016

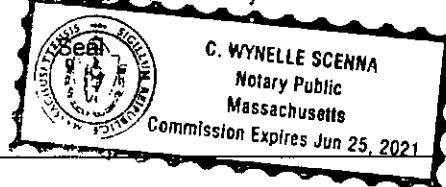
Signature of Notary

Seal

*Insert EXACT legal name of the applicant



Signature of Notary



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	6	8

- READ the applicable review criteria outlined below and submit the required documentation for the criteria:

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

- 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>1,340,076</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>883,115</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.
<u>\$2,223,191</u>	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	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		172.00			3,538			608,536	608,536
Contingency		17.00			3,538			60,146	60,146
Total Clinical		189.00			3,538			668,682	668,682
Non Clinical		172.00			1,346			231,512	231,512
Contingency		17.00			1,346			22,882	22,882
Total Non		189.00			1,346			254,394	254,394
TOTALS		\$189.00			4,884			923,076	923,076

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 41.

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	22-23
2	Site Ownership	24-30
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	31
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	32
5	Flood Plain Requirements	33
6	Historic Preservation Act Requirements	34
7	Project and Sources of Funds Itemization	35
8	Obligation Document if required	36
9	Cost Space Requirements	37
10	Discontinuation	38
11	Background of the Applicant	39-44
12	Purpose of the Project	45
13	Alternatives to the Project	46
14	Size of the Project	47
15	Project Service Utilization	48
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	49-72
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	73-78
37	Financial Waiver	79
38	Financial Viability	
39	Economic Feasibility	80-84
40	Safety Net Impact Statement	85-86
41	Charity Care Information	87-89
	Appendix 1 – MapQuest Travel Times	90
	Appendix 2– Physician Referral Letter	91-94

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

Exact Legal Name: <i>Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Macomb*</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 is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.***Certificate of Good Standing for Fresenius Medical Care of Illinois, LLC on following page. Facility will be renamed Fresenius Kidney Care Macomb after relocation.****Co - Applicant Identification****[Provide for each co-applicant [refer to Part 1130.220].**

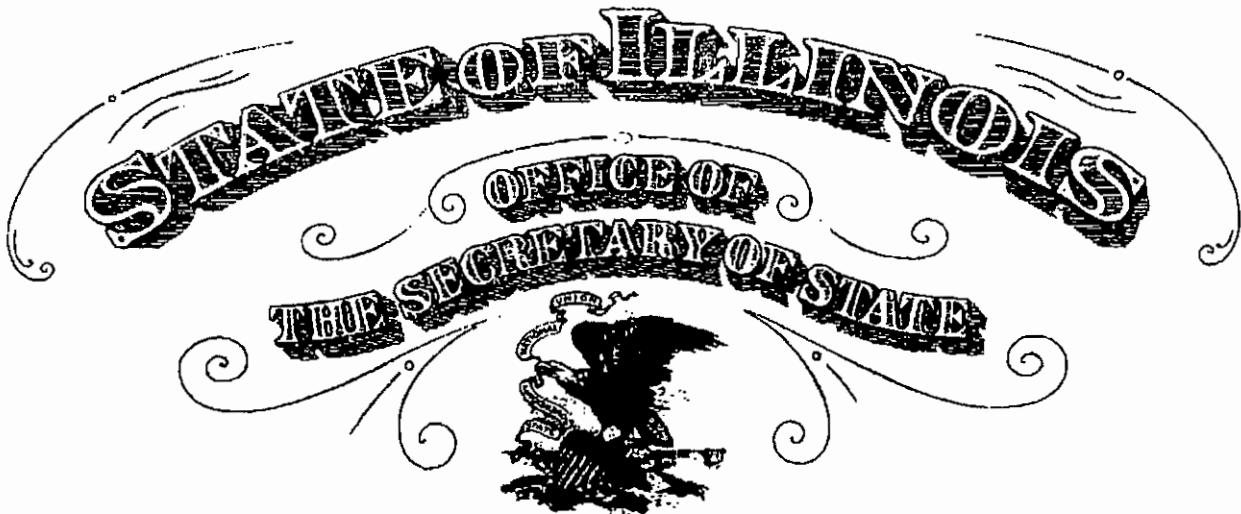
Exact Legal Name: <i>Fresenius Medical Care Holdings, Inc.</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Ron Kuerbitz</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02541</i>
Telephone Number: <i>781-669-9000</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 |
- o Corporations and limited liability companies must provide an Illinois certificate of good standing.
 - o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

File Number

0114682-3



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

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON MARCH 26, 2004, 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.



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

Authentication #: 1618801886 verifiable until 07/06/2017

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

Certificate of Good Standing
ATTACHMENT 1

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>Fred Heslop & K.K. Heslop, LP</i>
Address of Site Owner: <i>1022 E. Adams Street, Springfield, IL 62703</i>
Street Address or Legal Description of Site: <i>212 E. Calhoun Street, Macomb, IL 61455</i>
APPEND DOCUMENTATION AS <u>ATTACHMENT-2</u>. IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.



Cushman & Wakefield of
Illinois, Inc.
200 S. Wacker Drive
Suite 2800
Chicago, IL 60606
(312) 470-1800 Tel
(312) 470-3800 Fax
www.cushwake.com

September 29th, 2016

George Mavrogenes
Senior Account Executive
Legacy Commercial Property
2500 Lehigh Ave.
Glenview, IL 60026

RE: 212 East Calhoun Street
Macomb, IL 61455
Proposal

Dear George,

Cushman & Wakefield has been exclusively authorized by FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, a wholly owned subsidiary of FRESENIUS MEDICAL CARE Holdings, Inc. d/b/a FRESENIUS MEDICAL CARE - North America ("FMCNA") to present the following proposal to lease space from your company.

LANDLORD: Fred Heslop & K.K. Heslop, LP
1022 E. Adams Street, Springfield, IL 62703

TENANT: Fresenius Medical Care of Illinois, LLC or its affiliates.

LOCATION: 212 East Calhoun
Macomb, IL 61455

INITIAL SPACE REQUIREMENTS: Approximately 4,884 sq.ft.

PRIMARY TERM: An initial lease term of 10 years. The Lease will commence on the earlier of (i) the date that Tenant waives its CON contingency, or (ii) one hundred and twenty (120) days following mutual lease execution. Possession Date shall mean the date that Landlord turns the Premises over to Tenant with Landlord work complete. Both parties agree that Landlord shall not commence work until the Commencement Date. The rent will commence one hundred and twenty (120) days after Possession Date, or Tenant's opening for business, whichever occurs first. For purposes of establishing an actual occupancy date, both parties will execute an amendment after occupancy has occurred, setting forth dates for purposes of calculations, notices, or other events in the Lease that may be tied to a commencement date.

DELIVERY OF PREMISES: Landlord shall deliver the Premises in AS IS condition to FRESENIUS KIDNEY CARE for completion of the Tenant Improvements upon substantial completion of the shell.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

OPTIONS TO RENEW: Three (3), five (5) year options to renew the Lease. Option rental rates shall be based upon 115% of the previous year's rent. Tenant shall provide six months (6) sixty (60) days' prior written notification of its desire to exercise the option.

RENTAL RATE: \$13.00 Net. FMC will not enter into a NNN lease. FMC requires roof and structural portions of the building to be maintained by the Landlord.

ADDITIONAL CHARGES:

CAM:	\$1.50 / sf
Tax:	\$1.08 / sf
Insurance:	\$0.15 / sf
Management Fee:	3% of the gross rent

ESCALATION: 3% annually

LANDLORD BASE BUILDING WORK: Landlord shall provide \$15.00 psf in tenant improvements.

Landlord shall deliver the building in AS IS condition. In addition, Landlord shall deliver the premises with the following base building items in place.

1. Existing water service.
2. 800 amp 3 phase electrical service.
3. Existing sewer line.
4. 10 tons of HVAC service with humidity controls and fresh air.
5. Entire building must sprinklered if required by code.

RENT ABATEMENT: N/A.

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 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: FRESENIUS KIDNEY CARE will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FRESENIUS KIDNEY CARE shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any. Tenant will need 4 months to complete its interior improvements.

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

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

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 5 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:**

Signage is at Tenant's sole effort and expense. With municipal approval and Landlord reasonable approval, Tenant shall have signage rights in accordance with local code.

**COMMON AREA EXPENSES
AND REAL ESTATE TAXES:**

Tenant shall be responsible for all Real Estate Taxes and Operating Expenses, Insurance on its proportionate share of the leased premises associated with the building, estimated at \$2.73

**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, 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 roadways, landscape,

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

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 let Tenant use existing water, electricity, gas and sanitary sewer to the Premises. Tenant 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, provided there are no uncured defaults, 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 unreasonably 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 accepted.

**ZONING AND
RESTRICTIVE COVENANTS:**

Landlord confirms that to the best of its knowledge, the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no known 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 to the best of its knowledge, the property and premises is not in a Flood Plain.

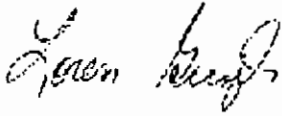
No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

CAPITALIZATION TEST:	Landlord will complete the attached Accounting Classification Form to ensure FRESNIUS KIDNEY CARE is not entering into a capitalized lease arrangement.
FINANCING:	Landlord will provide a non-disturbance agreement if existing.
EXCLUSIVITY	Landlord will not, during the term of the Lease and any option terms, lease space in a one (1) mile radius to any other provider of hemodialysis services.
ENVIRONMENTAL:	Landlord will provide all environmental soil tests to tenant if existing.
DRAFT LEASE:	FRESNIUS 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 Corp 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 March 2017.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

You may email the proposal to loren.guzik@cushwake.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
Senior Director
Office Group
Phone: 312-470-1897
Fax: 312-470-3800
e-mail: loren_guzik@cushwake.com

CC: Mr. Bill Popken

AGREED AND ACCEPTED this 15th day of November, 2016

By: 

Title: Regional Vice President

AGREED AND ACCEPTED this ____ day of _____, 2016

By:

Title:

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

Operating Identity/Licensee

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

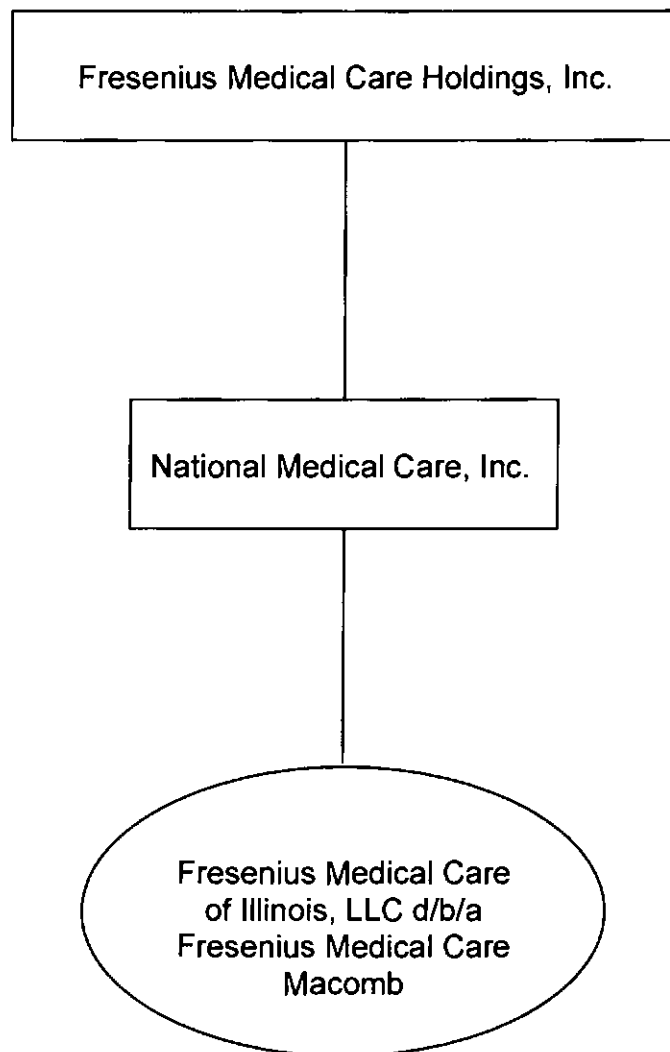
Exact Legal Name: *Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Macomb**

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

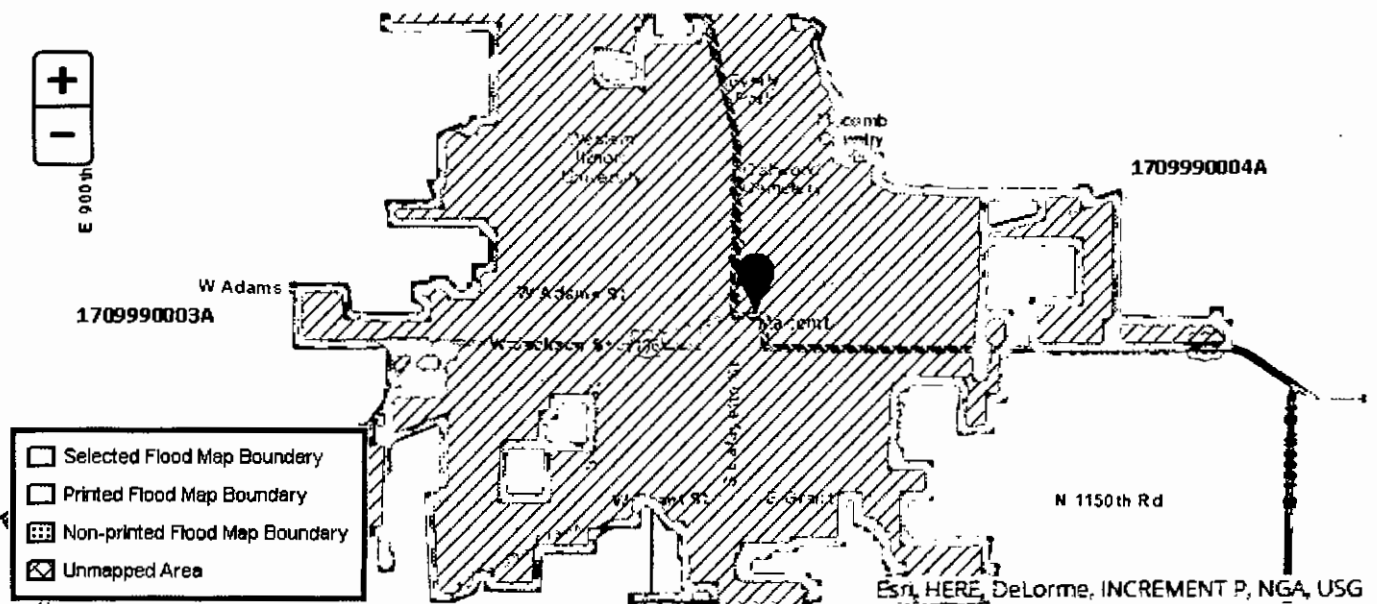
- | | | |
|---|--|--------------------------------|
| ☐ Non-profit Corporation | ☐ Partnership | |
| ☐ For-profit Corporation | ☐ Governmental | |
| ☒ Limited Liability Company | ☐ Sole Proprietorship | ☐ Other |

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

***Certificate of Good Standing at Attachment – 1.**



The proposed relocation site for Fresenius Medical Care Macomb lies in an unmapped area therefore no flood plain data is available.





**Illinois Historic
Preservation Agency**

FAX (217) 524-7525

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

McDonough County

Macomb

CON - Relocation for Lease to Establish an 8-Station Dialysis Facility

Existing - 523 E. Grant St., Proposed - 212 E. Calhoun St.

IHPA Log #010092616

October 4, 2016

Lori Wright
Fresenius Kidney Care
3500 Lacey Road
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	42,002
Temp Facilities, Controls, Cleaning, Waste Management	2,100
Concrete	10,753
Masonry	12,769
Metal Fabrications	6,300
Carpentry	73,840
Thermal, Moisture & Fire Protection	14,953
Doors, Frames, Hardware, Glass & Glazing	57,543
Walls, Ceilings, Floors, Painting	135,668
Specialities	10,501
Casework, FI Mats & Window Treatments	5,040
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	268,815
Wiring, Fire Alarm System, Lighting	161,961
Miscellaneous Construction Costs	37,802
Total	\$840,048
Contingencies	
	\$83,028
Architecture/Engineering Fees	
	\$92,000
Moveable or Other Equipment	
Dialysis Chairs	20,000
Clinical Furniture & Equipment	25,000
Office Equipment & Other Furniture	25,000
Water Treatment	150,000
TVs & Accessories	50,000
Telephones	15,000
Generator	10,000
Facility Automation	20,000
Other miscellaneous	10,000
Total	\$325,000
Fair Market Value of Leased Space and Equipment	
FMV Leased Space (4,884 GSF)	727,865
FMV Leased Dialysis Machines	143,250
FMV Leased Office Equipment	12,000
	\$883,115
Grand Total	\$2,223,191

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
#13-040	Fresenius Medical Care Lemont	Establishment	09/30/2016	Open 7/06/16 awaiting CMS certification
#14-026	Fresenius Kidney Care New City	Establishment	09/30/2017	Opening 10/2016
#14-047	Fresenius Kidney Care Humboldt Park	Establishment	12/31/2016	Opening 12/2016
#14-065	Fresenius Medical Care Plainfield North	Relocation	12/31/2016	Opened 9/19/2016
#15-028	Fresenius Kidney Care Schaumburg	Establishment	02/28/2017	Obligated/Bidding/Permitting Phase
#15-036	Fresenius Kidney Care Zion	Establishment	06/30/2017	Obligated/Bidding/Permitting Phase
#15-046	Fresenius Kidney Care Beverly Ridge	Establishment	06/30/2017	Obligated/Permitting Phase
#15-050	Fresenius Kidney Care Chicago Heights	Establishment	12/31/2017	Obligated/Construction Begun
#15-062	Fresenius Kidney Care Belleville	Establishment	12/31/2017	Obligated/Bidding/Permitting Phase
#16-024	Fresenius Kidney Care East Aurora	Establishment	09/30/2018	Lease Negotiations/Space Plans
#16-024	Fresenius Kidney Care East Aurora	Establishment	09/30/2018	Lease Negotiations/Space Plans
#16-035	Fresenius Kidney Care Evergreen Park	Relocation	12/31/2017	Lease Negotiations/Space Plans

Cost Space Requirements

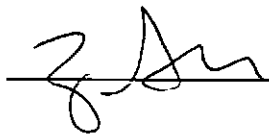
Provide in the following format, the department/area GSF and cost. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding 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	\$1,642,783		3,538		3,538		
Total Clinical	\$1,642,783		3,538		3,538		
NON REVIEWABLE							
Non-Clinical (Administrative, Mechanical, Staff, Waiting Room Areas)	\$580,408		1,346		1,346		
Total Non-clinical	\$580,408		1,346		1,346		
TOTAL	\$2,223,191		4,884		4,884		

IMPACT ON ACCESS STATEMENT PER PART 1110.130

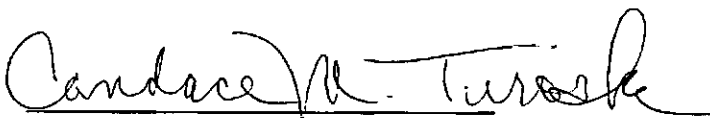
The proposed discontinuation of the Fresenius Medical Care Macomb 6-station end stage renal disease (ESRD) facility will not have an adverse effect upon access to care for the residents of the healthcare market area in which it is situated. Along with this discontinuation, a replacement 8-station ESRD facility will be established at 212 E. Calhoun Street, Macomb. The Macomb facility is essentially being relocated approximately 4 minutes away with the addition of 2 stations. All patients are expected to transfer to the replacement facility. There will be no break in service to patients.

There are no other facilities within 30-minutes travel time of the medically underserved Macomb area and therefore there will be no impact to any other provider of dialysis services.

_____

Date: 11-15-2016

SUBSCRIBED AND SWORN TO
BEFORE ME THIS 16th DAY
OF November, 2016.


NOTARY PUBLIC

(Seal)



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.

Certification & Authorization

Fresenius Medical Care of Illinois, 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 of Illinois, 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.

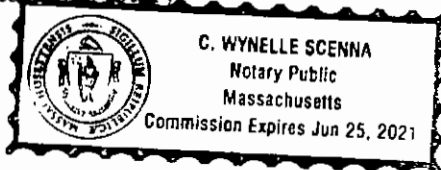
By: [Signature]
ITS: Bryan Mello
Assistant Treasurer

Notarization:

Subscribed and sworn to before me
this 27 day of Sept, 2016

C. Wynelle Scenna
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.

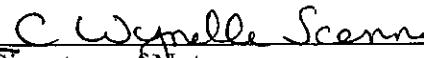
By: 
ITS: Maria T. C. Notar
Assistant Treasurer

By: 
ITS: Bryan Mello
Assistant Treasurer

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

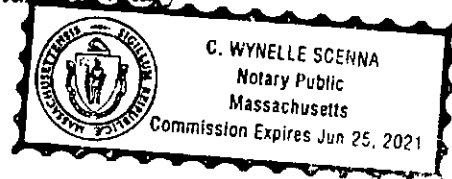
Notarization:
Subscribed and sworn to before me
this 27 day of Sept, 2016

Signature of Notary


Signature of Notary

Seal

Seal



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	14-2515	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	4861W. 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 Aurora	-	840 N. Farnsworth Avenue	Aurora	60505
East Peoria	14-2562	3300 North Main Street	East Peoria	61611
Elgin	14-2726	2130 Point Boulevard	Elgin	60123
Elk Grove	14-2507	901 Biesterfeld 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. Neltnor	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

Criterion 1110.230 – Purpose of Project

1. Fresenius Kidney Care proposes to relocate this facility from 523 E. Grant Street to 212 E. Calhoun Street, also in Macomb, along with the addition of 2 stations. This will allow continued access to dialysis services, additional treatment schedules, and access to isolation treatment. It will also provide a more modern, structurally sound, and permanent location for the Macomb area residents to receive treatment in.

Fresenius Kidney Care acquired the Macomb facility from McDonough Hospital in Macomb in 2008. It had been established 9 years prior in a small double-wide trailer on Hospital property. The trailer is now 17 years old.

2. The facility's current location and the relocation site are both in rural Macomb, McDonough County, in HSA 2. The facility currently serves 17 ESRD patients.
3. Because the facility is in a trailer, it has incurred some significant physical issues that are not reasonable to repair. For instance, the flooring in the entire space is uneven and is expanding leaving a crack down the middle of the structure. The water treatment equipment is outdated and replacement parts are no longer manufactured. Replacing the water treatment system in an unsound structure is not feasible. The current site is cramped and does not allow for an isolation room for those patients requiring isolation. Isolation patients currently have to travel nearly an hour away in Fulton County. In order to maintain dialysis services in a structure that meets Fresenius standards and to provide a safe environment for patients and staff, a permanent updated building is necessary. Fresenius Medical Care is willing to invest in the relocation/upgrade of this facility.
4. Not Applicable
5. Relocating the 6-station Macomb facility, along with 2 additional stations, to a permanent and upgraded structure while remaining in Macomb will allow patients a new, more modern facility along with access to isolation treatment options. The two additional stations will allow more patients a choice of what treatment shift they can dialyze on. There will be no interruption in service to the current patients of the Macomb clinic since the "relocation" of the facility will occur on a Sunday when there are no patient treatments scheduled.
6. The goal of Fresenius Kidney Care is to keep dialysis access available to this underserved rural patient population. 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. It is expected that this facility would continue to have similar quality outcomes after the relocation. Currently the Macomb patients have the quality values below:
 - o 100% of patients had a URR $\geq$ 65%
 - o 100% of patients had a Kt/V $\geq$ 1.2

(Demographic data contained in the application was taken from <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>. Clinic utilization from HFSRB and ESRD zip code census was received from The Renal Network.)

Alternatives

1) All Alternatives

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

The alternative of doing nothing was not considered. Doing nothing would allow the physical condition of the current trailer the facility is operating in to further decline which is not an option for a medical facility treating ESRD patients. There is no cost to this alternative.

The alternative of relocating the 6 stations without adding the two additional stations was considered but was not determined to be in the best interest of the operation of the facility. Fresenius Macomb only operates 4 patient shifts because of its rural location. It is not safe to have patients travelling long barren roadways in the dark to and from treatment therefore, only the first two shifts of the day are utilized. With 4 shifts the facility is at 71%, however the clinic needs an isolation station. If one of the 6 stations were turned into an isolation station after relocation, the utilization would jump to 85% (isolation stations are designated for patients requiring isolation and cannot be used by the general patient population). The cost of relocating only the 6 stations would be approximately \$2,186,000.

B. Pursuing a joint venture or similar arrangement

This facility is not currently a joint venture and there is no desire for any parties to form a joint venture for this clinic at this time.

C. Utilizing other health care resources

There are currently no other dialysis facilities within 30-minutes travel time of Macomb for area patients to utilize. This is not an option.

- The most reasonable alternative to address the deteriorating current trailer location of the Macomb facility is to relocate it into a more modern permanent structure also in Macomb and to address the need for isolation treatment options by adding 2 stations allowing for one to be designated as an isolation station. The cost of this project is \$2,223,191.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Do Nothing	\$0	This alternative would allow continued decline in the physical structure of the facility and would not provide access to isolation treatment options.	Facility Clinical Quality would remain the same.	There would be no cost except to the patients dialyzing in a declining physical structure with a lack of access to isolation treatment options.
Joint Venture	\$2,223,191	The facility is not currently a joint venture and there is no interest at this time for investment into the clinic.		
Utilize Area Providers	\$0	Fresenius Macomb is currently the only facility within 30-minutes travel time and in McDonough County. There are no other alternatives for Macomb area patients. Those requiring isolation do not have access to isolation treatment in McDonough County.	Quality at the Fresenius Macomb clinic would remain the same.	There is no financial cost to Fresenius Kidney Care. Patients travelling out of the county for isolation services have increased transportation costs.
Relocate the 6-station Fresenius Macomb ESRD facility and add 2 stations designating one as an isolation station.	\$2,223,191	Access to general dialysis services as well as isolation services will be maintained for years to come in modernized permanent structure. Additional schedule times will become available to accommodate individual patient's needs.	Patient clinic quality would remain above standards. Patient satisfaction and quality of life would improve with additional access to preferred treatment schedule times and isolation services.	The cost is to Fresenius Kidney Care only whose desire is to invest in this market to provide ongoing access.

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. Patients at Fresenius Macomb have achieved average adequacy outcomes of:

- 100% of patients had a URR $\geq$ 65%
- 100% of patients had a Kt/V $\geq$ 1.2

and the same is expected after relocation.

Criterion 1110.234, Project Services Utilization

Utilization With FOUR Patient Shifts					
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
		Current 71%	Upon Open w/8 stations 69%	80%	No
YEAR 1	8 Stations (1 isolation*) IN-CENTER HEMODIALYSIS		81%	80%	Yes
YEAR 2	IN-CENTER HEMODIALYSIS		93%	80%	Yes

*If the facility receives a patient requiring isolation the isolation station will be designated to that one patient only. No other patient (unless they require isolation) can use that station. During the remaining patient shifts it will remain dormant skew utilization numbers.

Aside from the current 17 Macomb clinic patients, Dr. Cherukuri has identified a total of 81 pre-ESRD patients in stages 4 & 5 of ESRD who could potentially utilize the Macomb facility. Of these she realistically expects that 10 would begin dialysis in next year prior to relocation and an additional 22 patients would begin dialysis in the first two years after the opening of the relocated Macomb facility. These numbers take into account natural attrition of patients.

These referral rates are consistent with historic referrals for the Macomb facility. Dr. Cherukuri referred 9 patients to the Macomb facility in the past year.

Planning Area Need – Formula Need Calculation:

The proposed relocation site for Fresenius Medical Care Macomb dialysis facility is located in McDonough County in HSA 2. HSA 2 is comprised of Bureau, Fulton, Henderson, Knox, LaSalle, Marshall, McDonough, Peoria, Putnam, Stark, Tazewell, Warren, and Woodford Counties. According to the September 2016 station inventory there is an excess of 16 stations in this HSA. However, the location is in McDonough County which is entirely medically underserved. Further, there are no other clinics within 30-minutes travel time nor are there any designated isolation stations. The proposed addition will allow for an isolation station.

This project is proposing relocating 6 existing stations and adding two additional.

2. Planning Area Need – Service To Planning Area Residents:

- A. The primary purpose of this project is to provide in-center hemodialysis services to the Macomb area of McDonough County. Macomb is in HSA 2. 92% of the patients identified for the Macomb facility reside in HSA 2.

County	HSA	# Current and Pre-ESRD Patients Who Will Be Referred to Fresenius Kidney Care Macomb
McDonough	2	36 Patients = 92%
Schuyler	3	3 Patients = 8%



Illinois Kidney Disease & Hypertension Center

Nephrology Associates

Alexander J. Alonso, M.D.
Robert Bruha, M.D.
Sudha Cherukuri, M.D.
Anthony R. Horinek, M.D.
Raji Jacob, M.D.
Gordon W. James, M.D.
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November 14, 2016

Ms. Courtney Avery

Administrator

Illinois Health Facilities & Services Review Board

525 W. Jefferson St., 2nd Floor

Springfield, IL 62761

Dear Ms. Avery:

I am a nephrologist in practice with Renal Care Associates (RCA) in central Illinois and am the Medical Director of the rural Fresenius Medical Care Macomb dialysis clinic. I am writing to support the relocation and addition of two stations to this facility. Fresenius Macomb is operating in a very small double-wide trailer that is almost twenty years old and in declining physical condition. It is my desire for my patients to be able to dialyze in a more suitable and improved environment. Also, the 2 additional proposed stations will allow my patients who are in need of isolation treatment access closer to home as well as offer all patients additional choices of treatment times.

At the Macomb facility I was treating 20 patients at the end of 2013, 19 at the end of 2014, 20 at the end of 2015 and 19 as of the most recent quarter as reported to The Renal Network. Over the past twelve months I have referred 9 new hemodialysis patients for services to the Fresenius Macomb facility. I expect that all 17 current patients of the facility will relocate to the new site upon its opening. I currently have 81 patients in the Macomb area who are in stage 4 & 5 of chronic kidney disease. Of these there are 10 that will be starting dialysis in the next year and another 22 that I expect to begin dialysis at the Macomb facility by the time the relocation has been in operation two years.

I respectfully ask that consideration be given to the condition of the current facility my patients are treating in and grant them access to appropriate facilities for their ongoing dialysis treatments. I urge the Board to approve the relocation and expansion of Fresenius Medical Care Macomb in order to keep access available to this rural ESRD patient population. Thank you for your consideration.



Illinois Kidney Disease & Hypertension Center

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.

Ottawa

1050 E. Norris Dr., Suite

2C

(815) 431-0785

I attest to the fact that to the best of my knowledge, all the information contained in this letter is true and correct and that the projected referrals in this document were not used to support any other CON application.

Sincerely,

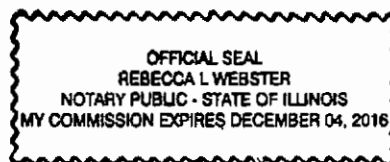
Sudha Cherukuri, M.D.

Notarization:

Subscribed and sworn to before me
this 17th day of November, 2016

Signature of Notary

Seal





Illinois Kidney Disease & Hypertension Center

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CURRENT MACOMB PATIENTS THAT WILL TRANSFER TO THE RELOCATION SITE UPON OPENING

Zip Code	Patients
61416	1
61455	10
61470	1
61484	2
61501	1
62319	1
62374	1
Total	17

PRE-ESRD PATIENTS IDENTIFIED FOR THE MACOMB FACILITY

Zip Code	Stage 4	Stage 5
61415	2	
61420	1	
61422	2	1
61438	1	
61440	1	1
61441	1	
61450	1	
61455	10	6
61470	1	
61482	1	
61484	1	
62321	1	
62326	1	2
Total	22	10



Illinois Kidney Disease & Hypertension Center

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NEW REFERRALS OF DR. CHERUKURI

AT MACOMB FOR THE PAST TWELVE MONTHS

Zip Code	Patients
61422	1
61440	1
61455	6
61470	1
Total	9

HEMODIALYSIS PATIENTS OF DR. CHERUKURI FOR FRESENIUS MACOMB

Zip Code	Fresenius Macomb Patients			
	12/31/2013	12/31/2014	12/31/2015	6/30/2016
61416		1	1	1
61420		1		
61422	2	2	1	
61440			1	1
61455	14	11	13	11
61470				1
61484	1	1	2	2
61501	1	1	1	1
62319	1	1	1	1
62326	1	1		
62374				1
Total	20	19	20	19

Service Accessibility – Service Restrictions

- The proposed Fresenius Macomb 8-station ESRD facility will be located in HSA 2 in central McDonough County in Macomb. All of McDonough County is a medically underserved Area (MUA). This project is essentially a relocation of the Macomb 6-station facility and addition of 2 stations one of which will be a designated isolation station for patients requiring isolation services.
- HSA 2 currently shows an excess of 16 stations, however Fresenius Macomb is the only facility within 30-minutes travel time and in McDonough County. Also, there are no isolation station services offered within close to an hour travel time. Existing problems at the Macomb facility relate to the poor physical condition of the mobile home structure which is continually declining and does not offer room for an isolation station for those patients requiring isolation treatment. Currently these patients must travel to Canton in Fulton County for isolation which is close to an hour away from Macomb.
- The proposed site, 212 East Macomb, is four minutes away from the current site and will allow McDonough County patients the opportunity to dialyze in a newer, more modern and spacious building. The addition of two stations will provide additional treatment schedule times as well as open up access to isolation treatment services in this medically underserved area.

Pre-ESRD and Current Patients Identified for the relocated And Expanded Fresenius Macomb Dialysis Center

Current Macomb Patients

Zip Code	Patients
61416	1
61455	10
61470	1
61484	2
61501	1
62319	1
62374	1
Total	17

Pre-ESRD Patients

Zip Code	Stage 4	Stage 5
61415	2	
61420	1	
61422	2	1
61438	1	
61440	1	1
61441	1	
61450	1	
61455	10	6
61470	1	
61482	1	
61484	1	
62321	1	
62326	1	2
Total	22	10



HRSA Data Warehouse

Health Resources & Services Administration

Topic Areas Tools Data FAQs & Resources About HDW HRSA.gov

Home > Tools > Analyzers > Find Shortage Areas by Address

Find Shortage Areas by Address Results

Input address: 212 e calhoun street, macomb, illinois 61455
Geocoded address: 212 E Calhoun St, Macomb, Illinois, 61455

Start Over

HPSA Data as of 9/22/2016

MUA Data as of 9/22/2016

[\[+\] More about this address](#)

In a Dental Health HPSA: Yes

HPSA Name: Low Income - McDonough County
ID: 617999171J
Designation Type: Hpsa Population
Status: Designated
Score: 17
Designation Date: 05/31/2001
Last Update Date: 01/25/2011

In a Mental Health HPSA: Yes

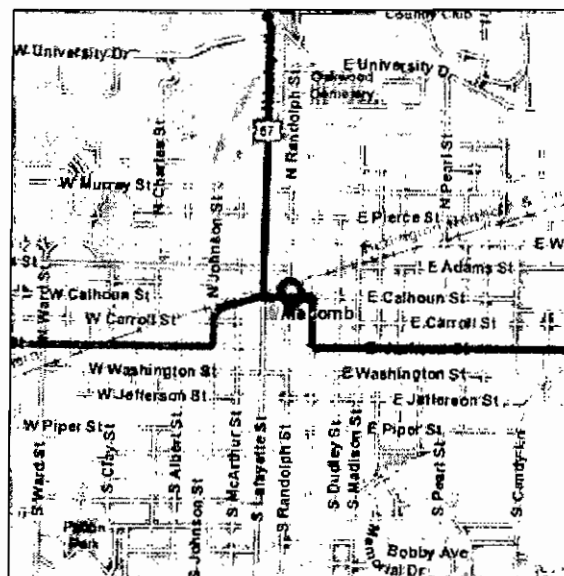
HPSA Name: Catchment Area 1-08-08
ID: 71799917A4
Designation Type: Hpsa Geographic
Status: Designated
Score: 18
Designation Date: 03/27/2006
Last Update Date: 11/14/2011

In a Primary Care HPSA: Yes

HPSA Name: Low Income - McDonough County
ID: 117999174H
Designation Type: Hpsa Population
Status: Designated
Score: 15
Designation Date: 11/01/2001
Last Update Date: 06/20/2012

In a MUA/P: Yes

Service Area Name: McDonough County
ID: 07611
Designation Type: Medically Underserved Area



Click on the image to see an expanded map view.

Note: The address entered is geocoded and then compared against the HPSA and MUA/P data in the HRSA Data Warehouse. Due to geoprocessing limitations, the designation cannot be guaranteed to be 100% accurate and does not constitute an official determination. If you feel the result is in error, please refer to <http://answers.hrsa.gov>.

Unnecessary Duplication/Maldistribution

Zip Code	Population
61411	378
61415	1,747
61420	1,067
61422	3,416
61438	760
61440	766
61441	897
61450	1,742
61452	293
61455	22,086
61459	433
61470	547
61471	140
61473	1,667
61475	205
61482	650
61484	825
61501	1,921
62311	860
62313	389
62316	660
62319	264
62321	4,091
62326	2,478
62334	172
62339	874
62344	138
62346	178
62367	1,345
62374	298
62681	5,602
Total	56,889

1. (A-B-C) The ratio of ESRD stations to population in the zip codes within a 30-minute radius of Fresenius Kidney Care Macomb is 1 station per 9,482 residents according to the 2010 census. The State ratio is 1 station per 2,888 residents as of November 2016.
2. Fresenius Macomb is the only facility within 30 minutes travel time and although the Fresenius Macomb facility is not at 80% utilization it will not create a maldistribution of services in regard to there being excess availability because there are no other clinics in the area. As well, because this is a rural clinic it only operates 4 daily treatment shifts versus 6 shifts that the Board rules base utilization on. Most rural clinics operate this way because of the hazards of driving long distances on country roads late at night, especially for ESRD patients who are generally elderly and ill. Of the patients at the Macomb facility 55% over age 65.
3. A) The relocation and addition of two stations at Fresenius Kidney Care Macomb will not have an adverse effect on any other area ESRD provider in that the new patients identified for this facility are pre-ESRD patients who would be referred to Macomb regardless. There are also no other facilities within 30-minutes travel time.

B) Not applicable – applicant is not a hospital; however the utilization will not be lowered at any other ESRD facility due to the relocation/expansion of Fresenius Macomb.

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Sudha Cherukuri is currently the Medical Director for Fresenius Medical Care Macomb and will also be the Medical Director after the relocation. Attached is her curriculum vitae.

B. All Other Personnel

The facility currently employs the following staff and all are expected to remain at the facility after the relocation.

- One full-time Clinic Manager
- Two full-time Registered Nurses
- Two full-time Patient Care Technicians
- One part-time Licensed Master level Social Worker
- One part-time Registered Dietitian
- One part-time Equipment Technician
- One part-time Secretary

- No additional staff will be hired as a result of the two-station expansion.

- 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 Kidney 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.

Sudha Cherukuri, MD
drsudha@gmail.com

4128 Perrine Pointe, Midland, MI 48640
Cell: (989) 800-6029

Nephrologist

Board Certification

American board certified in Nephrology	2008
American board certified in Internal medicine	2008

Fellowship

University of Toronto, Toronto, Canada	2005
Clinical Fellowship in Nephrology	
Apollo Hospitals, Chennai, India	2001
DNB, Nephrology	

Residency

Pennsylvania Hospital, Philadelphia, PA	2008
Internal Medicine	
Gandhi Medical College, Hyderabad, India	1998
Internal Medicine	

Education

Osmania Medical College, Hyderabad, India	1982
---	------

Professional Experience

Nephrologist	Aug 2008 - Present
MidMichigan Medical Center	Midland, MI
MidMichigan Medical Center - Gratiot	Alma, MI
Consultant Nephrologist	Aug 2005 - Jun 2006
Care Hospital	Hyderabad, India
Consultant Nephrologist	Jun 2001 - Apr 2002
Sri Ramachandra Hospital	Chennai, India

Teaching Experience

- Clinical Nephrology to Family practice residents of MidMichigan Medical Centre, Midland, MI.
- Clinical Nephrology to Postgraduate students of Toronto General Hospital, Toronto, Canada.
- Clinical Nephrology to Undergraduate & Postgraduate students of Sri Ramachandra Hospital, Chennai, India.
- Clinical Medicine to Undergraduate students (MBBS) of Gandhi Medical College, Hyderabad, India.

Presentations and Publications:

1. Vascular complications of the lower extremities in diabetic patients on peritoneal dialysis. Clin Nephrol. May 2008.
2. Isolated Systolic Hypertension. Geriatrics & Aging - Feb 2003.
3. Improvement in Left Ventricular Function after Renal Transplantation - Echo cardiac and Radionuclide analysis. Published in the book of Abstracts of the XXXVIII European RA-EDTA congress, held in Vienna, Austria, June 24-27 2001. Oral presentation at Indian Society of Nephrology, Southern chapter, Cochin (Feb 2001), Kerala, India.
4. Antiseptic Impregnated and Non-Impregnated Jugular Venous Catheters in Prevention Of Septicemia. Oral presentation at Indian Society of Nephrology, Annual Conference (Nov 2000), Mumbai, India.
5. Murex CD3 in Cadaver Renal Transplantation. Indian Society of Nephrology, Southern chapter (Feb 2000), Goa, India (Won a second prize in the conference for oral presentation).

Criterion 1110.1430 (e)(5) Medical Staff

I am the Regional Vice President of the Central Illinois Region at Fresenius Kidney Care who oversees the Macomb facility and in accordance with 77 Il. Admin Code 1110.1430, I certify the following:

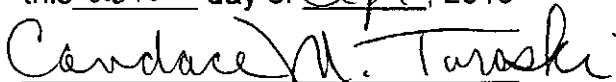
Fresenius Kidney Care Macomb is now and will continue to be an "open" unit with regards to medical staff. Any Board Licensed nephrologist may apply for privileges at the Macomb facility, just as they currently are able to at all Fresenius Kidney Care facilities.


Signature

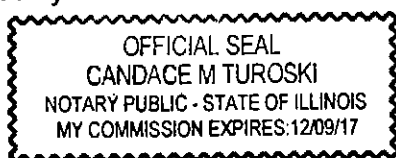
Zubair Munshey
Printed Name

Regional Vice President
Title

Subscribed and sworn to before me
this 23rd day of Sept, 2016


Signature of Notary

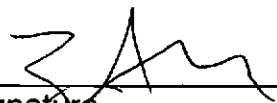
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Criterion 1110.1430 (f) – Support Services

I am the Regional Vice President of the Central Illinois Region at Fresenius Kidney Care who oversees the Fresenius Kidney Care Macomb facility. In accordance with 77 Il. Admin Code 1110.1430, I certify to the following:

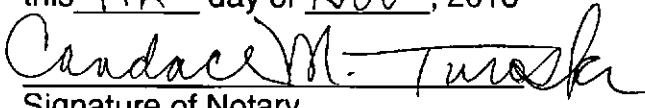
- Fresenius Kidney Care utilizes a patient data tracking system in all of its facilities.
- These support services are will be available at Fresenius Kidney Care Macomb during all six shifts:
 - Nutritional Counseling
 - Psychiatric/Social Services
 - Home/self training
 - Clinical Laboratory Services – provided by Spectra Laboratories
- The following services will be provided via referral to OSF St. Francis Medical Center:
 - Blood Bank Services
 - Rehabilitation Services
 - Psychiatric Services



Signature

Zubair Munshey/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 7th day of Nov, 2016



Signature of Notary

Seal



Criterion 1110.1430 (g) – Minimum Number of Stations

Fresenius Medical Care Macomb is located in rural western Illinois in the town of Macomb. A minimum of six dialysis stations is required to establish an in-center hemodialysis center outside of a MSA. Fresenius Medical Care Macomb has 6 dialysis stations and will be adding 2 with the relocation for a total of 8 dialysis stations thereby meeting this requirement.

TRANSFER AGREEMENT
between
OSF HEALTHCARE SYSTEM,
SAINT FRANCIS MEDICAL CENTER
and
DIALYSIS CENTERS OF AMERICA - ILLINOIS

THIS TRANSFER AGREEMENT ("Agreement") is made and executed on the last date written below, by and between OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, having its Corporate Office in Peoria, Illinois, owner and operator of SAINT FRANCIS MEDICAL CENTER, located and doing business in Peoria, Illinois, (such System and Hospital are collectively referred to as "Receiving Hospital") and DIALYSIS CENTERS OF AMERICA - ILLINOIS, which owns and operates renal dialysis facilities, whose locations are set forth in Exhibit A, attached hereto and made a part hereof (all hereinafter referred to as "Transferring Facility").

RECITALS:

A. The Transferring Facility and the Receiving Hospital desire, by means of this Agreement, to assist physicians in the treatment of patients.

B. The parties hereto specifically wish to facilitate: (a) the timely transfer of patients and the medical records and other information necessary or useful for the care and treatment of patients transferred; (b) the determination as to whether such patients can be adequately cared for other than by either of the parties hereto; (c) the continuity of care and treatment appropriate to the needs of the transferred patient; and (d) the utilization of knowledge and other resources of both healthcare entities in a coordinated and cooperative manner to improve the professional healthcare of patients.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and in reliance upon the recitals, set forth above and incorporated by reference herein, the parties hereto agree as follows:

I. DUTIES AND RESPONSIBILITIES.

- 1.1 Joint Responsibilities. In accordance with the policies and procedures of the Transferring Facility and upon the recommendation of the patient's attending physician that such a transfer is medically appropriate, such patient shall be transferred from the Transferring Facility to the Receiving Hospital as long as the Receiving Hospital has bed availability, staff availability, is able to provide the services requested by the Transferring Facility, including on-call specialty physician availability, and pursuant to any other necessary criteria established by the Receiving Hospital. In such cases, the Receiving Hospital and the Transferring Facility agree to exercise best efforts to provide for prompt admission of the patient. If applicable, the parties shall comply with all EMTALA requirements with respect to such transfers. Receiving Hospital and Transferring Facility

shall meet periodically to review the transfer process, of policies and procedures in order to improve the process, including efficiency, clinical care and patient safety.

- 1.2 Receiving Hospital. The Receiving Hospital shall accept patients in need of transfer from the Transferring Facility pursuant to the criteria set forth in Section 1.1. Further, Receiving Hospital shall designate a person to coordinate with Transferring Facility in order to establish acceptable and efficient transfer guidelines.
- 1.3 Transferring Facility. Transferring Facility shall request transfers of patients to Receiving Hospital pursuant to the criteria set forth in Section 1.1. Further, Transferring Facility shall:
 - a. Have responsibility for obtaining the patient's informed consent for the potential transfer to Receiving Hospital, if the patient is competent. If the patient is not competent, the consent of the legal guardian, agent with power of attorney for health care, or surrogate decision maker of the patient shall be obtained.
 - b. Notify Receiving Hospital as far in advance as possible of the impending transfer.
 - c. Transfer to Receiving Hospital the patient's personal effects, including money and valuables, and information related thereto. A standard form shall be adopted and used by both parties listing such personal effects and appropriate documentation and transfer procedure. Transferring Facility shall be responsible for such personal effects until such standard form has been signed by the Receiving Hospital and Receiving Hospital has received such personal effects.
 - d. Affect the transfer to Receiving Hospital through qualified personnel and appropriate transfer equipment and transportation, including the use of necessary and medically appropriate life support measures. Receiving Hospital's responsibility for the patient's care shall begin when the patient is admitted to Receiving Hospital.
 - e. Transfer, and supplement as necessary, all relevant medical records, or in the case of an emergency, as promptly as possible, transfer an abstract of the pertinent medical and other records necessary in order to continue the patient's treatment without interruption and to provide identifying and other information,

including contact information for referring physician, name of physician(s) at Receiving Hospital contacted with regard to the patient (and to whom the patient is to be transferred), medical, social, nursing and other care plans. Such information shall also include, without limitation and if available, current medical and lab findings, history of the illness or injury, diagnoses, advanced medical directives, rehabilitation potential, brief summary of the course of treatment at the Transferring Facility, medications administered, known allergies, nursing, dietary information, ambulation status and pertinent administrative, third party billing and social information.

- 1.4 Non Discrimination. The parties hereto acknowledge that nothing in this Agreement shall be construed to permit discrimination by either party in the transfer process set forth herein based on race, color, national origin, handicap, religion, age, sex or any other characteristic protected by Illinois state laws, Title VI of the Civil Rights Act of 1964, as amended or any other applicable state or federal laws. Further, Section 504 of the Rehabilitation Act of 1973 and the American Disabilities Act require that no otherwise qualified individual with an handicap shall, solely by reason of the handicap, be excluded from participation in, or denied the benefits of, or be subjected to discrimination in a facility certified under the Medicare or Medicaid programs.
- 1.5 Name Use. Neither party shall use the name of the other party in any promotional or advertising material unless the other party has reviewed and approved in writing in advance such promotional or advertising material.
- 1.6 Standards. Receiving Hospital shall ensure that its staff provide care to patients in a manner that will ensure that all duties are performed and services provided in accordance with any standard, ruling or regulation of the Joint Commission on Accreditation of Healthcare Organizations, the Department of Health and Human Services or any other federal, state or local government agency, corporate entity or individual exercising authority with respect to or affecting Receiving Hospital. Receiving Hospital shall ensure that its professionals shall perform their duties hereunder in conformance with all requirements of the federal and state constitutions and all applicable federal and state statutes and regulations.
- 1.7 Exclusion/Debarment. Both parties certify that they have not been debarred, suspended, or excluded from participation in any state or federal healthcare program, including, but not limited to, Medicaid, Medicare and

Tricare. In addition, each party agrees that it will notify the other party immediately if it subsequently becomes debarred, suspended or excluded or proposed for debarment, suspension or exclusion from participation in any state or federal healthcare program.

- 1.8 Confidentiality. Receiving Hospital agrees to maintain confidentiality. Receiving Hospital acknowledges that certain material, which will come into its possession or knowledge in connection with this Agreement, may include confidential information, disclosure of which to third parties may be damaging to Transferring Facility. Receiving Hospital agrees to hold all such material in confidence, to use it only in connection with performance under this Agreement and to release it only to those persons requiring access thereto for such performance or as may otherwise be required by law and to comply with the Health Insurance Portability and Accountability Act.
- 1.9 Access to Books and Records. Both parties will maintain records relating to their responsibilities under this Agreement for a period of one (1) year from the date of services. During normal working hours and upon prior written and reasonable notice, each party will allow the other party reasonable access to such records for audit purposes and also the right to make photocopies of such records (at requesting party's expense), subject to all applicable state and federal laws and regulations governing the confidentiality of such records.

II. FINANCIAL ARRANGEMENTS.

- 2.1 Billing and Collection. The patient is primarily responsible for payment for care provided by Transferring Facility or Receiving Hospital. Each party shall bill and collect for services rendered by each party pursuant to all state and federal guidelines and those set by third party payors. Neither the Transferring Facility nor the Receiving Hospital shall have any liability to the other for billing, collection or other financial matters relating to the transfer or transferred patient. Since this Agreement is not intended to induce referrals, there should be no compensation or anything of value, directly or indirectly, paid between the parties.
- 2.2 Insurance. Each party shall, at its expense, maintain through insurance policies, self-insurance or any combination thereof, such policies of comprehensive general liability and professional liability insurance with coverage limits of at least One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) annual aggregate to insure such party and its Board, officers, employees and agents acting

within the scope of their duties and employment against any claim for damages arising by reason of injuries to property or personal injuries or death occasioned directly or indirectly in connection with services provided by such party and activities performed by such party in connection with this Agreement. Either party shall notify the other party thirty (30) days prior to the termination or modification of such policies.

III. TERM AND TERMINATION.

- 3.1 Term and Automatic Renewal. The promises and obligations contained herein shall commence as of March 1, 2005 for a term of one (1) year therefrom and shall automatically renew pursuant to like terms unless one party shall give the other party a notice of intent not to renew thirty (30) days prior to the expiration of the initial term, or the then-existing term, subject, however, to termination under Section 3.2 herein.
- 3.2 Termination. This Agreement may be sooner terminated on the first to occur of the following:
- a. Written agreement by both parties to terminate this Agreement.
 - b. In the event of breach of any of the terms or conditions of this Agreement by either party and the failure of the breaching party to correct such breach within ten (10) business days after written notice of such breach by either party, such other party may terminate this Agreement immediately with written notice of such termination to the breaching party.
 - c. In the event either party to this Agreement shall, without cause, at any time give to the other at least thirty (30) days advanced written notice, this Agreement shall terminate on the future date specified in such notice.
 - d. Debarment, suspension or exclusion, as set forth in Section 1.7.
- 3.3 Effects of Termination. Upon termination of this Agreement, as hereinabove provided, no party shall have any further obligations hereunder, except for obligations accruing prior to the date of termination.

IV. MISCELLANEOUS.

- 4.1 This Agreement constitutes the entire agreement between the parties and contains all of the terms and conditions between the parties with respect to the subject matter hereunder. Receiving Hospital and Transferring

Facility shall be entitled to no benefits or services other than those specified herein. This Agreement supersedes any and all other agreements, either written or oral, between the parties with respect to the subject matter hereof.

- 4.2 This Agreement shall be construed and interpreted in accordance with the laws of Illinois. It may only be amended, modified or terminated by an instrument signed by the parties. This Agreement shall inure to the benefit of and be binding upon the parties, their successors, legal representatives and assigns, and neither this Agreement nor any right or interest of Receiving Hospital or Transferring Facility arising herein shall be voluntarily or involuntarily sold, transferred or assigned without written consent of the other party, and any attempt at assignment is void.
- 4.3 The parties are independent contractors under this Agreement. Nothing in this Agreement is intended nor shall be construed to create an employer/employee relationship or a joint venture relationship between the parties, or to allow any party to exercise control or direction over the manner or method by which any of the parties perform services herein. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provisions hereof. Notices required herein shall be considered effective when delivered in person, or when sent by United States certified mail, postage prepaid, return receipt requested and addressed to:

Receiving Hospital:

Keith Steffen
CEO
Saint Francis Medical Center
530 N.E. Glen Oak Avenue
Peoria, Illinois 61637

Transferring Facility:

David G. Carter
Regional Vice President
Dialysis Centers of America - Illinois
Central Illinois Region
3300 North Main Street
East Peoria, Illinois 61611

or to other such address, and to the attention of such other person(s) or officer(s) as a party may designate by written notice.

- 4.4 It is understood and agreed that neither party to this Agreement shall be legally liable for any negligent nor wrongful act, either by commission or omission, chargeable to the other, unless such liability is imposed by law and that this Agreement shall not be construed as seeking to either enlarge or diminish any obligations or duty owed by one party against the other or

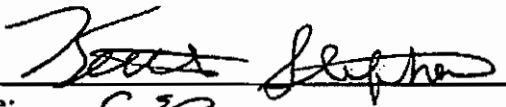
against a third party. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted. The section titles and other headings contained in this Agreement are for reference only and shall not affect in any way the meaning or interpretation of this Agreement.

- 4.5 This Agreement is a result of negotiations between the parties, none of whom have acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the parties hereby waive the application of any rule of law that otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed Agreement or any earlier draft of the same.

IN WITNESS WHEREOF, the parties have hereto executed this Agreement in multiple originals as of the last date written below.

RECEIVING HOSPITAL:

OSF HEALTHCARE SYSTEM,
an Illinois not-for-profit
corporation, owner and operator of
Saint Francis Medical Center

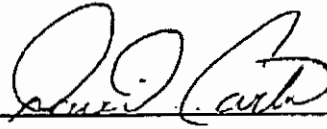
By: 
Title: CEO

Dated: 4/18/05

XX 3/08/05

TRANSFERRING FACILITY:

DIALYSIS CENTERS OF AMERICA -
ILLINOIS

By: 
Title: _____

Dated: _____

EXHIBIT A
FACILITY LOCATIONS

RCG Macomb
523 E. Grant Street
Macomb, IL 61455

RCG Kewanee
511 Pine Street
Kewanee, IL 61443

RCG Spring Valley
12 Wolfer Industrial Park Drive
Spring Valley, IL 61362

RCG Ottawa
1000 E. Norris Drive
Ottawa, IL 61350

RCG Peoria North
3300 N. Main Street
Peoria, IL 61615

RCG East Peoria
3300 N. Main Street
East Peoria, IL 61611

RCG Canton
210 W. Walnut
Canton, IL 61520

RCG East Peoria Home Dialysis
3300 N. Main Street
East Peoria, IL 61611

RCG Peoria North Home Dialysis
10405 N. Juliet Court
Peoria, IL 61615

RCG Pekin
600 S. 13th Street – 3rd Floor
Pekin, IL 61554

RCG Peoria Downtown
410 R.B. Garrett Avenue
Peoria, IL 61605

RELOCATION OF FACILITIES

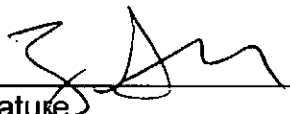
- 1) The existing Macomb facility is currently at 47% utilization, however only operates 4 patient shifts vs. the State standard of 6 shifts. Because this is a rural facility, 4 patient shifts is more of the norm for dialysis clinics. Transportation to and from treatment can be a hardship for patients on the last shift of the day which has the patient traveling back home at night. Long country roads can be hazardous at night especially in inclement weather and county transportation services typically end at 4:00 p.m. Nighttime travel is not in the patient's best interest, most of whom are elderly. 55% of the Macomb patients are over the age of 65 and are uneasy traveling these routes at night and when they are not feeling well after treatment. Rural population does not generally support operating 3 shifts per day, but if strict compliance was required in regards to the target utilization, there would be no rural facilities, which would be unfair to these residents. For these reasons, the first two shifts of the day are the only ones operational. Utilization based on 4 shifts is 71%, which is closer to the Board target utilization of 80%.
- 2) Relocating the 6-station Macomb facility will offer patients in this medically underserved area a new, more modern and spacious facility and the two additional stations will allow for an isolation station closer to home and additional treatment schedule times.

Criterion 1110.1430 (j) – Assurances

I am the Regional Vice President of the Central Illinois Region of Fresenius Kidney Care. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Kidney Care Macomb, I certify the following:

1. As supported in this application through expected referrals to Fresenius Kidney Care Macomb in the first two years of operation, 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 Macomb hemodialysis patients have achieved adequacy outcomes of:
 - 100% of patients had a URR $\geq$ 65%
 - 100% of patients had a Kt/V $\geq$ 1.2

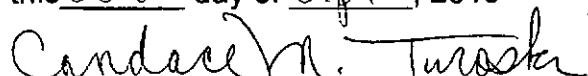
and same is expected after the relocation.



Signature

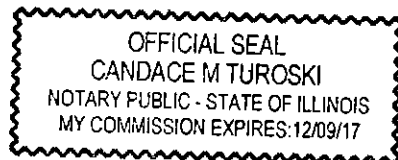
Zubair Munshey/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 23rd day of Sept, 2016



Signature of Notary

Seal



ATTACHMENT – 26j



Cushman & Wakefield of
Illinois, Inc.
200 S. Wacker Drive
Suite 2800
Chicago, IL 60606
(312) 470-1800 Tel
(312) 470-3800 Fax
www.cushwake.com

September 29th, 2016

George Mavrogenes
Senior Account Executive
Legacy Commercial Property
2500 Lehigh Ave.
Glenview, IL 60026

RE: 212 East Calhoun Street
Macomb, IL 61455
Proposal

Dear George,

Cushman & Wakefield has been exclusively authorized by FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, a wholly owned subsidiary of FRESENIUS MEDICAL CARE Holdings, Inc. d/b/a FRESENIUS MEDICAL CARE - North America ("FMCNA") to present the following proposal to lease space from your company.

LANDLORD: Fred Heslop & K.K. Heslop, LP
1022 E. Adams Street, Springfield, IL 62703

TENANT: Fresenius Medical Care of Illinois, LLC or its affiliates.

LOCATION: 212 East Calhoun
Macomb, IL 61455

INITIAL SPACE REQUIREMENTS: Approximately 4,884 sq.ft.

PRIMARY TERM: An initial lease term of 10 years. The Lease will commence on the earlier of (i) the date that Tenant waives its CON contingency, or (ii) one hundred and twenty (120) days following mutual lease execution. Possession Date shall mean the date that Landlord turns the Premises over to Tenant with Landlord work complete. Both parties agree that Landlord shall not commence work until the Commencement Date. The rent will commence one hundred and twenty (120) days after Possession Date, or Tenant's opening for business, whichever occurs first. For purposes of establishing an actual occupancy date, both parties will execute an amendment after occupancy has occurred, setting forth dates for purposes of calculations, notices, or other events in the Lease that may be tied to a commencement date.

DELIVERY OF PREMISES: Landlord shall deliver the Premises in AS IS condition to FRESENIUS KIDNEY CARE for completion of the Tenant Improvements upon substantial completion of the shell.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

OPTIONS TO RENEW: Three (3), five (5) year options to renew the Lease. Option rental rates shall be based upon 115% of the previous year's rent. Tenant shall provide six months (6) sixty (60) days' prior written notification of its desire to exercise the option.

RENTAL RATE: \$13.00 Net. FMC will not enter into a NNN lease. FMC requires roof and structural portions of the building to be maintained by the Landlord.

ADDITIONAL CHARGES:

CAM:	\$1.50 / sf
Tax:	\$1.08 / sf
Insurance:	\$0.15 / sf
Management Fee:	3% of the gross rent

ESCALATION: 3% annually

LANDLORD BASE BUILDING WORK: Landlord shall provide \$15.00 psf in tenant improvements.

Landlord shall deliver the building in AS IS condition. In addition, Landlord shall deliver the premises with the following base building items in place.

1. Existing water service.
2. 800 amp 3 phase electrical service.
3. Existing sewer line.
4. 10 tons of HVAC service with humidity controls and fresh air.
5. Entire building must sprinklered if required by code.

RENT ABATEMENT: N/A.

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 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: FRESENIUS KIDNEY CARE will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FRESENIUS KIDNEY CARE shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any. Tenant will need 4 months to complete its interior improvements.

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

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

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 5 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:**

Signage is at Tenant's sole effort and expense. With municipal approval and Landlord reasonable approval, Tenant shall have signage rights in accordance with local code.

**COMMON AREA EXPENSES
AND REAL ESTATE TAXES:**

Tenant shall be responsible for all Real Estate Taxes and Operating Expenses, Insurance on its proportionate share of the leased premises associated with the building, estimated at \$2.73

**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, 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 roadways, landscape,

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

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 let Tenant use existing water, electricity, gas and sanitary sewer to the Premises. Tenant 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, provided there are no uncured defaults, 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 unreasonably 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 accepted.

**ZONING AND
RESTRICTIVE COVENANTS:**

Landlord confirms that to the best of its knowledge, the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no known 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 to the best of its knowledge, the property and premises is not in a Flood Plain.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

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

FINANCING: Landlord will provide a non-disturbance agreement if existing.

EXCLUSIVITY Landlord will not, during the term of the Lease and any option terms, lease space in a one (1) mile radius to any other provider of hemodialysis services.

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

DRAFT LEASE: FRESINIUS 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 Corp 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.

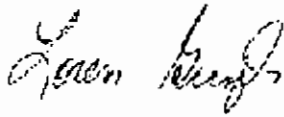
NON-BINDING NATURE: This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive 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 March 2017.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

You may email the proposal to loren.guzik@cushwake.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
Senior Director
Office Group
Phone: 312-470-1897
Fax: 312-470-3800
e-mail: loren_guzik@cushwake.com

CC: Mr. Bill Popken

AGREED AND ACCEPTED this 15th day of November, 2016

By: 

Title: Regional Vice President

AGREED AND ACCEPTED this ____ day of _____, 2016

By:

Title:

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

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		172.00			3,538			608,536	608,536
Contingency		17.00			3,538			60,146	60,146
Total Clinical		189.00			3,538			668,682	668,682
Non Clinical		172.00			1,346			231,512	231,512
Contingency		17.00			1,346			22,882	22,882
Total Non		189.00			1,346			254,394	254,394
TOTALS		\$189.00			4,884			923,076	923,076
* Include the percentage (%) of space for circulation									

Criterion 1120.310 (d) – Projected Operating Costs

Year 2018

Estimated Personnel Expense:	\$349,440
Estimated Medical Supplies:	\$67,200
Estimated Other Supplies (Exc. Dep/Amort):	<u>\$413,280</u>
	\$829,920
Estimated Annual Treatments:	3,360
Cost Per Treatment:	\$247.00

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

Year 2018

Depreciation/Amortization:	\$115,000
Interest	<u>\$0</u>
Capital Costs:	\$115,000
Treatments:	3,360
Capital Cost per Treatment	\$34.23

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care of Illinois, LLC

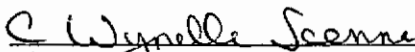
The applicant is paying for the project with cash on hand, and not borrowing any funds for the project. However, per the Board's rules the entering of a lease is treated as borrowing. As such, we are attesting that the entering into of a lease (borrowing) is less costly than the liquidation of existing 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.

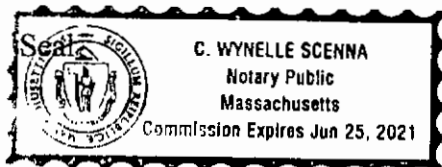
By: 
Title: _____

Bryan Mello
Assistant Treasurer

Notarization:

Subscribed and sworn to before me
this 27 day of Sept, 2016

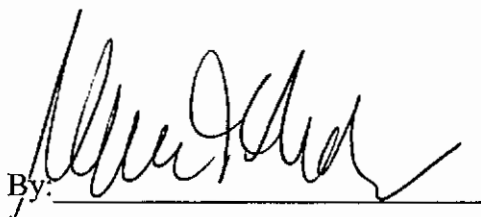

Signature of Notary



Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Holdings, Inc.

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: 

Title: Maria T. C. Notar
Assistant Treasurer

By: 

Title: Bryan Mello
Assistant Treasurer

Notarization:

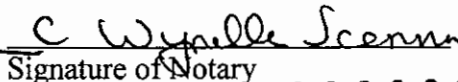
Subscribed and sworn to before me
this _____ day of _____, 2016

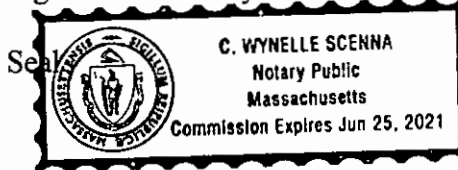
Notarization:

Subscribed and sworn to before me
this 27 day of Sept, 2016

Signature of Notary

Seal


Signature of Notary



Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care of Illinois, 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.

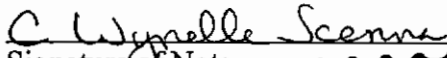
By: _____

ITS: _____

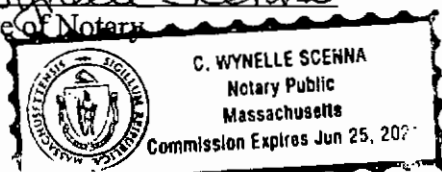

Bryan Mello
Assistant Treasurer

Notarization:

Subscribed and sworn to before me
this 27 day of Sept, 2016


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:

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: 
ITS: Maria T. C. Notar
Assistant Treasurer

By: 
ITS: Bryan Mello
Assistant Treasurer

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

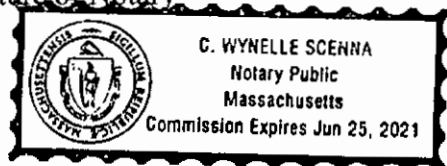
Notarization:
Subscribed and sworn to before me
this 27 day of Sept, 2016

Signature of Notary

C Wynelle Scenna
Signature of Notary

Seal

Seal



Safety Net Impact Statement

The relocation and expansion of the Fresenius Medical Care Macomb dialysis facility will not have any impact on safety net services in the Macomb area of McDonough County. 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 HIP. 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.

There are no other facilities within 30-minutes travel time of
Fresenius Medical Care Macomb.



Illinois Kidney Disease & Hypertension Center

Nephrology Associates

Alexander J. Alonso, M.D.
Robert Bruha, M.D.
Sudha Cherukuri, M.D.
Anthony R. Horinck, M.D.
Raji Jacob, M.D.
Gordon W. James, M.D.
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Tonya K. McDougall, F.N.P.

Jill C. Peterson, A.N.P.

Administrator

Beth A. Shaw, MBA

Main Offices

Peoria

200 E. Pennsylvania Ave., Suite 212
(309) 676-8123

Bloomington

1404 Eastland Drive, Suite 103
(309) 663-4766

Galesburg

765 N. Kellogg, Suite 203
(309) 343-4114

Ottawa

1050 E. Norris Dr., Suite 2C
(815) 431-0785

November 14, 2016

Ms. Courtney Avery

Administrator

Illinois Health Facilities & Services Review Board

525 W. Jefferson St., 2nd Floor

Springfield, IL 62761

Dear Ms. Avery:

I am a nephrologist in practice with Renal Care Associates (RCA) in central Illinois and am the Medical Director of the rural Fresenius Medical Care Macomb dialysis clinic. I am writing to support the relocation and addition of two stations to this facility. Fresenius Macomb is operating in a very small double-wide trailer that is almost twenty years old and in declining physical condition. It is my desire for my patients to be able to dialyze in a more suitable and improved environment. Also, the 2 additional proposed stations will allow my patients who are in need of isolation treatment access closer to home as well as offer all patients additional choices of treatment times.

At the Macomb facility I was treating 20 patients at the end of 2013, 19 at the end of 2014, 20 at the end of 2015 and 19 as of the most recent quarter as reported to The Renal Network. Over the past twelve months I have referred 9 new hemodialysis patients for services to the Fresenius Macomb facility. I expect that all 17 current patients of the facility will relocate to the new site upon its opening. I currently have 81 patients in the Macomb area who are in stage 4 & 5 of chronic kidney disease. Of these there are 10 that will be starting dialysis in the next year and another 22 that I expect to begin dialysis at the Macomb facility by the time the relocation has been in operation two years.

I respectfully ask that consideration be given to the condition of the current facility my patients are treating in and grant them access to appropriate facilities for their ongoing dialysis treatments. I urge the Board to approve the relocation and expansion of Fresenius Medical Care Macomb in order to keep access available to this rural ESRD patient population. Thank you for your consideration.

-1-
91



Illinois Kidney Disease & Hypertension Center

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.

Ottawa

1050 E. Norris Dr., Suite
2C

(815) 431-0785

I attest to the fact that to the best of my knowledge, all the information contained in this letter is true and correct and that the projected referrals in this document were not used to support any other CON application.

Sincerely,

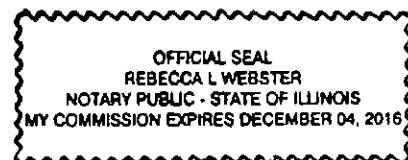
Sudha Cherukuri, M.D.

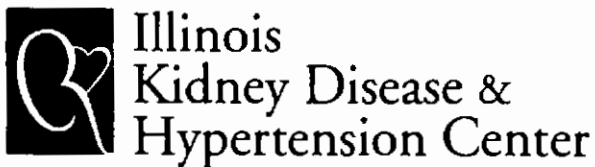
Notarization:

Subscribed and sworn to before me
this 17th day of November, 2016

Signature of Notary

Seal





Illinois Kidney Disease & Hypertension Center

Nephrology Associates

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(815) 431-0785

CURRENT MACOMB PATIENTS THAT WILL TRANSFER TO THE RELOCATION SITE UPON OPENING

Zip Code	Patients
61416	1
61455	10
61470	1
61484	2
61501	1
62319	1
62374	1
Total	17

PRE-ESRD PATIENTS IDENTIFIED FOR THE MACOMB FACILITY

Zip Code	Stage 4	Stage 5
61415	2	
61420	1	
61422	2	1
61438	1	
61440	1	1
61441	1	
61450	1	
61455	10	6
61470	1	
61482	1	
61484	1	
62321	1	
62326	1	2
Total	22	10



Illinois Kidney Disease & Hypertension Center

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Timothy P. O'Connor,
M.D., F.A.C.S.

Physician Assistants

Julie A. DeSutter, P.A.-C.

Holly R. Walker, P.A.-C.

Nurse Practitioners

Judith A. Dansizen,

A.P.R.N.-B.C.

Karen A. Helfers, F.N.P.

Tonya K. McDougall,
F.N.P.

Jill C. Peterson, A.N.P.

Administrator

Beth A. Shaw, MBA

Main Offices

Peoria

200 E. Pennsylvania Ave.,

Suite 212

(309) 676-8123

•

Bloomington

1404 Eastland Drive, Suite

103

(309) 663-4766

•

Galesburg

765 N. Kellogg, Suite 203

(309) 343-4114

•

Ottawa

1050 E. Norris Dr., Suite

2C

(815) 431-0785

NEW REFERRALS OF DR. CHERUKURI

AT MACOMB FOR THE PAST TWELVE MONTHS

Zip Code	Patients
61422	1
61440	1
61455	6
61470	1
Total	9

HEMODIALYSIS PATIENTS OF DR. CHERUKURI FOR FRESENIUS MACOMB

Zip Code	Fresenius Macomb Patients			
	12/31/2013	12/31/2014	12/31/2015	6/30/2016
61416		1	1	1
61420		1		
61422	2	2	1	
61440			1	1
61455	14	11	13	11
61470				1
61484	1	1	2	2
61501	1	1	1	1
62319	1	1	1	1
62326	1	1		
62374				1
Total	20	19	20	19