

16-051

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

DEC 19 2016

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name: Whiteside Dialysis		
Street Address: 4320 East Lincolnway		
City and Zip Code: Sterling, Illinois 61081		
County: Whiteside	Health Service Area: 1	Health Planning Area: 1

Applicant /Co-Applicant Identification

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

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

Type of Ownership of Applicant/Co-Applicant

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

☐ 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

[Person to receive ALL correspondence or inquiries]

Name: Tim Tincknell
Title: Administrator
Company Name: DaVita Inc.
Address: 2484 North Elston Avenue, Chicago, Illinois 60647
Telephone Number: 773-278-4403
E-mail Address: timothy.tincknell@davita.com
Fax Number: 866-586-3214

Additional Contact

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

Name: Lynanne Hike
Title: Regional Operations Director
Company Name: DaVita Inc.
Address: 622 Roxbury Road, Rockford, Illinois 61107
Telephone Number: 815-543-8015
E-mail Address: lynanne.hike@davita.com
Fax Number: 855-616-4279

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT****SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Whiteside Dialysis				
Street Address:	4320 East Lincolnway				
City and Zip Code:	Sterling, Illinois 61081				
County:	Whiteside	Health Service Area:	1	Health Planning Area:	1

Applicant /Co-Applicant Identification

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

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

Type of Ownership of Applicant/Co-Applicant

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

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

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

Primary Contact

[Person to receive ALL correspondence or inquiries]

Name:	Tim Tincknell
Title:	Administrator
Company Name:	DaVita Inc.
Address:	2484 North Elston Avenue, Chicago, Illinois 60647
Telephone Number:	773-278-4403
E-mail Address:	timothy.tincknell@davita.com
Fax Number:	866-586-3214

Additional Contact

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

Name:	Lynanne Hike
Title:	Regional Operations Director
Company Name:	DaVita Inc.
Address:	622 Roxbury Road, Rockford, Illinois 61107
Telephone Number:	815-543-8015
E-mail Address:	lynanne.hike@davita.com
Fax Number:	855-616-4279

Post Permit Contact

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

Name: Charles Sheets

Title: Attorney

Company Name: Polsinelli PC

Address: 161 North Clark Street, Suite 4200, Chicago, Illinois 60601

Telephone Number: 312-873-3605

E-mail Address: csheets@polsinelli.com

Fax Number: 312-873-3793

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Dyn Commercial Holdings, LLC

Address of Site Owner: 6801 Spring Creek Road, Rockford, Illinois 61114

Street Address or Legal Description of Site:

Part of Lot 6 as designated upon Final Plat of Sterling Commons Shopping Center in Section 12, Township 21 North, Range 7 East of the 4th Principal Meridian, the Plat of which being recorded as Document No. 6767-2007 in the Recorder's Office of Whiteside County, Illinois, bounded and described as follows to-wit: Beginning at a point in the East line of said Lot, which bears South 00°-29'-48" West, 413.00 feet from the Northeast corner of said Lot; thence continuing South 00°-29'-48" West, along said East line of Lot, 134.00 feet to the Southeast corner of said Lot and the North line of Illinois Route 2 as now located and laid out; thence Southwesterly, along a circular curve to the left, having a radius of 4479.37 feet and whose center lies to the South and along the South line of said Lot 6 to a point (the chord across the last described circular curve course bears South 47°-07'-39" West, 34.92 feet); thence North 44°-42'-51" West, parallel with the West line of that portion of said Lot 6 which lies North of 30th Street as designated upon said Plat, 265.00 feet; thence North 45°-17'-09" East, at right angles from the preceding course, 130.00 feet; thence South 44°-42'-51" East, parallel with the West line of that portion of said Lot 6 as aforesaid, 171.72 feet to the point of beginning. Situated in Whiteside County, Illinois. Containing 30,087 square feet.

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

Operating Identity/Licensee

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

Exact Legal Name: Renal Treatment Centers-Illinois, Inc.

Address: 2000 16th Street, Denver, CO 80202

- | | | |
|--|--|--------------------------------|
| ☐ Non-profit Corporation | ☐ 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.**

APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

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

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT**1. Project Classification**

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

Part 1110 Classification:

- ☒ Substantive
☐ Non-substantive

2. Narrative Description

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

DaVita Inc. and Renal Treatment Centers-Illinois, Inc. (the "Applicants") seek authority from the Illinois Health Facilities and Services Review Board (the "Board") to discontinue their existing 15-station dialysis facility at 2600 North Locust, Suite D, Sterling, Illinois 61081 and establish a 15-station dialysis facility at 4320 East Lincolnway, Sterling, Illinois 61081 (the "Replacement Facility"). The proposed dialysis facility will include approximately 6,600 gross square feet.

This project has been classified as substantive because it involves the establishment of a health care facility.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts	\$1,281,775		\$1,281,775
Modernization Contracts			
Contingencies	\$110,000		\$110,000
Architectural/Engineering Fees	\$107,625		\$107,625
Consulting and Other Fees	\$60,501		\$60,501
Movable or Other Equipment (not in construction contracts)	\$606,524		\$606,524
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$1,002,229		\$1,002,229
Other Costs To Be Capitalized (Net Book Value of Existing Equipment)			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$3,168,654		\$3,168,654
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$2,166,425		\$2,166,425
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$1,002,229		\$1,002,229
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$3,168,654		\$3,168,654
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

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

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.	
Indicate the stage of the project's architectural drawings:	
☐ None or not applicable	☐ Preliminary
☒ Schematics	☐ Final Working
Anticipated project completion date (refer to Part 1130.140): <u>March 31, 2019</u>	
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):	
☐ Purchase orders, leases or contracts pertaining to the project have been executed.	
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies	
☒ Project obligation will occur after permit issuance.	
APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

State Agency Submittals

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

Cost Space Requirements

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

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

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

Facility Bed Capacity and Utilization

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

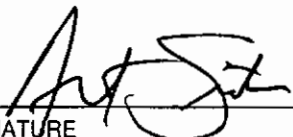
FACILITY NAME:		CITY:			
REPORTING PERIOD DATES:					
		From:		to:	
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness	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

CERTIFICATION

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

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

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


SIGNATURE

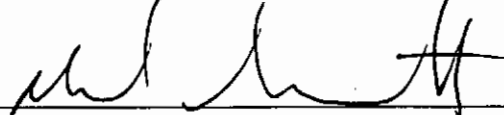
Arturo Sida
PRINTED NAME

Assistant Secretary
PRINTED TITLE

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

Signature of Notary

Seal


SIGNATURE

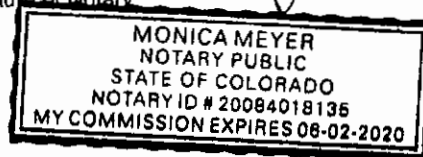
Michael D. Staffieri
PRINTED NAME

Chief Operating Officer – Kidney Care
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 9th day of September 2016

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

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

State of California

County of Los Angeles

On September 12, 2016 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

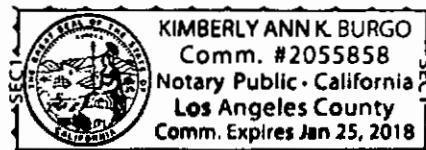
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson (Whiteside Dialysis)

Document Date: September 12, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

Assistant Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

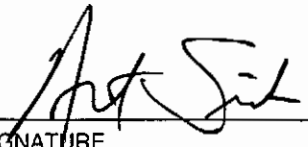
SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc.

CERTIFICATION

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

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

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



SIGNATURE

Arturo Sida

PRINTED NAME

Assistant Secretary

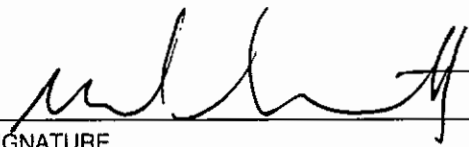
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal



SIGNATURE

Michael D. Staffieri

PRINTED NAME

Chief Operating Officer- Kidney Care

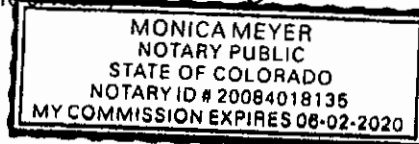
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 9th day of September 2016

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

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

State of California

County of Los Angeles

On September 12, 2016 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

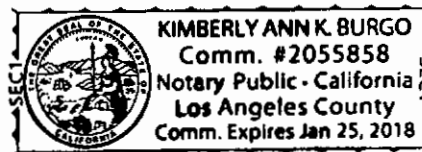
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson (Whiteside Dialysis)

Document Date: September 12, 2016

Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

Assistant Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

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

SECTION II. DISCONTINUATION

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Criterion 1110.130 - Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

APPEND DOCUMENTATION AS ATTACHMENT-10 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

PURPOSE OF PROJECT

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

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

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

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

ALTERNATIVES

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

Alternative options **must** include:

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

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

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

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

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

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

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

G. Criterion 1110.1430 - In-Center Hemodialysis

- 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	15	15

- 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:**

\$2,166,425	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
	1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
	2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
\$1,002,229 (FMV of Lease)	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
	1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
	2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
	3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
	4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
	5) For any option to lease, a copy of the option, including all terms and conditions.
	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project
\$3,168,654	TOTAL FUNDS AVAILABLE
APPEND DOCUMENTATION AS ATTACHMENT-36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

IX. 1120.130 - Financial Viability

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

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

2. Variance

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

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

X. 1120.140 - Economic Feasibility**This section is applicable to all projects subject to Part 1120.****A. Reasonableness of Financing Arrangements**

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

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

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for **ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS**:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			

MEDICAID

Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three audited fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3) Charity Care must be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 44.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

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

Section I, Identification, General Information, and Certification
Applicants

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

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE EIGHTH DAY OF SEPTEMBER, A.D. 2016.

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

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

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



2391269 8300

SR# 20165704525

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

A handwritten signature in black ink, appearing to read "JB", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed in a small font.

Authentication: 202957561

Date: 09-08-16



To all to whom these Presents Shall Come, Greeting:

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

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



In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 1ST day of DECEMBER A.D. 2016 .*

Jesse White

SECRETARY OF STATE

Authentication #: 1633602444 verifiable until 12/01/2017
Authenticate at: <http://www.cyberdriveillinois.com>

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

The letter of intent between Dyn Commercial Holdings, LLC and Renal Treatment Centers-Illinois, Inc. to lease the facility located at 4320 East Lincolnway, Sterling, Illinois 61081 is attached at Attachment – 2.

October 24, 2016

Bharat V Puri, SIOR
First Midwest Group, Inc.
6801 Spring Creek Road
Rockford, IL 61107
(815) 229-3000 Office
(815) 222-6900 Cell
bharat@firstmidwestgroup.com
www.firstmidwestgroup.com

RE: LOI for a to be constructed building on approximately 4320 E Lincolnway, Sterling, IL 61081

Dear Bharat:

Cushman & Wakefield ("C&W") has been authorized by Total Renal Care, Inc. a subsidiary of DaVita HealthCare Partners, Inc. to assist in securing a lease requirement. DaVita HealthCare Partners, Inc. is a Fortune 200 company with revenues of approximately \$13 billion. They operate 2,278 outpatient dialysis centers across the US and 124 internationally.

Below is the proposal outlining the terms and conditions wherein the Tenant is willing to lease the subject premises:

<u>PREMISES:</u>	To be constructed single tenant building on approximately 4320 E Lincolnway, Sterling, IL 61081
<u>TENANT:</u>	Renal Treatment Centers – Illinois, Inc., or related entity to be named
<u>LANDLORD:</u>	<i>Dyn Commercial Holdings, L.L.C. or its assignee.</i>
<u>SPACE REQUIREMENTS:</u>	Approximately 6,600 rentable square feet.
<u>PRIMARY TERM:</u>	10 years
<u>BASE RENT:</u>	\$21.75 PSF, NNN with ten percent (10%) increases every 5 years during the term and any options.
<u>ADDITIONAL EXPENSES:</u>	Landlord estimates that the CAMIT expenses during the first year of the term will be \$3.00 psf. Tenant's Prorata Share: 100% Tenant shall be responsible for its directly metered utility expenses. Following the first full calendar year, the controllable CAMIT expenses shall not increase more than 5% annually thereafter. Controllable CAMIT expenses exclude real estate taxes, snow and ice removal and common area utilities.
<u>LANDLORD'S MAINTENANCE:</u>	Landlord, at its sole cost and expense, shall be responsible for the structural and capitalized items (per GAAP standards) for the Property, which costs shall be amortized over their useful life and the annual amortized amount will be included in the operating expenses.

**POSSESSION AND
RENT COMMENCEMENT:**

Landlord shall deliver Possession of the building certified pad (as indicated in Exhibit B) to the Tenant within 90 days from CON permit date. In the event the CON permit date occurs between December 1 and April 1, the 90 day period will not begin to accrue until April 1. Landlord shall have 90 days following Tenant's commencement of construction of the interior buildout to complete the Landlord's exterior Site Development Improvements. Rent Commencement shall be the earlier of the following two events (a) Tenant opening for business and (b) nine (9) months from delivery of Possession by Landlord and Tenant obtaining building permits for its intended improvements. Landlord's delivery obligations hereunder shall be subject to force majeure.

DUE DILIGENCE:

Tenant shall have the right to obtain Tenant's executive committee approval within 90 days following Lease execution. If Tenant does not receive executive committee approval during such 90 day period, Tenant may elect to terminate the Lease by written notice given not later than the 90th day following lease execution. Notwithstanding the foregoing, if Tenant receives its CON prior the end of such 90 day period and has not elected to terminate the lease prior to such receipt, this right to terminate shall be deemed null and void.

LEASE FORM:

Tenant's standard lease form as starting point for negotiations.

USE:

The operation of an outpatient renal dialysis clinic, renal dialysis home training, aphaeresis services and similar blood separation and cell collection procedures, general medical offices, clinical laboratory, including all incidental, related and necessary elements and functions of other recognized dialysis disciplines which may be necessary or desirable to render a complete program of treatment to patients of Tenant and related office and administrative uses or for any other lawful purpose.

PARKING:

Tenant requests:

- a) A stated parking allocation of four stalls per 1,000 sf or higher if required by code
- b) Of the stated allocation, dedicated parking at one stall per 1,000 sf
- c) 2 Handicapped stalls located near the front door to the Premises

LANDLORD WORK:

Any on and off-site improvements (parking lot, landscaping, lighting, sewer, utilities, street, curb, gutter, paving, irrigation, common area lighting, certified pad, etc) as required by the municipality to issue permits for the performance of Landlord's Work or Tenant Work will be incorporated into Landlord's Work as indicated in Exhibit B. Landlord, at its sole cost, will prepare plans, specifications and working drawings for Landlord's Work ("Landlord's Plans") and the same will be subject to Tenant's approval. Landlord will perform Landlord's Work in a good and workmanlike manner in conformity with Landlord's Plans, as approved by Tenant. Landlord will promptly repair all latent or patent defects in Landlord's Work, at Landlord's sole cost and expense.

Landlord will be solely responsible for and will pay all impact fees, charges, costs, assessments, and exactions charged, imposed or assessed in connection with the development and construction of the Building or Premises, but not including building permit fees for construction of the Building.

TENANT IMPROVEMENTS:

Landlord will pay to Tenant an allowance ("Tenant Allowance") for costs incurred by Tenant in connection with the construction of the Building. The Tenant Allowance will be an amount equal to \$150.00 per square foot of the Building Floor Area, payable in monthly draws on the first day of each month during the performance of Tenant's Improvements. With each draw request, Tenant shall include sworn statements and lien waivers from each contractor and subcontractor for which payments are being made. At the time of Lease execution, Landlord and Tenant will enter into an escrow agreement or tri-party agreement providing for the payment of the Tenant Allowance (the "Security Agreement"). If Landlord does not fund the escrow or fails to make any payment of the Tenant Allowance on a timely basis, Tenant will have the right to terminate the Lease, stop construction of Tenant's Improvements and/or offset any unpaid amounts against Rent. The Security Agreement will authorize payment of damages or any applicable portion of Tenant's Costs from the account established for Tenant Allowance. Tenant's plans will be subject to Landlord's approval. Post letter of credit. Pay against sworn statements/lien waivers. Tenant will have the right to convert any overage in Tenant Allowance to be used towards Tenant Improvements.

Building design shall be a mixture of brick, EIFS and glass.

OPTION TO RENEW:

Tenant desires three, five-year options to renew the lease. Option rent shall be increased by 10% after Year 10 of the initial term and following each successive five-year option periods.

FAILURE TO DELIVER PREMISES:

If Landlord has not delivered the premises to Tenant with all Landlord Work substantially completed within 120 days from the date on which Tenant commences construction of the Building, Tenant may elect to a) terminate the lease by written notice to Landlord or b) elect to receive two days of rent abatement for every day of delay beyond the 120 day delivery period. Landlord's delivery obligations hereunder shall be subject to force majeure.

HOLDING OVER:

Tenant shall be obligated to pay 115% of the then current rate for the first ninety days and 125% of the then current rate for any holdover beyond ninety days

TENANT SIGNAGE:

Tenant shall have the right to install building, monument and pylon signage at the Premises, subject to compliance with all applicable laws and regulations.

BUILDING HOURS:

As a single Tenant building, Tenant will have access 24 hours a day, seven days a week and will have direct control of HVAC and other utilities.

SUBLEASE/ASSIGNMENT:

Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of DaVita, Inc. without the consent of the Landlord, or to unrelated entities with Landlord reasonable approval.

ROOF RIGHTS:

Tenant shall have the right to place a satellite dish on the roof at no additional fee.

NON COMPETE:

Landlord agrees not to lease space to another dialysis provider within a five mile radius of Premises.

GOVERNMENTAL COMPLIANCE:

Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause the Premises, common areas, the building and parking facilities

to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s). Notwithstanding the foregoing, if any governmental law, ordinance or regulation goes into effect as a result of Tenant's change in use of the Premises, Tenant shall be responsible for the costs of bring the Premises into compliance with such.

CERTIFICATE OF NEED:

Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need (CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to seven (7) months from the latter of an executed LOI or subsequent filing date. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises within seven (7) months from the latter of an executed LOI or subsequent filing date neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE:

Landlord recognizes C&W as the Tenant's local representative and shall pay a brokerage fee equal to seventy cents (\$0.70) per square foot per lease term year, 50% shall be due upon lease signatures and 50% shall be due upon rent commencement. The Tenant shall retain the right to offset rent for failure to pay the brokerage fee.

CONTINGENCIES:

In the event the Landlord is not successful in obtaining all necessary approvals including, but not limited to, zoning and use, the Tenant shall have the right, but not the obligation to terminate the lease. Tenant acknowledges that the property will need to be subdivided and the platting process is anticipated to take 90 days.

PLANS:

Please provide copies of site and construction plans or drawings.

It should be understood that this proposal is subject to the terms of Exhibit A attached hereto. The information in this proposal is confidential and may be legally privileged. It is intended solely for the addressee. Access to this information by anyone but addressee is unauthorized. Thank you for your time and consideration to partner with DaVita.

Sincerely,
Matthew J. Gramlich

CC: DaVita Regional Operational Leadership
DaVita Team Genesis Real Estate

SIGNATURE PAGE

LETTER OF INTENT:

Approximately 4320 E Lincolnway, Sterling, IL 61081

AGREED TO AND ACCEPTED THIS 1 DAY OF NOVEMBER 2016

By: Mary Anderson, DVP

On behalf of Renal Treatment Centers – Illinois, Inc., a subsidiary of DaVita
Healthcare Partners, Inc.
("Tenant")

AGREED TO AND ACCEPTED THIS 7 DAY OF NOVEMBER 2016

By: [Signature]

("Landlord")

PRELIMINARY SITE PLAN SUBJECT TO CHANGE

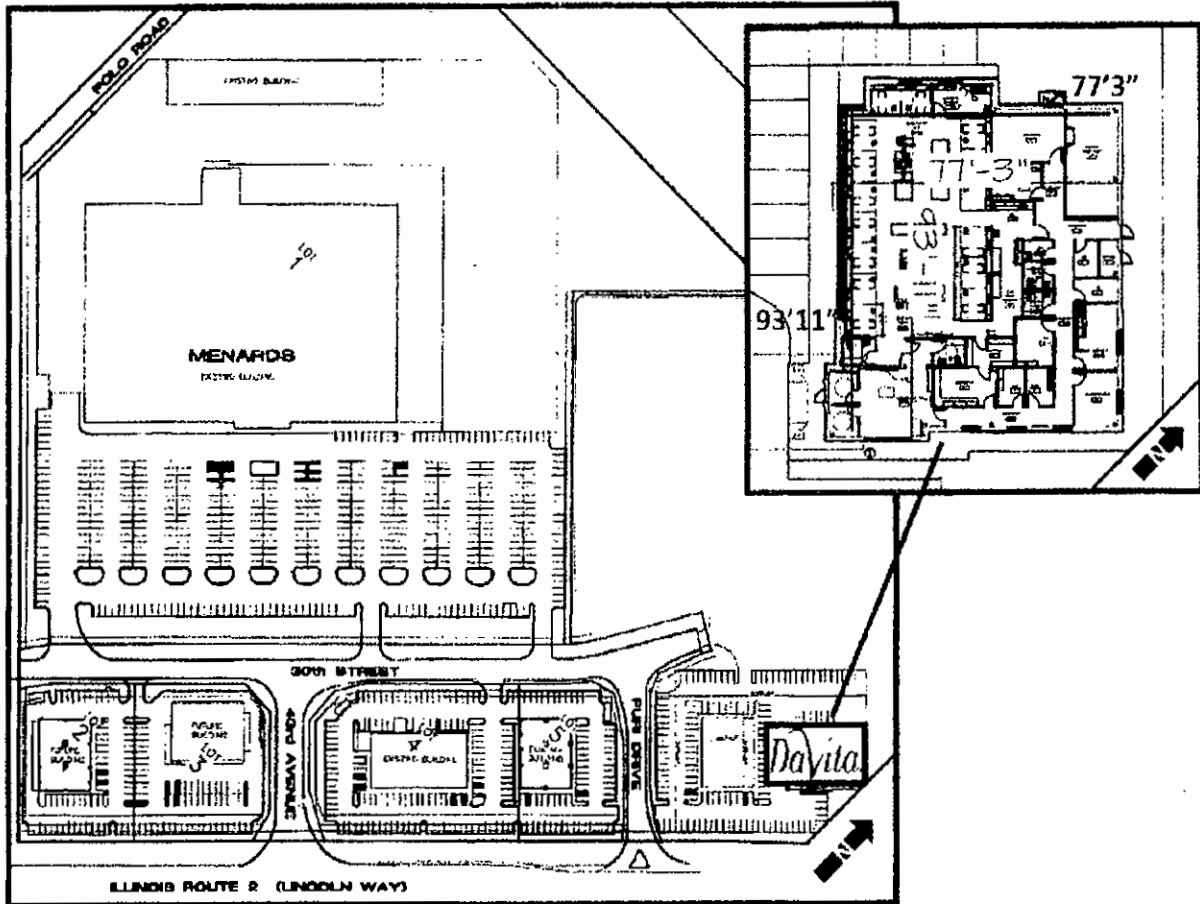


EXHIBIT A

NON-BINDING NOTICE

NOTICE: THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPARATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR C&W) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR C&W INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL. C&W IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES C&W HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT NOTICE. WE RESERVE THE RIGHT TO CONTINUE SIMULTANEOUS NEGOTIATIONS WITH OTHER PARTIES ON BEHALF OF OUR CLIENT. NO PARTY SHALL HAVE ANY LEGAL RIGHTS OR OBLIGATIONS WITH RESPECT TO ANY OTHER PARTY, AND NO PARTY SHOULD TAKE ANY ACTION OR FAIL TO TAKE ANY ACTION IN DETRIMENTAL RELIANCE ON THIS OR ANY OTHER DOCUMENT OR COMMUNICATION UNTIL AND UNLESS A DEFINITIVE WRITTEN LEASE AGREEMENT IS PREPARED AND SIGNED BY TENANT AND LANDLORD.

EXHIBIT B
LANDLORD'S WORK

Certified Pad Work:

1. **Compaction.** The soils where the Building is to be located shall be compacted to 95% Standard Proctor at the time measured and certified by Landlord or its contractor.
- 1.
2. **Zoning.** Any Special Use Permit required for the operation of the Premises for the Permitted Use.
3. **Utilities.** All utilities to be provided within five (5) feet of the building foundation. Landlord shall be responsible for all tap/connection and impact fees for all utilities. All utilities to be coordinated with Tenant's Architect.
4. **Plumbing.** Landlord shall stub the dedicated water line within five feet of the building foundation. Building sanitary drain size will be determined by Tenant's mechanical engineer based on total combined drainage fixture units (DFU's) for the entire building, but not less than 4 inch diameter. The drain shall be stubbed into the building per location coordinated by Tenant at an elevation no higher than 4 feet below finished floor elevation, to a maximum of 10 feet below finished floor elevation and within five feet from the building.
5. **Electrical.** Landlord shall extend the primary to the transformer location selected by the utility. Tenant shall be responsible for the secondary to the Building.
6. **Gas.** Landlord shall provide natural gas service, at a minimum will be rated to have 6' water column pressure and supply 800,000 BTU's. Natural gas pipeline shall be stubbed to within five feet of the building foundation.
7. **Telephone.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as chase way for new telephone service. Entrance conduit locations shall be coordinated with Tenant.
8. **Cable TV.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as a chase way for new cable television service. Entrance conduit location shall be coordinate with Tenant. Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate and grant right of access with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services.
9. **Tenant's Building Permit.** Landlord shall complete any other work or requirements necessary for Tenant to obtain a permit for the construction of the Building shell and Tenant Improvements from the Village of Machesney Park, Illinois or any other applicable authority from which Tenant must receive a permit for its work.

Notwithstanding anything to the contrary contained hereinabove, Tenant acknowledges that Landlord may not be able to complete the stub for the sanitary sewer service as part of the Certified Pad Work and that such work may be completed within thirty (30) days of the Actual Delivery Date of the Certified Pad.

Exterior Site Development Work:

1. **Handicap Accessibility.** Full compliance with ADA and all local jurisdictions' handicap requirements. Landlord shall comply with all ADA regulations affecting the entrance to the Premises, including but not limited to, concrete curb cuts, ramps and walk approaches to/from

the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) handicapped stalls for units over 20 stations, handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

Finish floor elevation is to be determined per Tenant's architectural plan in conjunction with Tenant's civil engineering and grading plans. If required, Landlord to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition accord to accessible standards.

2. Site Development Scope of Requirements:

Landlord to provide Tenant with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Tenant's Architect for coordination purposes. Site development is to include the following:

- Utility extensions, service entrance locations, inspection manholes.
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with storm water management control measures (detention/retention/restrictions);
- Refuse enclosure location & construction details for trash and recycling;
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Tenant's signage;
- Site and parking to accommodate tractor trailer 8 wheel truck delivery access to service entrance;
- Ramps and curb depressions;
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Landlord so desires and will be designed by landscape architect and approved by planning department;
- Construction details, specifications/standards of installation and legends;
- Final grade will be sloped away from Building.

3. **Refuse Enclosure.** Landlord to provide a minimum 6" thick reinforced concrete pad approximate 100 to 150 SF based on Tenant's requirements and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.
4. **Generator.** Landlord to allow a generator to be installed onsite if required by code or Tenant chooses to provide one.
5. **Site Lighting.** Landlord to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Tenant's power panel. Location of pole fixtures per Landlord's civil plan to maximize illumination coverage across site. Parking lot lighting to include a timer (to be programmed to Tenant's hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Landlord house panel, if multi-tenant building) and equipped with a code compliant 90 minute battery back up at all access points.
6. **Parking Lot.** Landlord shall provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment.

Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway.

Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into and out of new patient drop off canopy and provide positive drainage to in place storm catch basins leaving surface free of standing water, birth baths or ice build ups potential.

Notwithstanding anything to the contrary contained herein, in order to avoid damage to the asphalt in the parking field during Tenant's construction of the Building, Landlord shall not commence the top course paving of the parking lot, including striping of the parking field ("Top Course Work") by the Exterior Date. The Top Course Work shall be completed within thirty (30) days of Tenant's commencement of Tenant's interior improvement Work, provided that Tenant will provide Landlord with not less than thirty (30) days notice of its commencement of its interior improvement Work. Notwithstanding the foregoing, if Landlord has not then received notice from Tenant regarding the commencement of the Tenant's interior improvement Work, Landlord may commence the Top Course Work on October 15.

7. **Site Signage.** Landlord to allow for an illuminated site and/or façade mounted signs. Power and a receptacle to be installed for Tenant's pylon/monument sign.

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

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

File Number

5819-656-8



To all to whom these Presents Shall Come, Greeting:

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

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



Authentication #: 1633602444 verifiable until 12/01/2017

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

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 1ST
day of DECEMBER A.D. 2016 .***

Jesse White

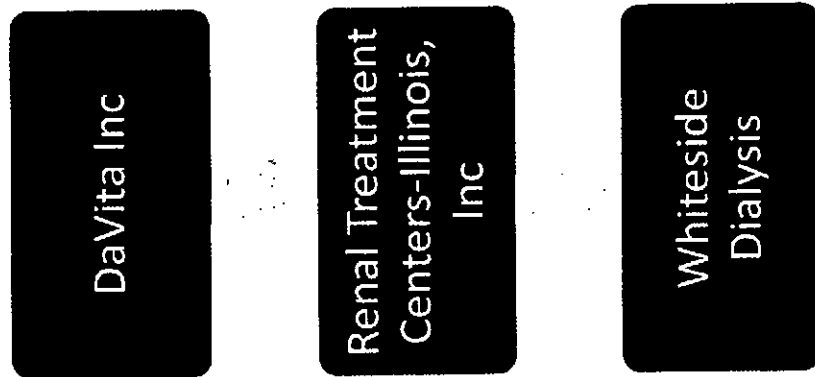
SECRETARY OF STATE

Attachment - 3

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

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

Whiteside Dialysis Organizational Chart



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

The site of the proposed dialysis facility complies with the requirements of Illinois Executive Order #2005-5. The proposed dialysis facility will be located at 4320 East Lincolnway, Sterling, Illinois 61081. As shown on the National Flood Insurance Program FIRM map attached at Attachment – 5, the site of the proposed dialysis facility is located outside of a flood plain.

FEMA's National Flood Hazard Layer (Official)

Data from Flood Insurance Rate Maps (FIRMs) where available digitally. New NFHL FIRMette Print app available: <http://tinyurl.com/j4xwp5e>



National Geospatial-Intelligence Agency (NGA); Delta State University; Esri | scott.mcafee@fema.dhs.gov

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

The Applicants submitted a request for determination that the proposed location is compliant with the Historic Resources Preservation Act from the Illinois Historic Preservation Agency. A copy of the letter is attached at Attachment – 6.



Timothy V Tincknell, FACHE
(312) 243-9286 x230
timothy.tincknell@davita.com

1600 W 13th St, Ste 3
Chicago, IL 60608
Fax: (866) 586-3214
www.davita.com

November 10, 2016

Ms. Rachel Leibowitz, PhD
Deputy State Historic Preservation Officer
Preservation Services Division
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, Illinois 62701

Re: Historic Preservation Act Determination

Dear Dr. Leibowitz:

Pursuant to Section 4 of the Illinois State Agency Historic Resources Preservation Act, DaVita Inc. ("Requestor") seeks a formal determination from the Illinois Historic Preservation Agency as to whether their proposed project to establish a 15-station dialysis facility at 4320 East Lincolnway, Sterling, Illinois 61081 ("Proposed Project") affects historic resources. For reference, the legal description for this site is:

LEGAL DESCRIPTION / DEPICTION OF THE PROPERTY

Part of Lot 6 as designated upon Final Plat of Sterling Commons Shopping Center in Section 12, Township 21 North, Range 7 East of the 4th Principal Meridian, the Plat of which being recorded as Document No. 6767-2007 in the Recorder's Office of Whiteside County, Illinois, bounded and described as follows to-wit: Beginning at a point in the East line of said Lot, which bears South 00°-29'-48" West, 413.00 feet from the Northeast corner of said Lot; thence continuing South 00°-29'-48" West, along said East line of Lot, 134.00 feet to the Southeast corner of said Lot and the North line of Illinois Route 2 as now located and laid out; thence Southwesterly, along a circular curve to the left, having a radius of 4479.37 feet and whose center lies to the South and along the South line of said Lot 6 to a point (the chord across the last described circular curve course bears South 47°-07'-39" West, 34.92 feet); thence North 44°-42'-51" West, parallel with the West line of that portion of said Lot 6 which lies North of 30th Street as designated upon said Plat, 265.00 feet; thence North 45°-17'-09" East, at right angles from the preceding course, 130.00 feet; thence South 44°-42'-51" East, parallel with the West line of that portion of said Lot 6 as aforesaid, 171.72 feet to the point of beginning. Situated in Whiteside County, Illinois. Containing 30,087 square feet.



November 10, 2016

Page 2

1. Project Description and Address

The Requestor is seeking a certificate of need from the Illinois Health Facilities and Services Review Board to establish a 15-station dialysis facility at 4320 East Lincolnway, Sterling, Illinois 61081.

2. Topographical or Metropolitan Map

Metropolitan maps showing the location of the Proposed Project are attached at Attachment 1.

3. Historic Architectural Resources Geographic Information System

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

4. Address for Building/Structure

The proposed project will be located at 4320 East Lincolnway, Sterling, Illinois 61081.

Thank you for your time and consideration of our request for Historic Preservation Determination. If you have any questions or need any additional information, please feel free to contact me at 312-243-9286 x230 or timothy.tincknell@davita.com.

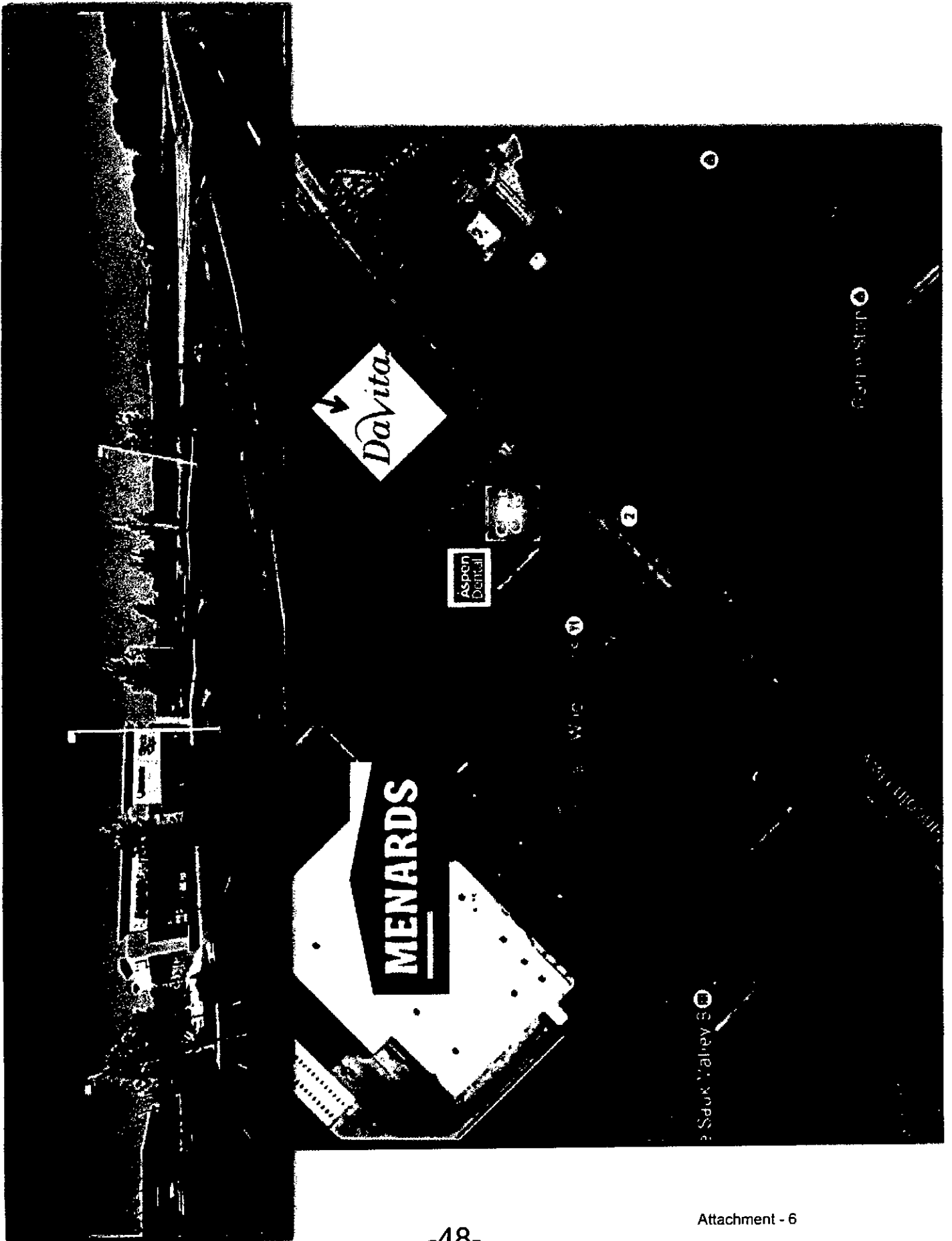
Sincerely,

Timothy V Tincknell
Administrator

Enclosure

TVT:

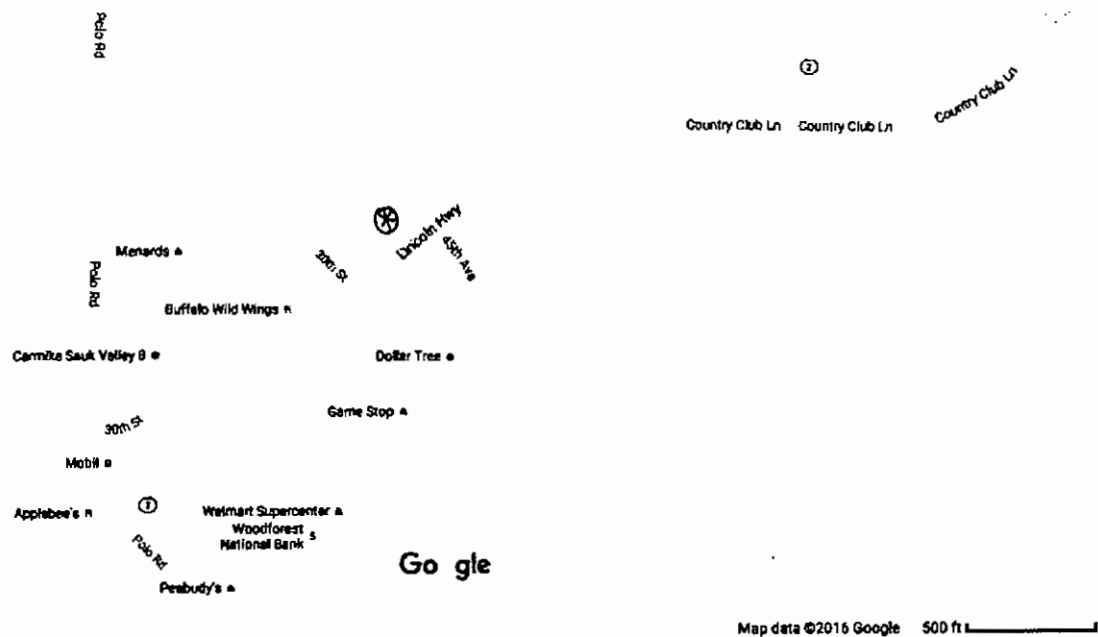
Attachment - 6



11/10/2016

Google Maps

Go. gle Maps Whiteside Dialysis Relocation - Approximately 4320 E Lincolnway, Sterling, IL 61081



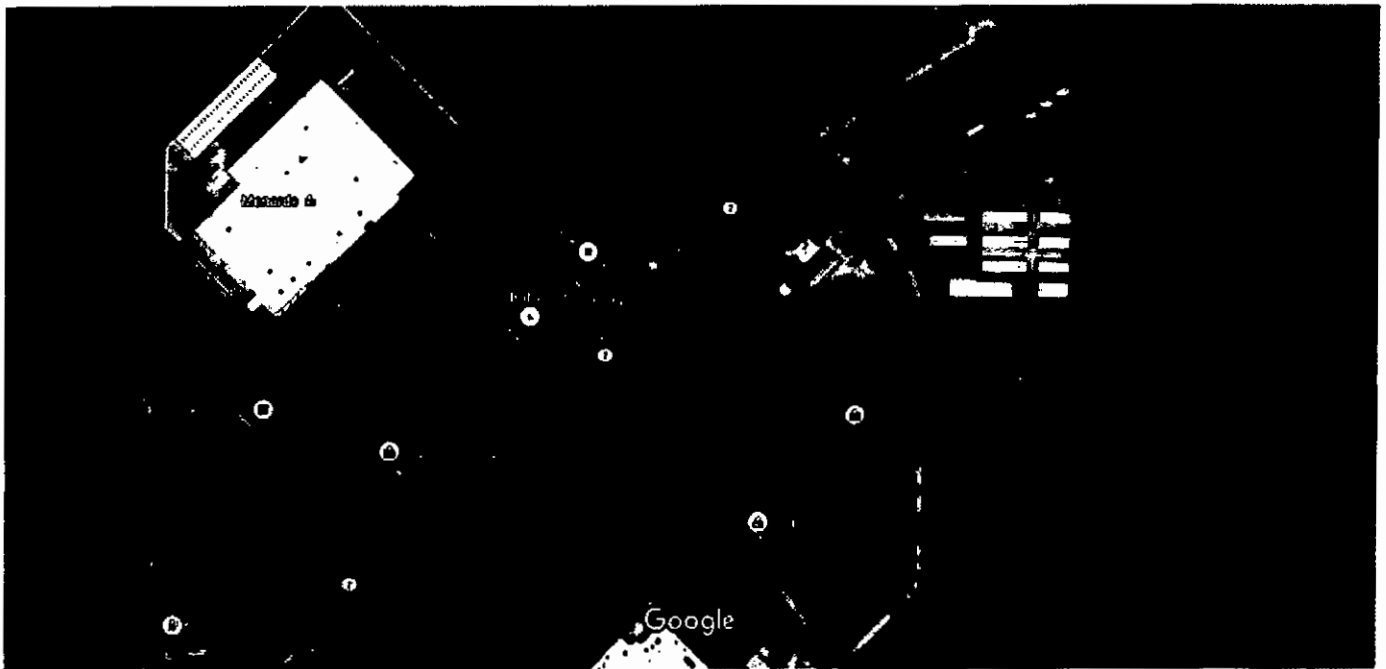
<https://www.google.com/maps/place/4420+E+Lincolnway/@41.8190379,-89.6426051,16z/data=!4m6!3m5!1s0x880ac6ee88242189:0x570a64ce41d37c34b118m2!3d41.8153957!4d-89.6483884>

1/1

11/10/2018

Google Maps

Go gle Maps Whiteside Dialysis Relocation - Approximately 4320 E Lincolnway, Sterling, IL 61081



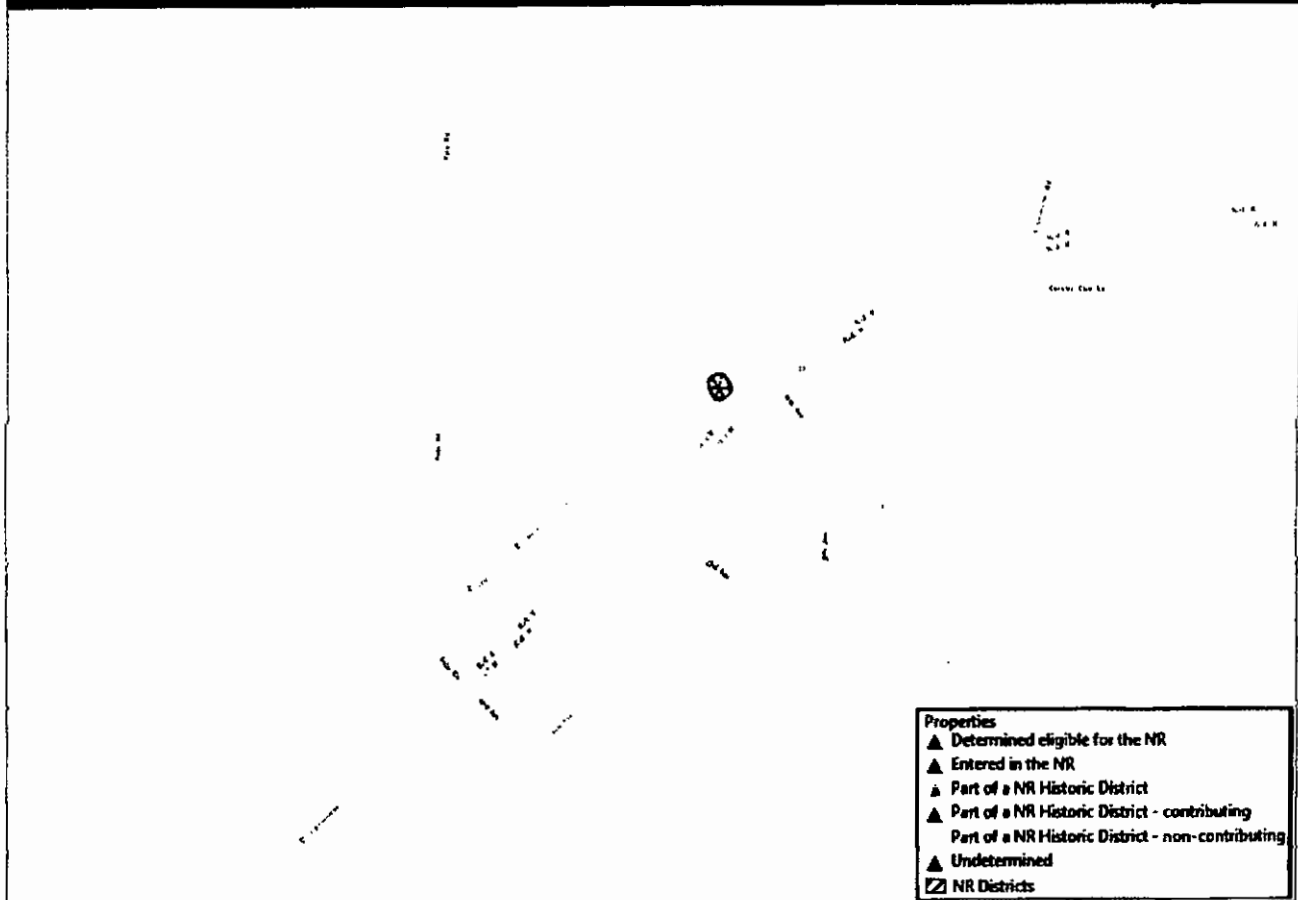
Imagery ©2016 Google, Map data ©2016 Google 200 ft

<https://www.google.com/maps/@41.8184834,-89.5442145,557m/data=!3m1!1e3>

1/1

Whileside Dialysis Relo Streetmap

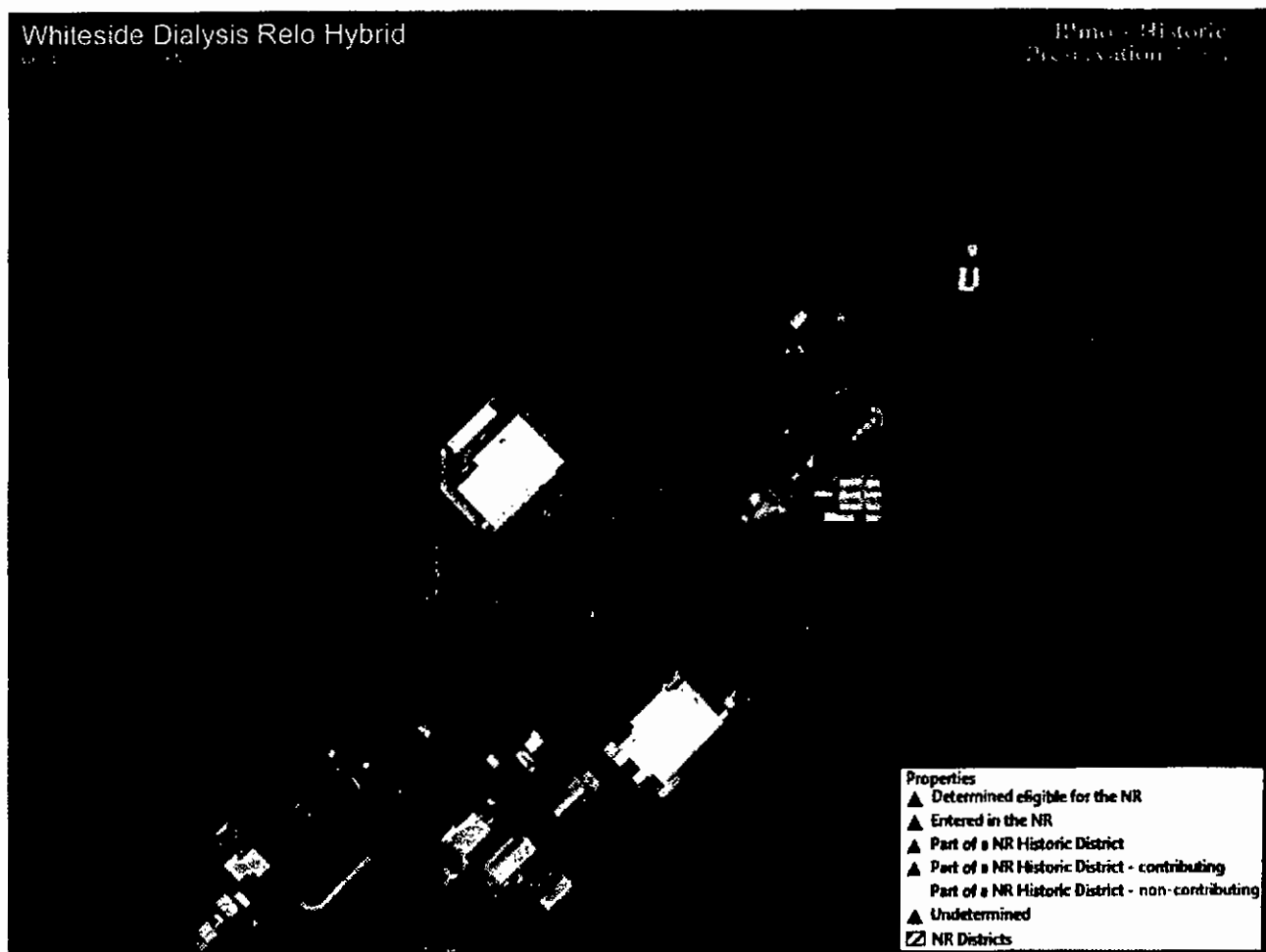
Illinois Historic
Preservation Agency



Copyright 2012 IHPA

Whiteside Dialysis Relo Hybrid

Phila - Historic
Preservation



Copyright 2012 IHPA

UNKNOW BUST 1A (314) 645-9400 TAM THACKWELL 1600 W 13TH ST SUITE 3 CHICAGO, IL 60606 UNITED STATES US		STEWART, JUNE 10 ACTWST: 0.50 LB CAD: 10401059/NET3700
TO MS. RACHEL LEIBOWITZ, PHD IL HISTORIC PRESERVATION AGENCY PRESERVATION SERVICES DIVISION 1 OLD STATE CAPITOL PLAZA SPRINGFIELD IL 62701 (217) 785-5031 REF PO DEPT		BILL SENDER
544J3C8B174E8		

TRK# 7776 8677 3165 0201 XX SPIA IL-US STL 62701	FRI - 11 NOV 10:30A PRIORITY OVERNIGHT
---	---




After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

Timothy Tincknell

From: TrackingUpdates@fedex.com
Sent: Monday, November 14, 2016 9:04 AM
To: Timothy Tincknell
Subject: FedEx Shipment 777686773165 Delivered

WARNING: This email originated outside of DaVita.
DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Your package has been delivered

Tracking # 777686773165

Ship date:
Thu, 11/10/2016
Tim Tincknell
DaVita
CHICAGO, IL 60608
US

Delivery date:
Mon, 11/14/2016 9:00
am

Ms. Rachel Leibowitz, PhD
IL Historic Preservation Agency
1 Old State Capitol Plaza
Preservation Services Division
SPRINGFIELD, IL 62701
US



Shipment Facts

Our records indicate that the following package has been delivered.

Tracking number:	<u>777686773165</u>
Status:	Delivered: 11/14/2016 09:00 AM Signed for By: J.HELBIS
Signed for by:	J.HELBIS
Delivery location:	SPRINGFIELD, IL
Delivered to:	Receptionist/Front Desk
Service type:	FedEx Priority Overnight
Packaging type:	FedEx Envelope
Number of pieces:	1
Weight:	0.50 lb.
Special handling/Services:	Deliver Weekday
Standard transit:	11/14/2016 by 10:30 am

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

Table 1120.110			
Project Cost	Clinical	Non-Clinical	Total
Site Preparation			
Site Survey and Soil Investigation			
New Construction Contracts	\$1,281,775		\$1,281,775
Modernization Contracts			
Contingencies	\$110,000		\$110,000
Architectural/Engineering Fees	\$107,625		\$107,625
Consulting and Other Fees	\$60,501		\$60,501
Moveable and Other Equipment			
Communications	\$86,538		\$86,538
Water Treatment	\$143,275		\$143,275
Bio-Medical Equipment	\$13,550		\$13,550
Clinical Equipment	\$253,844		\$253,844
Clinical Furniture/Fixtures	\$21,650		\$21,650
Lounge Furniture/Fixtures	\$4,055		\$4,055
Storage Furniture/Fixtures	\$7,037		\$7,037
Business Office Fixtures	\$32,575		\$32,575
General Furniture/Fixtures	\$32,000		\$32,000
Signage	\$12,000		\$12,000
Total Moveable and Other Equipment	\$606,524		\$606,524
Fair Market Value of Leased Space	\$1,002,229		\$1,002,229
Total Project Costs	\$3,168,654		\$3,168,654

Section I, Identification, General Information, and Certification
Project Status and Completion Schedules

The Applicants anticipate project completion within 24 months of project approval.

Further, although the Letter of Intent attached at Attachment – 2 provides for project obligation to occur after permit issuance, the Applicants will begin negotiations on a definitive lease agreement for the facility, with the intent of project obligation being contingent upon permit issuance.

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

Cost Space Table							
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ESRD	\$3,168,654		6,600	6,600			
Total Clinical	\$3,168,654		6,600	6,600			
NON CLINICAL							
Total Non-clinical							
TOTAL	\$3,168,654		6,600	6,600			

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

DaVita Current Projects			
Project Number	Name	Project Type	Completion Date
14-042	Tinley Park Dialysis	Establishment	4/30/2017
15-003	Vermillion County Dialysis	Establishment	4/30/2017
15-004	Machesney Park Dialysis	Establishment	4/30/2017
15-020	Calumet City Dialysis	Establishment	7/31/2017
15-025	South Holland Dialysis	Relocation	10/31/2017
15-032	Morris Dialysis	Relocation	4/30/2017
15-033	Lincoln Park Dialysis	Relocation	4/30/2017
15-035	Montgomery County Dialysis	Establishment	4/30/2017
15-048	Park Manor Dialysis	Establishment	2/28/2018
15-049	Huntley Dialysis	Establishment	2/28/2018
15-052	Sauget Dialysis	Expansion	8/31/2017
15-054	Washington Heights Dialysis	Establishment	9/30/2017
16-004	O'Fallon Dialysis	Establishment	9/30/2017
16-009	Collinsville Dialysis	Establishment	11/30/2017
16-015	Forest City Rockford	Establishment	6/30/2018
16-016	Jerseyville Dialysis	Expansion	6/30/2017
16-023	Irving Park Dialysis	Establishment	8/31/2018
16-033	Brighton Park Dialysis	Establishment	10/31/2018

Section II, Discontinuation
Criterion 1110.130(a), General

1. The Applicants seek authority from the Health Facilities and Services Review Board (the "Board") to discontinue its existing 15-station dialysis facility at 2600 North Locust, Suite D, Sterling, Illinois 61081 (the "Existing Facility") and establish a 15-station dialysis facility at 4320 East Lincolnway, Sterling, Illinois 61081 (the "Replacement Facility"). The Replacement Facility will be approximately 3.55 miles, or 6 minutes, from the Existing Facility.
2. No other clinical services will be discontinued as a result of this project.
3. Anticipated Discontinuation Date: March 31, 2019
4. The Applicants lease space for the Existing Facility from CGH Medical Center. As a result, the Applicants will have no control over the use of the space after discontinuation of the Existing Facility.
5. All medical records will be transferred to the Replacement Facility.
6. This project is a relocation of the Existing Facility and not a discontinuation in its entirety. Therefore, this criterion does not apply.

Section II, Discontinuation**Criterion 1110.130(b), Reasons for Discontinuation**

The Applicants have a lease for the space housing the Existing Facility with CGH Medical Center that expires on May 7, 2018. CGH Medical Center notified the Applicants it will not renew the lease upon expiration as it plans to repurpose the space housing the Existing Facility to other uses to support the business needs of CGH Medical Center. CGH Medical Center agreed to extend the current lease until DaVita is able to relocate. The Replacement Facility will be a ground-up build with the anticipated construction timeline of 18 to 24 months. To ensure that the current patients at the Existing Facility can continue to dialyze without interruption, the Applicants decided to establish the Replacement Facility.

Section II, Discontinuation

Criterion 1110.130(c), Impact on Access

1. The relocation of the Existing Facility will not negatively impact access to care. To the contrary, it will improve access to life sustaining dialysis to DaVita's ESRD patient population by making it more accessible to patients and their families throughout the Whiteside County metropolitan area. All existing patients are expected to transfer to the Replacement Facility. The Applicants seek authority from the Board to discontinue the Existing Facility and to establish the Replacement Facility. The Replacement Facility will be approximately 3.55 miles, or 6 minutes, from the Existing Facility. The Replacement Facility will be plumbed for 16-stations to accommodate the expected future growth of the ESRD patient population in the greater Whiteside County area.

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230, Project Purpose, Background and Alternatives

Background of the Applicant

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. This project is for the relocation of Whiteside Dialysis, a 15-station in-center hemodialysis facility from 2600 North Locust, Suite D, Sterling, Illinois 61081 to 4320 East Lincolnway, Sterling, Illinois 61081.

DaVita Inc. is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2015 Community Care report, some of which is outlined below, details DaVita's commitment to quality, patient centric focus and community outreach and was previously included in the application for Proj. No. 16-023.

Quality

Based upon January 2016 data from the Centers for Medicare and Medicaid Services ("CMS"), DaVita is the clinical leader in the Quality Incentive Program ("QIP") for the third straight year. Nationwide, 98.6 percent of DaVita centers met QIP standards, significantly outperforming other large dialysis providers. Further, DaVita ranked first in four clinical measures in the end stage renal disease ("ESRD") QIP program. QIP is part of Medicare's ESRD program aimed at improving the quality of care provided to Medicare patients. It was designed as the nation's first pay-for-performance quality incentive program.

On October 20, 2016, the Centers for Medicare and Medicaid Services ("CMS") released data on dialysis performance as part of its five star ratings program. For the third year in a row, DaVita was recognized as the clinical leader CMS' Five-Star Quality Rating System. See Attachment – 11A

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

In an effort to allow ESRD providers to assume full clinical and economic accountability, DaVita announced its support for the Dialysis PATIENT Demonstration Act (H.R. 5506/S. 3090). The Dialysis PATIENT Demonstration Act would allow ESRD providers to coordinate care both inside and outside the dialysis facility. The model empowers patients, emphasizes leadership, and facilitates innovation.

On June 17 2016, CAPG awarded Healthcare Partners, DaVita's medical group division, multiple honors. CAPG awarded HealthCare Partners California and The Everest Clinic in Washington its Standards of Excellence™ Elite Award. Colorado Springs Health Partners received a Standards of Excellence™ Exemplary Award. Standards of Excellence™ awards are achieved by surpassing rigorous, peer-defined benchmarks in survey categories: Care Management Practices, Information Technology, Accountability and Transparency, Patient-Centered Care, Group Support of Advanced Primary Care, and Administrative and Financial Capability.

In August 2016, DaVita Hospital Services, the first inpatient kidney care service to receive Ambulatory Health Care Accreditation from the Joint Commission, was re-accredited for three years. Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards. For the past three years, DaVita identified key areas for improvement, created training presentations and documents, provided WebEx training sessions and coordinated 156 hospital site visits for The Joint Commission Surveyors and DaVita

teammates. Accreditation allows DaVita to monitor and evaluate the safety of kidney care and apheresis therapies against ambulatory industry standards. The accreditation allows for increased focus on enhancing the quality and safety of patient care; improved clinical outcomes and performance metrics, risk management and survey preparedness. Having set standards in place can further allow DaVita to measure performance and become better aligned with its hospital partners.

On June 16, 2016, DaVita announced its partnership with Renal Physicians Association ("RPA") and the American Board of Internal Medicine ("ABIM") to allow DaVita-affiliated nephrologists to earn Maintenance of Certification ("MOC") credits for participating in dialysis unit quality improvement activities. MOC certification highlights nephrologists' knowledge and skill level for patients looking for high quality care.

On November 29, 2016, DaVita announced a partnership with Rock Health, the first venture fund dedicated to digital health and a leader in fostering innovation in health care. The partnership will help facilitate direct connections between the diverse, innovative companies in Rock Health's portfolio and DaVita to allow for opportunities to better serve DaVita's nearly two million patients, 67,000 teammates, and 15,000 affiliated physicians around the world. See Attachment – 11B.

Improving Patient Care

DaVita has taken on many initiatives to improve the lives of patients suffering from chronic kidney disease ("CKD") and ESRD. These programs include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Information on these programs was previously included in the application for Proj. No. 16-009.

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

- Between 1988-1994 and 2007-2012, the overall prevalence estimate for CKD rose from 12.0 to 13.6 percent. The largest relative increase, from 25.4 to 39.5 percent, was seen in those with cardiovascular disease.¹
- Many studies have shown that diabetes, hypertension, cardiovascular disease, higher body mass index, and advancing age are associated with the increasing prevalence of CKD.²
- Nearly six times the number of new patients began treatment for ESRD in 2012 (approximately 115,000) versus 1980 (approximately 20,000).³
- Nearly eleven times more patients are now being treated for ESRD than in 1980 (approximately 637,000 versus approximately 60,000).⁴
- U.S. patients newly diagnosed with ESRD were 1 in 2,800 in 2011 versus 1 in 11,000 in 1980.⁵
- U.S. patients treated for ESRD were 1 in 526 in 2011 versus 1 in 3,400 in 1980.⁶

¹ US Renal Data System, USRDS 2014 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 15 (2014).

² Id.

³ Id. at 79

⁴ Id.

⁵ US Renal Data System, USRDS 2013 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 160 (2013).

- Increasing prevalence in the diagnosis of diabetes and hypertension, the two major causes of CKD; 44% of new ESRD cases have a primary diagnosis of diabetes; 28% have a primary diagnosis of hypertension.⁷
- Nephrology care prior to ESRD continues to be a concern. Since the 2005 introduction of the new Medical Evidence form (2728), with fields addressing pre-ESRD care, there has been little progress made in this area (pre-ESRD data, however, should be interpreted with caution because of the potential for misreporting). Forty-one percent of new ESRD patients in 2012, for example, had not seen a nephrologist prior to beginning therapy. And among these patients, 49 percent of those on hemodialysis began therapy with a catheter, compared to 21 percent of those who had received a year or more of nephrology care. Among those with a year or more of pre-ESRD nephrologist care, 54 percent began therapy with a fistula – five times higher than the rate among non-referred patients.⁸

To improve access to kidney care services, DaVita and Northwell Health have joint ventured to serve thousands of patients in Queens and Long Island with integrated kidney care. The joint venture will provide kidney care services in a multi-phased approach, including:

- Physician education and support
- Chronic kidney disease education
- Network of outpatient centers
- Hospital services
- Vascular access
- Integrated care
- Clinical research
- Transplant services

The joint venture will encourage more in-home treatment at centers operated by DaVita and Northwell Health.

Further, on December 2, 2016, DaVita announced the launch of a new joint venture with Inspira Health Network to enhance and expand dialysis services in Southern New Jersey. The joint venture aims to deliver superior and comprehensive renal care patients in Southern New Jersey. In addition to partnering with Inspira's three clinics in Bridgeton, Millville and Vineland, DaVita and Inspira plan to explore opportunities to expand services across the region to meet the growing need for dialysis care. See Attachment – 11C

DaVita's Kidney Smart program helps to improve intervention and education for pre-ESRD patients. Approximately 69% of CKD Medicare patients have never been evaluated by a nephrologist.⁹ Timely

⁶ Id.

⁷ Id at 161.

⁸ US Renal Data System, USRDS 2014 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 107 (2014).

⁹ Id at 4.

CKD care is imperative for patient morbidity and mortality. Adverse outcomes of CKD can often be prevented or delayed through early detection and treatment. Several studies have shown that early detection, intervention and care of CKD may improve patient outcomes and reduce ESRD:

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

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

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

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

In 2013, DaVita was the first large dialysis provider to implement a comprehensive teammate vaccination order, requiring all teammates who work in or whose jobs require frequent visits to dialysis centers to either be vaccinated against influenza or wear surgical masks in patient-care areas. WipeOut, DaVita's infection surveillance, prevention and response program, aims to help patients live longer and avoid infection-related hospitalizations. DaVita led the industry with more than 90 percent of its dialysis patients immunized for influenza in 2015.

For more than a decade, DaVita has been investing and growing its integrated kidney care capabilities. Through Patient Pathways, DaVita partners with hospitals to provide faster, more accurate ESRD patient placement to reduce the length of hospital inpatient stays and readmissions. Importantly, Patient Pathways is not an intake program. An unbiased onsite liaison, specializing in ESRD patient care, meets with both newly diagnosed and existing ESRD patients to assess their current ESRD care and provides information about insurance, treatment modalities, outpatient care, financial obligations before discharge, and grants available to ESRD patients. Patients choose a provider/center that best meets their needs for insurance, preferred nephrologists, transportation, modality and treatment schedule.

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

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

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

DaVita has long been committed to helping its patients receive a thorough kidney transplant education within 30 days of their first dialysis treatment. Patients are educated about the step-by-step transplant process and requirements, health benefits of a transplant and the transplant center options available to them. The social worker or designee obtains transplant center guidelines and criteria for selection of appropriate candidates and assists transplant candidates with factors that may affect their eligibility, such as severe obesity, adherence to prescribed medicine or therapy, and social/emotional/financial factors related to post-transplant functioning.

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

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

Awards

DaVita has been repeatedly recognized for its commitment to its employees (or teammates), particularly its more than 1,700 teammates who are reservists, members of the National Guard, military veterans, and military spouses. Victory Media, publisher of *GI Jobs*® and *Military Spouse* magazine, recently recognized DaVita as the best 2016 Military Friendly Employer in the health care industry and 34th among all industries. Companies competed for the elite Military Friendly® Employer title by completing a data-driven survey. Criteria included a benchmark score across key programs and policies, such as the

Attachment – 11

strength of company military recruiting efforts, percentage of new hires with prior military service, retention programs for veterans, and company policies on National Guard and Reserve service. DaVita was also named as a Civilianjobs.com Most Valuable Employer (MVE) for Military winner for five consecutive years. The MVE was open to all U.S.-based companies, and winners were selected based on surveys in which employers outlined their recruiting, training and retention plans that best serve military service members and veterans.

In May 2016, DaVita was certified by WorldBlu as a "Freedom-Centered Workplace." For the ninth consecutive year, DaVita appeared on WorldBlu's list, formerly known as "most democratic" workplaces. WorldBlu surveys organizations' teammates to determine the level of democracy practiced. For the fifth consecutive year, DaVita was recognized as a Top Workplace by *The Denver Post*. DaVita was recognized among *Training* magazine's Top 125 for its whole-person learning approach to training and development programs for the twelfth year in a row. Finally, DaVita has been recognized as one of *Fortune*® magazine's Most Admired Companies in 2016 – for the ninth consecutive year and tenth year overall.

Service to the Community

DaVita is also committed to sustainability and reducing its carbon footprint. In fact, it is the only kidney care company recognized by the Environmental Protection Agency for its sustainability initiatives. In 2010, DaVita opened the first LEED-certified dialysis center in the U.S. *Newsweek* Green Rankings recognized DaVita as a 2015 Top Green Company in the United States, and it has appeared on the list every year since the inception of the program in 2009. Furthermore, from 2012 to 2015, DaVita saved over 350 million gallons of water, and its newest clinic design is 18 percent more efficient than the previous design, featuring LED lighting and energy- and water-efficient equipment.. It has also undertaken a number of similar initiatives at its offices and has achieved LEED Gold certification for its corporate headquarters. In addition, DaVita was also recognized as an "EPA Green Power Partner" by the U.S. Environmental Protection Agency. Finally, in 2016 DaVita was named to the Dow Jones Sustainability World Index, the gold standard for corporate sustainability and the first global index to track the leading sustainability-driven companies based on an analysis of financially relevant Environmental, Social and Governance factors. See Attachment – 11D.

DaVita consistently raises awareness of community needs and makes cash contributions to organizations aimed at improving access to kidney care. DaVita provides significant funding to kidney disease awareness organizations such as the Kidney TRUST, the National Kidney Foundation, the American Kidney Fund, and several other organizations. Its own employees, or members of the "DaVita Village," assist in these initiatives. In 2016, 564 riders participated in Tour DaVita, DaVita's annual charity bike ride, which raised over \$1.2 million to support Bridge of Life. See Attachment – 11E. Bridge of Life serves thousands of men, women and children around the world through kidney care, primary care, education and prevention and medically supported camps for kids. DaVita Way of Giving program donated \$2 million in 2015 to locally based charities across the United States. Since 2011, DaVita teammates have donated \$6.8 million to thousands of organizations through DaVita Way of Giving. DaVita teammates and their families and friends have volunteered more than 111,000 hours through 2,500 Village Service Days projects since 2006.

DaVita does not limit its community engagement to the U.S. alone. In 2015, Bridge of Life, the primary program of DaVita Village Trust, an independent 501(c)(3) nonprofit organization, completed more than 32 international medical missions and over 50 domestic missions and CKD screening events. More than 300 DaVita volunteers supported these missions, impacting nearly 17,000 men, women and children in 15 countries.

1. Neither the Centers for Medicare and Medicaid Services nor the Illinois Department of Public Health ("IDPH") has taken any adverse action involving civil monetary penalties or restriction or termination of participation in the Medicare or Medicaid programs against any of the applicants, or against any Illinois health care facilities owned or operated by the Applicants, directly or indirectly, within three years preceding the filing of this application

Attachment – 11

2. A list of health care facilities owned or operated by the Applicants in Illinois is attached at Attachment – 11F. Dialysis facilities are currently not subject to State Licensure in Illinois.
3. Certification that no adverse action has been taken against either of the Applicants or against any health care facilities owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 11G.
4. An authorization permitting the Illinois Health Facilities and Services Review Board ("State Board") and IDPH access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11G.

DaVita News

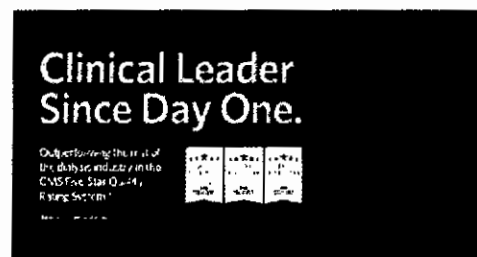
DaVita is a Clinical Leader in Government Five-Star Rating System

Clinical Leader in St. Louis, with most Four- and Five-Star Rated Centers

ST. LOUIS, Oct. 24, 2016 /PRNewswire/ -- DaVita Kidney Care, a division of DaVita Inc. (NYSE:DVA), the leading independent provider of integrated health and kidney care services in the United States, today announced that since the inception of the Centers for Medicare & Medicaid Services (CMS) Five-Star Rating System, and for the third year in a row, it has been recognized as a clinical leader in the program.

DaVita operates 10 of the 11 four- and five-star rated centers in St. Louis.

"It's great for patients here in St. Louis and the surrounding areas to know about the Five-Star program and where they can compare dialysis facilities to help make an informed decision about where to access high quality care," said Michael Vollmer, divisional vice president for DaVita Kidney Care. "DaVita continues to be committed to patient outcomes and satisfaction."



Within the CMS' Five-Star Quality Rating System, each dialysis center that provides in-center hemodialysis (excluding pediatric only facilities) receives a rating between one and five based on clinical performance and patient outcomes. This year, centers are given a star rating, a calculation based on seven quality measures. Ratings can be found on the Dialysis Facility Compare website.

In 2013, DaVita Kidney Care developed the Patient-Focused Quality Pyramid to help provide direction for improving patient care and outcomes. The Pyramid focuses on the fundamentals of dialysis care – dialysis access, dialysis adequacy, nutrition, anemia and bone and metabolic disease – and next-generation clinical initiatives that focus on fluid reduction, diabetes management, medication management and infection reduction.

- **FluidWise®** – The FluidWise program focuses on educating physicians, patients and teammates on the importance of fluid management, sodium intake and weight management. Early efforts at fluid management have led to greater than a 10 percentage point decrease in interdialytic weight gain.
- **StepAhead Diabetes Management®** – The program helps coordinate care for dialysis patients who have diabetes, which is a leading cause of kidney disease.
- **MedsMatter™** – The MedsMatter program is DaVita's medication management program, focusing on the completion of timely and effective home medication reviews as well as providing tools and services to reduce medication-related patient hospitalization.
- **WipeOut Infection®** – The WipeOut Infection program aims to lower the risk of infection for dialysis patients by educating physicians, teammates and patients on the importance of habits and procedures to prevent infections.

About DaVita Kidney Care

Contact Information

Logo -



<http://photos.prnewswire.com/prnh/20160822/400295LOGO>

SOURCE DaVita Kidney Care

<http://pressreleases.davita.com/2016-10-24-DaVita-is-a-Clinical-Leader-in-Government-Five-Star-Rating-System>

DaVita News

DaVita and Rock Health Announce Partnership to Advance Innovation in Healthcare

DENVER, Nov. 29, 2016 /PRNewswire/ -- DaVita Inc. (NYSE:DVA), a leading independent provider of integrated health and kidney care services in the United States, announces a partnership with Rock Health, the first venture fund dedicated to digital health and a leader in fostering innovation in healthcare.

The partnership will help facilitate direct connections between the diverse, innovative companies in Rock Health's portfolio and DaVita, to allow for opportunities to better serve DaVita's nearly two million patients, 67,000 teammates and 15,000 affiliated physicians around the world.

As a worldwide leader in healthcare services, DaVita will provide perspectives and strategic insights to Rock Health's entrepreneurs and help shape the future of innovation in human-centered healthcare.

"Health care is about the way we serve and treat our patients," said Kent Thiry, chairman and CEO of DaVita. "Our work with Rock Health is intended to advance the care and experience of our patients, today and in the future."

Throughout its history, DaVita has been at the forefront of innovation in patient care:

- First-ever renal-specific pharmacy, DaVita Rx
- Leader in home hemodialysis and peritoneal dialysis treatment for patients
- Led the shift to integrated kidney care through establishing chronic special needs plans (CSNPs) and End Stage Renal Disease Seamless Care Organizations (ESCOs)
- Top kidney care online resource in the world, DaVita.com

Rock Health's mandate is impact, and it achieves this in part by supporting entrepreneurs striving to make healthcare massively better for every human being. Through its network of valuable industry partners with the same goal, Rock Health provides opportunities for its portfolio companies to work closely with leading providers like DaVita to accelerate innovation and improve care management.

"DaVita has innovation in its DNA and it's an honor to have them join us as a partner," said Bill Evans, managing director of Rock Health. "DaVita's reach and reputation as an industry-leading provider make this partnership particularly exciting for our portfolio companies."

To learn more, visit www.davita.com/about.

About DaVita

DaVita Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners, a DaVita Medical Group. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of September 30, 2016, DaVita Kidney Care operated or provided administrative services at 2,318 outpatient dialysis centers located in

the United States serving approximately 186,000 patients. The company also operated 139 outpatient dialysis centers located in 11 countries outside the United States. HealthCare Partners manages and operates medical groups and affiliated physician networks in California, Nevada, New Mexico, Florida, Colorado and Washington in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of September 30, 2016 HealthCare Partners provided integrated care management for approximately 750,000 patients. For more information, please visit DaVita.com/About.

About Rock Health

Rock Health is the first venture fund dedicated to digital health. Rock Health partners include AARP, AbbVie, Blue Shield of California, Boehringer Ingelheim, Boston Children's Hospital, Brigham and Women's Hospital, CVS Health, DaVita, Genentech, Sanofi, Sutter Health, and Takeda. For more information, visit rockhealth.com.

Contact Information

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

Danielle McGuinness
press@rockhealth.org

Logo -



<http://photos.prnewswire.com/prnh/20160822/400295LOGO>

SOURCE DaVita Inc.

<http://pressreleases.davita.com/2016-11-29-DaVita-and-Rock-Health-Announce-Partnership-to-Advance-Innovation-in-Healthcare>

DaVita News

DaVita Launches Joint Venture with Inspira Health Network to Provide Dialysis Services in South Jersey

VINELAND, N.J., Dec. 2, 2016 /PRNewswire/ -- DaVita Inc. (NYSE:DVA), a leading independent provider of integrated health and kidney care services in the United States and internationally has formally announced the launch of a new joint venture with Inspira Health Network to enhance and expand dialysis services in South Jersey. The new entity will provide quality services at three centers in Bridgeton, Millville and Vineland.

"This joint venture between two innovative, leading health care providers aims to deliver superior and comprehensive renal care in Southern New Jersey," said Charlie Choi, group vice president at DaVita. "Our combined capabilities position us to meet a growing need for high-quality dialysis services in the surrounding communities. We look forward to welcoming our patients, teammates and physician partners."

DaVita, which operates 2,318 outpatient dialysis centers nationwide serving approximately 186,000 patients, has been recognized throughout the country for its clinical quality, positive teammate culture and community service. The company also operates 139 outpatient dialysis centers located in 11 countries outside the United States.

All employees within Inspira's three dialysis centers have been offered positions in the new joint venture.

"This partnership is a win for our community," said John DiAngelo, president and CEO of Inspira Health Network. "DaVita is a leading global provider of kidney care services and we're pleased to partner with them to bring their industry-leading quality patient care to Southern New Jersey."

In addition to partnering in Inspira's three current centers, the partners plan to explore opportunities to expand services across the region to meet the growing need for dialysis care.

"We conduct regular health needs assessments in our communities and they demonstrate that the need for dialysis is on the rise," said DiAngelo. "This joint venture will give both of our organizations the ability to address this community health need with high quality services that are conveniently located close to home."

The Centers for Medicare & Medicaid Services (CMS) Five-Star Quality Rating program rates dialysis providers from one to five stars to measure patient outcomes, giving consumers a better picture of how a center is performing. For the third year in a row, DaVita has been recognized as a clinical leader in the CMS Five-Star Quality Rating System. According to the latest government ratings, DaVita outperformed the rest of the industry with the highest percentage of four- and five-star centers and lowest percentage of one- and two-star centers in the country.

About DaVita Inc.

DaVita Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and

HealthCare Partners, a DaVita Medical Group. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of September 30, 2016, DaVita Kidney Care operated or provided administrative services at 2,318 outpatient dialysis centers located in the United States serving approximately 186,000 patients. The company also operated 139 outpatient dialysis centers located in 11 countries outside the United States. HealthCare Partners manages and operates medical groups and affiliated physician networks in California, Nevada, New Mexico, Florida, Colorado and Washington in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of September 30, 2016 HealthCare Partners provided integrated care management for approximately 750,000 patients. For more information, please visit DaVita.com/about.

About Inspira Health Network

Inspira Health Network is a charitable nonprofit health care organization serving communities across southern New Jersey. The network, which traces its roots to 1899, comprises three hospitals, a comprehensive cancer center, several multi-specialty health centers and a total of more than 100 access points. These include urgent care; outpatient imaging and rehabilitation; numerous specialty centers, including sleep medicine, cardiac testing, digestive health and wound care; home care and hospice; and more than 30 primary and specialty physician practices in Gloucester, Cumberland, Salem and Camden counties.

Together with its medical staff of more than 1,100 physicians and other care providers, as well as more than 5,700 employees, Inspira Health Network provides evidence-based care to help each patient achieve the best possible outcome. Accredited by DNV Healthcare, the network's clinical and support staffs are focused on providing quality care in a safe environment. For more information about Inspira Health Network, visit www.InspiraHealthNetwork.org or call 1-800-INSPIRA.

Media Contacts:

Kevin Downey
DaVita
303-876-6600
kevin.downey@davita.com

Greg Potter
Inspira Health Network
856-575-4219
potterg@ihn.org

Logo -



<http://photos.prnewswire.com/prnh/20160822/400295LOGO>

SOURCE DaVita Inc.

<http://pressreleases.davita.com/2016-12-02-DaVita-Launches-Joint-Venture-with-Inspira-Health-Network-to-Provide-Dialysis-Services-in-South-Jersey>

DaVita News

DaVita Named to Dow Jones Sustainability World Index
Company impacts training and development in St. Louis

ST. LOUIS, Oct. 25, 2016 /PRNewswire/ -- DaVita Kidney Care, a division of DaVita Inc. (NYSE: DVA), a leading provider of kidney care services in the United States, recently announced that the company has been recognized, for the first time, by the Dow Jones Sustainability Indices (DJSI) as one of only six companies in the Health Care Providers and Services Industry on the DJSI World Index.

"DaVita has provided professional development and additional training to over 950 of its teammates in the St. Louis area in the last five years," said Jim Greenwood, vice president of Wisdom. "We are proud to be recognized for our investment in teammates in St. Louis and across the company to better serve our patients."

The DJSI World Index is the gold standard for corporate sustainability and the first global index to track the leading sustainability-driven companies based on an analysis of financially relevant Environmental, Social and Governance (ESG) factors.

Social Programs

DaVita University, a continuing education and leadership program, offers a variety of classes related to team building, clinical training, management and leadership. DaVita Academy is a DaVita University flagship program. The foundational content provides teammates an opportunity to immerse themselves in DaVita's distinctive culture during a two-day off-site meeting. It is an invitation for teammates to develop themselves in a fun and engaging atmosphere that is simultaneously highly informative. More than 8,000 teammates attend Academy each year. Since 2011, more than 44,000 teammates have attended Academy.

Governance

DaVita believes in driving a transparent culture of inclusion and aims to have people from a diverse background in leadership positions. DaVita expanded the gender and racial diversity of its board in 2016 to 45 percent, or five out of 11 members.

In addition to these highlights, DaVita is a pioneer in the area of corporate social responsibility. DaVita supports numerous programs dedicated to creating positive, sustainable change in communities around the world and supporting the company's "Trilogy of Care" - caring for our patients, caring for our teammates and caring for the world. To learn more about DaVita's approach to corporate social responsibility, please visit DaVita.com/CommunityCare.

Environmental Progress

DaVita strives to be an environmental leader in the health care industry by innovating conservation, stewardship and sustainability solutions that reduce its environmental footprint while providing safe, effective care to patients.

In March of 2016, DaVita Kidney Care set new five-year environmental commitment goals. The plan focuses on opportunities to continue reducing its environmental impact on energy

and water use, waste production and building and supply chain management. From 2012-2015, the company saved over 350 million gallons of water, and its newest clinic design is 18 percent more efficient than the previous design, featuring LED lighting and energy- and water-efficient equipment.

About DaVita Kidney Care

DaVita Kidney Care is a division of DaVita Inc., a Fortune 500® company that, through its operating divisions, provides a variety of health care services to patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care strives to improve patients' quality of life by innovating clinical care, and by offering integrated treatment plans, personalized care teams and convenient health-management services. As of June 30, 2016, DaVita Kidney Care operated or provided administrative services at 2,293 outpatient dialysis centers located in the United States serving approximately 185,000 patients. The company also operated 127 outpatient dialysis centers located in 11 countries outside the United States. DaVita Kidney Care supports numerous programs dedicated to creating positive, sustainable change in communities around the world. The company's leadership development initiatives and social responsibility efforts have been recognized by Fortune, Modern Healthcare, Newsweek and WorldBlu. For more information, please visit DaVita.com.

DaVita is a registered trademark DaVita Inc.

Contact Information

Ashley Henson
303-876-6626
Ashley.Henson@davita.com

Logo-



<http://photos.prnewswire.com/prnh/20160822/400295LOGO>

SOURCE DaVita Kidney Care

<http://pressreleases.davita.com/2016-10-25-DaVita-Named-to-Dow-Jones-Sustainability-World-Index>

DaVita News

DaVita's Annual Bike Ride Raises over \$1.2 Million
Proceeds help to deliver kidney care and education to those in need

DENVER, Oct. 27, 2016 /PRNewswire/ -- DaVita Inc. (NYSE: DVA), a leading independent medical group and a leading provider of kidney care services in the United States, today announced the total in donations raised during Tour DaVita, an annual event to increase awareness of kidney disease and vital health screenings while benefiting the nonprofit organization Bridge of Life.

"The funds will help provide kidney disease screenings to more than 9,000 people in the United States and in underserved countries while educating individuals about risks and prevention to reduce the need for dialysis treatment," said Greta Walker, senior director of donor relations and communications for Bridge of Life. "Tour DaVita has significantly increased our ability to expand programs and improve lives."

This year, 564 riders participated in the event, including six dialysis patients who were able to dialyze in local clinics each day.

Individual fundraising combined with donations from DaVita and other corporate sponsorships contributed more than \$1.2 million for Bridge of Life, a nonprofit organization founded by DaVita.

Sponsors of the 2016 Tour DaVita include Amgen, ASD Healthcare, Baxter International Inc., ADI Construction, McDermott Will & Emery LLP, Meridian, NxStage Medical, Inc., Pentec Health, Tata Consultancy Services and Wells Fargo.

Bridge of Life improves access to dialysis treatment as well as primary care services in underserved communities around the world. Bridge of Life also works to prevent kidney disease through early-detection screenings and education for adults and children.

Bridge of Life recently sent a team to Nepal to provide kidney disease screenings for 2,181 Nepalese. Through indicators such as blood pressure, health surveys, and protein and glucose levels, 518 individuals – nearly a quarter of participants – were found to be at risk for kidney disease. Many others were found to suffer from hypertension, diabetes and/or kidney stones. The team included four volunteers from DaVita Kidney Care India and two local nephrologists, Dr. John Ball and Dr. Sied Nassri, who connected high-risk patients with primary care treatment and follow-up care.

A Nepalese woman receiving health services from Bridge of Life said, "Thank you for coming all the way from the United States to check our kidneys. The availability of resources in the countryside is limited, but your visit to our village has been timely and beneficial."

In the 10 years since its beginning, Tour DaVita has helped raise more than \$8.6 million for Bridge of Life and is dedicated to raising awareness of kidney disease, a silent epidemic that often has no symptoms.

For more information about the 10th annual Tour DaVita, please visit TourDaVita.org or Facebook.com/TourDaVita. For more information about Bridge of Life, please visit BridgeofLifeInternational.org or <http://www.facebook.com/bridgeoflifeinternational>.

About DaVita Inc.

DaVita Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of June 30, 2016, DaVita Kidney Care operated or provided administrative services at 2,293 outpatient dialysis centers located in the United States serving approximately 185,000 patients. The company also operated 127 outpatient dialysis centers located in 11 countries outside the United States. HealthCare Partners, a DaVita Medical Group, manages and operates medical groups and affiliated physician networks in California, Nevada, New Mexico, Florida, Colorado and Washington in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of June 30, 2016, HealthCare Partners provided integrated care management for approximately 760,000 patients. For more information, please visit DaVita.com/About.

About Bridge of Life

Bridge of Life (BOL) is an independent 501(c)(3) nonprofit organization founded by DaVita HealthCare Partners, Inc. BOL improves access to primary care and dialysis treatment in underserved communities around the world while also focusing on prevention of kidney disease through early-detection testing and education. BOL serves thousands of men, women and children through four programs: kidney care, primary care, education and prevention, and kids' camps. In 2016, BOL will complete more than 30 international medical missions and over 50 domestic missions and CKD screening events, impacting nearly 17,000 lives in the United States and abroad. For more information, please visit BridgeofLifeInternational.org.

DaVita and DaVita Kidney Care are registered trademarks of DaVita Inc.

Media:

Lindsey Robinson
Lindsey.Robinson@DaVita.com
720.401.5616

Logo -



<http://photos.prnewswire.com/prnh/20160822/400295LOGO>

SOURCE DaVita Inc.

<http://pressreleases.davita.com/2016-10-27-DaVitas-Annual-Bike-Ride-Raises-over-1-2-Million>

DaVita HealthCare Partners Inc.								
Illinois Facilities								
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number	
Adams County Dialysis	436 N 10TH ST		QUINCY	ADAMS	IL	62301-4152	14-2711	
Alton Dialysis	3511 COLLEGE AVE		ALTON	MADISON	IL	62002-5009	14-2619	
Arlington Heights Renal Center	17 WEST GOLF ROAD		ARLINGTON HEIGHTS	COOK	IL	60005-3905	14-2628	
Barrington Creek	28160 W. NORTHWEST HIGHWAY		LAKE BARRINGTON	LAKE	IL	60010	14-2736	
Belvidere Dialysis	1755 BELOIT ROAD		BELVIDERE	BOONE	IL	61008		
Benton Dialysis	1151 ROUTE 14 W		BENTON	FRANKLIN	IL	62812-1500	14-2608	
Beverly Dialysis	8109 SOUTH WESTERN AVE		CHICAGO	COOK	IL	60620-5939	14-2638	
Big Oaks Dialysis	5623 W TOUHY AVE		NILES	COOK	IL	60714-4019	14-2712	
Brighton Park Dialysis	4729 SOUTH CALIFORNIA AVE		CHICAGO	COOK	IL	60632		
Buffalo Grove Renal Center	1291 W. DUNDEE ROAD		BUFFALO GROVE	COOK	IL	60089-4009	14-2650	
Calumet City Dialysis	1200 SIBLEY BOULEVARD		CALUMET CITY	COOK	IL	60409		
Carpentersville Dialysis	2203 RANDALL ROAD		CARPENTERSVILLE	KANE	IL	60110-3355	14-2598	
Centralia Dialysis	1231 STATE ROUTE 161		CENTRALIA	MARION	IL	62801-6739	14-2609	
Chicago Heights Dialysis	177 W JOE ORR RD	STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635	
Chicago Ridge Dialysis	10511 SOUTH HARLEM AVE		WORTH	COOK	IL	60482		
Churchview Dialysis	5970 CHURCHVIEW DR		ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640	
Cobblestone Dialysis	934 CENTER ST	STE A	ELGIN	KANE	IL	60120-2125	14-2715	
Collinsville Dialysis	101 LANTER COURT	BLDG 2	COLLINSVILLE	MADISON	IL	62234		
Country Hills Dialysis	4215 W 167TH ST		COUNTRY CLUB HILLS	COOK	IL	60478-2017	14-2575	
Crystal Springs Dialysis	720 COG CIRCLE		CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716	
Decatur East Wood Dialysis	794 E WOOD ST		DECATUR	MACON	IL	62523-1155	14-2599	
Dixon Kidney Center	1131 N GALENA AVE		DIXON	LEE	IL	61021-1015	14-2651	
Driftwood Dialysis	1808 SOUTH WEST AVE		FREEDPORT	STEPHENSON	IL	61032-6712	14-2747	
Edwardsville Dialysis	235 S BUCHANAN ST		EDWARDSVILLE	MADISON	IL	62025-2108	14-2701	
Effingham Dialysis	904 MEDICAL PARK DR	STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580	
Emerald Dialysis	710 W 43RD ST		CHICAGO	COOK	IL	60609-3435	14-2529	
Evanston Renal Center	1715 CENTRAL STREET		EVANSTON	COOK	IL	60201-1507	14-2511	
Forest City Rockford	4103 W STATE ST		ROCKFORD	WINNEBAGO	IL	61101		
Grand Crossing Dialysis	7319 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60619-1909	14-2728	
Freeport Dialysis	1028 S KUNKLE BLVD		FREEDPORT	STEPHENSON	IL	61032-6914	14-2642	
Garfield Kidney Center	3250 WEST FRANKLIN BLVD		CHICAGO	COOK	IL	60624-1509	14-2777	
Granite City Dialysis Center	9 AMERICAN VLG		GRANITE CITY	MADISON	IL	62040-3706	14-2537	
Harvey Dialysis	16641 S HALSTED ST		HARVEY	COOK	IL	60426-6174	14-2698	

DaVita HealthCare Partners Inc.								
Illinois Facilities								
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number	
Hazel Crest Renal Center	3470 WEST 183rd STREET		HAZEL CREST	COOK	IL	60429-2428	14-2622	
Huntley Dialysis	10350 HALIGU5 ROAD		HUNTLEY	MCHENRY	IL	60142		
Illini Renal Dialysis	507 E UNIVERSITY AVE		CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633	
Irving Park Dialysis	4343 N ELSTON AVE		CHICAGO	COOK	IL	60641		
Jacksonville Dialysis	1515 W WALNUT ST		JACKSONVILLE	MORGAN	IL	62650-1150	14-2581	
Jerseyville Dialysis	917 S STATE ST		JERSEYVILLE	JERSEY	IL	62052-2344	14-2636	
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685	
Kenwood Dialysis	4259 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60653	14-2717	
Lake County Dialysis Services	565 LAKEVIEW PARKWAY	STE 176	VERNON HILLS	LAKE	IL	60061	14-2552	
Lake Villa Dialysis	37809 N IL ROUTE 59		LAKE VILLA	LAKE	IL	60046-7332	14-2666	
Lawndale Dialysis	3934 WEST 24TH ST		CHICAGO	COOK	IL	60623	14-2768	
Lincoln Dialysis	2100 WEST FIFTH		LINCOLN	LOGAN	IL	62656-9115	14-2582	
Lincoln Park Dialysis	3157 N LINCOLN AVE		CHICAGO	COOK	IL	60657-3111	14-2528	
Litchfield Dialysis	915 ST FRANCES WAY		LITCHFIELD	MONTGOMERY	IL	62056-1775	14-2583	
Little Village Dialysis	2335 W CERMAR RD		CHICAGO	COOK	IL	60608-3811	14-2668	
Logan Square Dialysis	2838 NORTH KIMBALL AVE		CHICAGO	COOK	IL	60618	14-2534	
Loop Renal Center	1101 SOUTH CANAL STREET		CHICAGO	COOK	IL	60607-4901	14-2505	
Machesney Park Dialysis	6950 NORTH PERRYVILLE ROAD		MACHESNEY PARK	WINNEBAGO	IL	61115		
Macon County Dialysis	1090 W MCKINLEY AVE		DECATUR	MACON	IL	62526-3208	14-2584	
Marengo City Dialysis	910 GREENLEE STREET	STE B	MARENGO	MCHENRY	IL	60152-8200	14-2643	
Marion Dialysis	324 S 4TH ST		MARION	WILLIAMSON	IL	62959-1241	14-2570	
Maryville Dialysis	2130 VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2634	
Mattoon Dialysis	6051 DEVELOPMENT DRIVE		CHARLESTON	COLES	IL	61938-4652	14-2585	
Metro East Dialysis	5105 W MAIN ST		BELLEVIEW	SAINT CLAIR	IL	62226-4728	14-2527	
Montclare Dialysis Center	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2649	
Montgomery County Dialysis	1822 SENATOR MILLER DRIVE		HILLSBORO	MONTGOMERY	IL	62049		
Mount Vernon Dialysis	1800 JEFFERSON AVE		MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541	
Mt. Greenwood Dialysis	3401 W 111TH ST		CHICAGO	COOK	IL	60655-3329	14-2660	
O'Fallon Dialysis	1941 FRANK SCOTT PKWY E	STE B	O'FALLON	ST. CLAIR	IL	62269		
Olney Dialysis Center	117 N BOONE ST		OLNEY	RICHLAND	IL	62450-2109	14-2674	
Olympia Fields Dialysis Center	4557B LINCOLN HWY	STE B	MATTESON	COOK	IL	60443-2318	14-2548	
Palos Park Dialysis	13155 S LaGRANGE ROAD		ORLAND PARK	COOK	IL	60462-1162	14-2732	

DaVita HealthCare Partners Inc.								
Illinois Facilities								
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number	
Park Manor Dialysis	95TH STREET & COLFAX AVENUE		CHICAGO	COOK	IL	60617		
Pittsfield Dialysis	640 W WASHINGTON ST		PITTSFIELD	PIKE	IL	62363-1350	14-2708	
Red Bud Dialysis	LOT 4 IN 1ST ADDITION OF EAST INDUSTRIAL PARK		RED BUD	RANDOLPH	IL	62278	14-2772	
Robinson Dialysis	1215 N ALLEN ST	STE B	ROBINSON	CRAWFORD	IL	62454-1100	14-2714	
Rockford Dialysis	3339 N ROCKTON AVE		ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647	
Roxbury Dialysis Center	622 ROXBURY RD		ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665	
Rushville Dialysis	112 SULLIVAN DRIVE		RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620	
Sauget Dialysis	2061 GOOSE LAKE RD		SAUGET	SAINT CLAIR	IL	62206-2822	14-2561	
Schaumburg Renal Center	1156 S ROSELLE ROAD		SCHAUMBURG	COOK	IL	60193-4072	14-2654	
Shiloh Dialysis	1095 NORTH GREEN MOUNT RD		SHILOH	ST CLAIR	IL	62269	14-2753	
Silver Cross Renal Center - Morris	1551 CREEK DRIVE		MORRIS	GRUNDY	IL	60450	14-2740	
Silver Cross Renal Center - New Lenox	1890 SILVER CROSS BOULEVARD		NEW LENOX	WILL	IL	60451	14-2741	
Silver Cross Renal Center - West	1051 ESSINGTON ROAD		JOLIET	WILL	IL	60435	14-2742	
South Holland Renal Center	16136 SOUTH PARK AVENUE		SOUTH HOLLAND	COOK	IL	60473-1511	14-2544	
Springfield Central Dialysis	932 N RUTLEDGE ST		SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586	
Springfield Montvale Dialysis	2930 MONTVALE DR	STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590	
Springfield South	2930 SOUTH 6th STREET		SPRINGFIELD	SANGAMON	IL	62703	14-2733	
Stonecrest Dialysis	1302 E STATE ST		ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615	
Stony Creek Dialysis	9115 S CICERO AVE		OAK LAWN	COOK	IL	60453-1895	14-2661	
Stony Island Dialysis	8725 S STONY ISLAND AVE		CHICAGO	COOK	IL	60617-2709	14-2718	
Sycamore Dialysis	2200 GATEWAY DR		SYCAMORE	DEKALB	IL	60178-3113	14-2639	
Taylorville Dialysis	901 W SPRESSER ST		TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587	
Tazewell County Dialysis	1021 COURT STREET		PEKIN	TAZEWELL	IL	61554	14-2767	
Timber Creek Dialysis	1001 S ANNIE GLIDDEN ROAD		DEKALB	DEKALB	IL	60115	14-2763	
Tinley Park Dialysis	16767 SOUTH 80TH AVENUE		TINLEY PARK	COOK	IL	60477		
TRC Children's Dialysis Center	2611 N HALSTED ST		CHICAGO	COOK	IL	60614-2301	14-2604	
Vandalia Dialysis	301 MATTES AVE		VANDALIA	FAYETTE	IL	62471-2061	14-2693	

DaVita HealthCare Partners Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Vermilion County Dialysis	22 WEST NEWELL ROAD		DANVILLE	VERMILION	IL	61834	
Washington Heights Dialysis	10620 SOUTH HALSTED STREET		CHICAGO	COOK	IL	60628	
Waukegan Renal Center	1616 NORTH GRAND AVENUE	STE C	Waukegan	COOK	IL	60085-3676	14-2577
Wayne County Dialysis	303 NW 11TH ST	STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688
West Lawn Dialysis	7000 S PULASKI RD		CHICAGO	COOK	IL	60629-5842	14-2719
West Side Dialysis	1600 W 13TH STREET		CHICAGO	COOK	IL	60608	14-2783
Whiteside Dialysis	2600 N LOCUST	STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648
Woodlawn Dialysis	5060 S STATE ST		CHICAGO	COOK	IL	60609	14-2310



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

Dear Chair Olson:

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

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

Sincerely,

Print Name: Arturo Sida
Its: Assistant Secretary
DaVita Inc.
Renal Treatment Centers-Illinois, Inc.

Subscribed and sworn to me
This ___ day of ___, 2016

See Attached

Notary Public

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

State of California

County of Los Angeles

On September 12, 2016 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

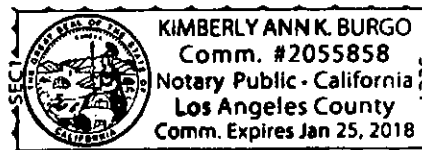
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson (Whiteside Dialysis)

Document Date: September 12, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer Assistant Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

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

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(b), Project Purpose, Background and Alternatives

Purpose of the Project

1. The Applicants propose to discontinue the Existing Facility located at 2600 North Locust, Suite D, Sterling, Illinois 61081 and establish the Replacement Facility 3.55 miles, or 6 minutes away at 4320 East Lincolnway, Sterling, Illinois.

The Applicants have a lease for the space housing the Existing Facility with CGH Medical Center that expires on May 7, 2018. CGH Medical Center notified the Applicants it will not renew the lease upon expiration as it plans to repurpose the space housing the Existing Facility to other uses to support the business needs of CGH Medical Center. CGH Medical Center agreed to extend the current lease until DaVita is able to relocate. The Replacement Facility will be a ground-up build with the anticipated construction timeline of 18 to 24 months. To ensure that the current patients at the Existing Facility can continue to dialyze without interruption, the Applicants decided to establish the Replacement Facility.

The Replacement Facility is needed to serve the existing demand for dialysis services in the area. As of September 30, 2016, the Existing Facility serves 53 in-center ESRD patients. Charlene Murdakes, M.D., the Medical Director for Whiteside Dialysis, anticipates all 53 current patients will transfer to the Replacement Facility. Furthermore, Dr. Murdakes is currently treating 118 Stage 4 or 5 CKD patients, with 40 of the 118 patients coming from 61081, the ZIP code of both Existing Facility and the Replacement Facility. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, or return of function, it is projected that 24 of these CKD patients will require dialysis within 12 to 24 months of project completion. Based upon the Existing Facility's current patient census coupled with the CKD patients projected to initiate dialysis within 24 months of project completion, the Applicants anticipate the Replacement Facility will reach 86% utilization within two years of project completion. Further, the Replacement Facility will be plumbed to eventually accommodate a total of 16-stations. This will allow for a future census capacity of 96 in-center ESRD patients.

As shown in Attachment – 12A, including the Existing Facility, there are currently 3 existing or approved dialysis facilities within 30 minutes normal travel time of the proposed location of the Replacement Facility. With 527 CKD patients within 30 minutes of the proposed Replacement Facility's and 40 late-stage CKD patients residing in proposed Replacement Facility Zip code alone, there will be insufficient capacity to accommodate all of Whiteside Dialysis' current and projected patients.

2. A map of the market area for the proposed facility is attached at Attachment – 12B. The market area encompasses an approximate 20 mile radius around the proposed facility. The boundaries of the market area are as follows:
 - North approximately 25 minutes normal travel time to Brookville, Illinois.
 - Northeast approximately 25 minutes normal travel time to Stratford, Illinois.
 - East approximately 25 minutes normal travel time to Franklin Grove, Illinois.
 - Southeast approximately 30 minutes normal travel time to East Grove, Illinois.
 - South approximately 25 minutes normal travel time to Hahnman, Illinois.
 - Southwest approximately 30 minutes normal travel time to Prophetstown, Illinois.
 - West approximately 30 minutes normal travel time to Morrison, Illinois.
 - Northwest approximately 30 minutes normal travel time to Chadwick, Illinois.

3. Source Information

U.S. Census Bureau, American FactFinder, Fact Sheet, available at http://factfinder.census.gov/home/saff/main.html?_lang=en (last visited November 25, 2016).

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

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

Centers for Disease Control and Prevention (CDC). National Chronic Kidney Disease Fact Sheet: General Information and National Estimates on Chronic Kidney Disease in the United States, 2014. Atlanta, GA: US Department of Health and Human Services, Centers for Disease Control and Prevention; 2014.

4. The Existing Facility has a lease with CGH Medical Center that expires on May 7, 2018. CGH Medical Center notified the Applicants it will repurpose the space housing the Existing Facility to other uses to support the business needs of CGH Medical Center. CGH Medical Center will extend the current lease until DaVita is able to relocate. The Replacement Facility will be a ground-up build with the anticipated construction timeline of 18 to 24 months. To ensure that the current patients at the Existing Facility can continue to dialyze without interruption, the Applicants decided to establish the Replacement Facility.
5. The Applicants anticipate the proposed facility will have quality outcomes comparable to other DaVita facilities. Additionally, in an effort to better serve all kidney patients, DaVita believes in requiring all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients.

End Stage Renal Disease Facility	Address	City	Distance	Drive Time	09-30-2016 Stations	09-30-2016 Patients	09-30-2016 Utilization
Whiteside Dialysis	2600 North Locust	Sterling	3.55	6	15	53	0.5889
Dixon Dialysis Center, LLC	101 West Second Street	Dixon	9.28	11	8	18	0.375
Dixon Kidney Center	1131 North Galena Avenue	Dixon	9.35	11	8	22	0.4583
TOTAL					31	93	0.5000

This map shows the Rock Island area in Illinois, with the Mississippi River forming the western border. Major highways are depicted with route numbers. Towns and cities are labeled throughout the region, including Rock Island, East Moline, Rock Falls, and Dixon. The map also shows the surrounding counties of Jackson, Carroll, Ogle, DeKalb, and LaSalle. A scale bar at the bottom indicates distances in miles.

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(c), Project Purpose, Background and Alternatives

Alternatives

The Applicants have a lease for the space housing the Existing Facility with CGH Medical Center that expires on May 7, 2018. CGH Medical Center notified the Applicants it will not renew the lease upon expiration as it plans to repurpose the space housing the Existing Facility to other uses to support the business needs of CGH Medical Center. After exploring the options below in detail, the Applicants determined to relocate the Existing Facility in order to continue operations and create future capacity. A review of each of the options considered and the reasons they were rejected

Do Nothing

The Existing Facility's lease expires on May 7, 2018. CGH Medical Center notified the Applicants it will not renew the lease upon expiration as it plans to repurpose the space housing the Existing Facility to other uses to support the business needs of CGH Medical Center.

The option to do nothing would result in termination of the lease on May 7, 2018 and displacement of the patients who currently dialyze at Whiteside Dialysis. Importantly, there are only two dialysis facilities within 30 minutes of the Existing Facility. Not only are these facilities approximately 20 minutes from the Existing Facility, creating hazardous traveling conditions during severe weather, but collectively, these facilities cannot accommodate all of the Whiteside Dialysis patients. Accordingly, many Whiteside patients would need to travel over 45 minutes to facilities in Freeport or Genesco three times per week for their dialysis, creating an undue hardship for these patients. Accordingly, the Applicants rejected this alternative.

There is no capital cost with this alternative.

Renovate the Existing Facility

The Existing Facility's lease expires on May 7, 2018. CGH Medical Center notified the Applicants it will not renew the lease upon expiration as it plans to repurpose the space housing the Existing Facility to other uses to support the business needs of CGH Medical Center. Accordingly, renovating the Existing Facility was not an option.

There is no capital cost with this alternative.

Utilize Existing Facilities

The Replacement Facility is needed to serve the existing demand for dialysis services in the area. As of September 30, 2016, the Existing Facility serves 53 in-center ESRD patients. There are only two dialysis facilities within 30 minutes of the Existing Facility. Not only are these facilities approximately 20 minutes from the Existing Facility, creating hazardous traveling conditions during severe weather, but collectively, these facilities cannot accommodate all of the Whiteside Dialysis patients.

Additionally, Charlene Murdakes, M.D., the Medical Director for Whiteside Dialysis, anticipates all 53 current patients will transfer to the Replacement Facility. Furthermore, Dr. Murdakes is currently treating 118 Stage 4 or 5 CKD patients, with 40 of the 118 patients coming from 61081, the ZIP code of both Existing Facility and the Replacement Facility. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, or return of function, it is projected that 24 of these CKD patients will require dialysis within 12 to 24 months of project completion. Based upon the Existing Facility's current patient census coupled with the CKD patients projected to initiate dialysis within 24 months of project completion, the Applicants anticipate the Replacement Facility will reach 86% utilization within two years of project completion. Finally, the Replacement Facility will be

plumbed to eventually accommodate a total of 16-stations. This will allow for a future census capacity of 96 in-center ESRD patients.

There is no capital cost with the alternative of utilizing Existing Facilities. However, the existing facilities will not be able to accommodate the anticipated growth in ESRD patients over the next 24 months.

Relocate Whiteside Dialysis

DaVita determined that the only alternative, and hence the most effective and efficient way to serve its patients and address the dialysis needs of HSA 1 is to relocate the Existing Facility. The proposed site for the Replacement Facility is located 3.55 miles from the current site, and will adequately serve Whiteside Dialysis' current and projected patient-base.

Thus, the Applicants selected this option.

The cost associated with this option is **\$3,168,654**.

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

The Applicants propose to relocate its Existing Facility. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard allows for a maximum of 6,750 to 9,750 gross square feet for 15 dialysis stations. The total gross square footage of the proposed dialysis facility is 6,600 gross square feet. The Replacement Facility is below the State standard.

Table 1110.234(a) SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD	6,600 GSF	6750 GSF – 9,750 GSF	(,150)	Below

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

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

Charlene Murdakes, M.D., the Medical Director for Whiteside Dialysis, anticipates all 53 current patients will transfer to the Replacement Facility. Furthermore, Dr. Murdakes is currently treating 118 Stage 4 or 5 CKD patients, with 40 of the 118 patients coming from 61081, the ZIP code of both Existing Facility and the Replacement Facility. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, or return of function, it is projected that 24 of these CKD patients will require dialysis within 12 to 24 months of project completion. Based upon the Existing Facility's current patient census coupled with the CKD patients projected to initiate dialysis within 24 months of project completion, the Applicants anticipate the Replacement Facility will reach 86% utilization within two years of project completion.

Table 1110.234(b)					
Utilization					
	Dept./ Service	Historical Utilization (Treatments)	Projected Utilization	State Standard	Met Standard?
2014	ESRD	9,313	N/A	11,232	No
2015	ESRD	8,711	N/A	11,232	No
2020 Projected	ESRD	N/A	12,012	11,232	Yes

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

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

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

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

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

1. Planning Area Need

The Applicants propose to discontinue the Existing Facility located at 2600 North Locust, Suite D, Sterling, Illinois 61081 and establish the Replacement Facility 3.55 miles, or 6 minutes away at 4320 East Lincolnway, Sterling, Illinois.

The Applicants have a lease for the space housing the Existing Facility with CGH Medical Center that expires on May 7, 2018. CGH Medical Center notified the Applicants it will not renew the lease upon expiration as it plans to repurpose the space housing the Existing Facility to other uses to support its business needs. CGH Medical Center agreed to extend the current lease until DaVita is able to relocate. The Replacement Facility will be a ground-up build with the anticipated construction timeline of 18 to 24 months. To ensure that the current patients at the Existing Facility can continue to dialyze without interruption, the Applicants decided to establish the Replacement Facility.

The Replacement Facility is needed to serve the existing demand for dialysis services in the area. As of September 30, 2016, the Existing Facility serves 53 in-center ESRD patients. Charlene Murdakes, M.D., the Medical Director for Whiteside Dialysis, anticipates all 53 current patients will transfer to the Replacement Facility. Furthermore, Dr. Murdakes is currently treating 118 Stage 4 or 5 CKD patients, with 40 of the 118 patients coming from 61081, the ZIP code of both Existing Facility and the Replacement Facility. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, or return of function, it is projected that 24 of these CKD patients will require dialysis within 12 to 24 months of project completion. Based upon the Existing Facility's current patient census coupled with the CKD patients projected to initiate dialysis within 24 months of project completion, the Applicants anticipate the Replacement Facility will reach 86% utilization within two years of project completion. Further, the Replacement Facility will be plumbed to eventually accommodate a total of 16-stations. This will allow for a future census capacity of 96 in-center ESRD patients.

Importantly, there are only two dialysis facilities within 30 minutes of the Existing Facility. Not only are these facilities approximately 20 minutes from the Existing Facility, creating hazardous traveling conditions during severe weather, but collectively, these facilities cannot accommodate all of the Whiteside Dialysis patients. Accordingly, many Whiteside patients would need to travel over 45 minutes to facilities in Freeport or Genesco three times per week for their dialysis, creating an undue hardship for these patients.

The relocation of Whiteside Dialysis is necessary to meet the dialysis needs of these patients, and will allow for safer and more optimal treatment times for patients. See Appendix –1.

2. Service to Planning Area Residents

The primary purpose is to ensure that the ESRD patient population in Sterling and the surrounding area has access to life sustaining dialysis. As evidenced in the physician referral letter attached at Appendix – 1, all 53 current patients are expected to transfer to the proposed Replacement Facility and 40 of Dr. Murdakes' Stage 4 and 5 pre-ESRD patients live within the same ZIP code (61081) as the proposed Replacement Facility. Accordingly, the proposed Replacement Facility will provide necessary health care to residents of Sterling and the surrounding area.

3. Service Demand – Establishment of In-Center Hemodialysis Service

Charlene Murdakes, M.D., the Medical Director for Whiteside Dialysis, anticipates all 53 current patients will transfer to the Replacement Facility. Furthermore, Dr. Murdakes is currently treating 118 Stage 4 or 5 CKD patients, with 40 of the 118 patients coming from 61081, the ZIP code of both Existing Facility and the Replacement Facility. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, or return of function, it is projected that 24 of these CKD patients will require dialysis within 12 to 24 months of project completion. Based upon the Existing Facility's current patient census coupled with the CKD patients projected to initiate dialysis within 24 months of project completion, the Applicants anticipate the Replacement Facility will reach 86% utilization within two years of project completion.

4. Service Accessibility

As set forth throughout this application, the proposed relocation is needed to maintain access to life-sustaining dialysis for patients in the greater Sterling area. The relocation is necessary to provide essential care to ESRD patients in Sterling, as the Existing Facility's lease will expire on May 7, 2018. The Replacement Facility will better accommodate current and future demand for dialysis services and ensure dialysis services are accessible to residents of Sterling.

Section VII, Service Specific Review Criteria**In-Center Hemodialysis****Criterion 1110.1430(d), Unnecessary Duplication/Maldistribution****1. Unnecessary Duplication**

- a. The proposed Replacement Facility will be located at 4320 East Lincolnway, Sterling, Illinois 61081. A map of the Whiteside Dialysis market area is attached at Attachment – 26A. A list of all zip codes located, in total or in part, within 30 minutes normal travel time of the site of the proposed Replacement Facility as well as 2010 census figures for each zip code is provided in Table 1110.1430(d)(1)(A) below.

Table 1110.1430(d)(1)(A) Population of Zip Codes within 30 Minutes of Proposed Facility		
Zip Code	City	Population
61261	LYNDON	975
61243	DEER GROVE	264
61037	GALT	140
61071	ROCK FALLS	14,381
61270	MORRISON	7,306
61014	CHADWICK	1,173
61081	STERLING	21,934
61051	MILLEDGEVILLE	1,574
61042	HARMON	527
61021	DIXON	23,745
61064	POLO	3,868
61091	WOOSUNG	63
TOTAL		75,950

Source: U.S. Census Bureau, Census 2010, Zip Code Fact Sheet available at <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml> (last visited November 25, 2016).

- b. A list of existing and approved dialysis facilities located within 30 minutes normal travel time of the proposed dialysis facility is provided at Attachment – 26B.

2. Maldistribution of Services

The proposed dialysis facility will not result in a maldistribution of services. A maldistribution exists when an identified area has an excess supply of facilities, stations, and services characterized by such factors as, but not limited to: (1) ratio of stations to population exceeds one and one-half times the State Average; (2) historical utilization for existing facilities and services is below the State Board's utilization standard; or (3) insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above utilization standards. As discussed more fully below, the proposed Replacement Facility will not result in a maldistribution of services.

a. Ratio of Stations to Population

As shown in Table 1110.1430(d)(2)(A), the ratio of stations to population is 116.4% of the State Average.

Table 1110.1430(c)(2)(A)				
Ratio of Stations to Population				
	Population	Dialysis Stations	Stations to Population	Standard Met?
Geographic Service Area	75,950	31	1:2,450	Yes
State	12,830,632	4,499	1:2,852	

b. Historic Utilization of Existing Facilities

As recently as September 30, 2016, the Existing Facility operated at 58.9% utilization. Following relocation to a more accessible modern space, Dr. Murdakes anticipates that she will refer approximately 24 of her current pre-ESRD patients within the first 12 to 24 months of project completion. As a result, the facility will reach target utilization, within 24 months following project completion. Accordingly, there is sufficient patient population to justify the need for the Replacement Facility. There will be no maldistribution of services.

c. Sufficient Population to Achieve Target Utilization

The Applicants propose to discontinue their Existing Facility and establish the Replacement Facility. As of September 20, 2016, The Existing Facility treated 53 patients. To achieve the State Board's 80% utilization standard for a 15-station facility, within the first two years after project completion, the Applicants would need 19 additional patient referrals. As stated in Appendix – 1, Dr. Murdakes anticipates referring 24 of her current pre-ESRD patients within 12 to 24 months of project completion. Thus, Replacement Facility should achieve 86% utilization within 24 months of project completion.

As the future referrals to Whiteside Dialysis grow, the proposed dialysis facility will have the capacity to expand to accommodate up to 96 patients. Accordingly, there is sufficient population to achieve target occupancy.

3. Impact to Other Providers

- a. The proposed Replacement Facility will not have an adverse impact on existing facilities in the geographic service area. All of the identified patients will either transfer from the Existing Facility or will be referrals of pre-ESRD patients. No patients will be transferred from other existing dialysis facilities.
- b. The proposed Replacement Facility will not lower the utilization of other area providers that are operating below the occupancy standards.

[illegible]

End Stage Renal Disease Facility	Address	City	Distance	Drive Time	09-30-2016 Stations	09-30-2016 Patients	09-30-2016 Utilization
Whiteside Dialysis	2600 North Locust	Sterling	3.55	6	15	53	0.5889
Dixon Dialysis Center, LLC	101 West Second Street	Dixon	9.28	11	8	18	0.375
Dixon Kidney Center	1131 North Galena Avenue	Dixon	9.35	11	8	22	0.4583
TOTAL					31	93	0.5000

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

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

Charlene D. Murdakes, MD
Curriculum Vitae

Biographical Information:

Office Address: RNA of Rockford, LLC
612 Roxbury Road
Rockford, IL 61107

Date of Birth: August 5, 1976

Employment:

09/13-Present	RNA of Rockford, LLC Rockford, IL	M.D.
03/15 - present	University of Illinois College of Medicine Rockford, IL	Clinical Instructor

Education:

08/04-06/08	Rush College of Medicine Chicago, IL	M.D.
1999-2001	Northern Illinois University DeKalb, IL	Teacher Certification in Biology
1994-1999	University of Illinois Urbana-Champaign, IL	Bachelor of Science in Biology

Post Graduate Training:

07/11-06/13	Rush University Medical Center Chicago, IL	Nephrology Fellowship
07/08-06/11	Rush University Medical Center Chicago, IL	Internal Medicine Residency

Charlene Murdakes, MD
Curriculum Vitae
Page 2

Certification & Licensure:

Illinois License #036.127989
Board Certified by American Board of Internal Medicine, 2011
Board Certified by the American Board of Internal Medicine, Subspecialty Nephrology, 2013

Professional Organization Memberships:

American Society of Nephrology
National Kidney Foundation
American College of Physicians
American Medical Association

Medical Directorships

Davita Whiteside 11/2016 - Present
2600 N. Locust, Suite D
Sterling, IL. 61081

Forest City Dialysis 11/2016 - Present
4103 W. State St.
Rockford, IL. 61108

TITLE: BASIC TRAINING PROGRAM OVERVIEW

Mission

DaVita's Basic Training Program for Hemodialysis provides the instructional preparation and the tools to enable teammates to deliver quality patient care. Our core values of *service excellence, integrity, team, continuous improvement, accountability, fulfillment and fun* provide the framework for the Program. Compliance with State and Federal Regulations and the inclusion of DaVita's Policies and Procedures (P&P) were instrumental in the development of the program.

Explanation of Content

Two education programs for the new nurse or patient care technician (PCT) are detailed in this section. These include the training of new DaVita teammates **without** previous dialysis experience and the training of the new teammates **with** previous dialysis experience. A program description including specific objectives and content requirements is included.

This section is designed to provide a *quick reference* to program content and to provide access to key documents and forms.

The **Table of Contents** is as follows:

- I. Program Overview (TR1-01-01)
- II. Program Description (TR1-01-02)
 - Basic Training Class ICHD Outline (TR1-01-02A)
 - Basic Training Nursing Fundamentals ICHD Class Outline (TR1-01-02B)
- III. Education Enrollment Information (TR1-01-03)
- IV. Education Standards (TR1-01-04)
- V. Verification of Competency
 - New teammate without prior experience (TR1-01-05)
 - New teammate with prior experience (TR1-01-06)
 - Medical Director Approval Form (TR1-01-07)
- VI. Evaluation of Education Program
 - Program Evaluation
 - Basic Training Classroom Evaluation (TR1-01-08A)
 - Basic Training Nursing Fundamentals ICHD Classroom Evaluation (TR1-01-08B)
 - Curriculum Evaluation
- VII. Additional Educational Forms
 - New Teammate Weekly Progress Report for the PCT (TR1-01-09)
 - New Teammate Weekly Progress Report for Nurses (TR1-01-10)
 - Training hours tracking form (TR1-01-11)
- VIII. State-specific information/forms (as applicable)

**TITLE: BASIC TRAINING FOR HEMODIALYSIS PROGRAM
DESCRIPTION**

Introduction to Program

The Basic Training Program for Hemodialysis is grounded in DaVita's Core Values. These core values include a commitment to providing *service excellence*, promoting *integrity*, practicing a *team* approach, systematically striving for *continuous improvement*, practicing *accountability*, and experiencing *fulfillment and fun*.

The Basic Training Program for Hemodialysis is designed to provide the new teammate with the theoretical background and clinical skills necessary to function as a competent hemodialysis patient care provider.

DaVita hires both non-experienced and experienced teammates. Newly hired teammates must meet all applicable State requirements for education, training, credentialing, competency, standards of practice, certification, and licensure in the State in which he or she is employed. For individuals with experience in the armed forces of the United States, or in the national guard or in a reserve component, DaVita will review the individual's military education and skills training, determine whether any of the military education or skills training is substantially equivalent to the Basic Training curriculum and award credit to the individual for any substantially equivalent military education or skills training.

A non-experienced teammate is defined as:

- A newly hired patient care teammate without prior dialysis experience.
- A rehired patient care teammate who left prior to completing the initial training.
- A newly hired or rehired patient care teammate with previous dialysis experience who has not provided at least 3 months of hands on dialysis care to patients within the past 12 months.

An experienced teammate is defined as:

- A newly hired or rehired teammate who can show proof of completing a dialysis training program and has provided at least 3 months of hands on dialysis care to patients within the past 12 months.

The curriculum of the Basic Training Program for Hemodialysis is modeled after Federal Law and State Boards of Nursing requirements, the American Nephrology Nurses Association Core Curriculum for Nephrology Nursing, and the Board of Nephrology Examiners Nursing and Technology guidelines. The program also incorporates the policies, procedures, and guidelines of DaVita HealthCare Partners Inc.

**Training Program Manual
Basic Training for Hemodialysis
DaVita HealthCare Partners Inc.**

TR1-01-02

"Day in the Life" is DaVita's learning portal with videos for RNs, LPN/LVNs and patient care technicians. The portal shows common tasks that are done throughout the workday and provides links to policies and procedures and other educational materials associated with these tasks thus increasing their knowledge of all aspects of dialysis. It is designed to be used in conjunction with the "Basic Training Workbook."

Program Description

The education program for the newly hired patient care provider teammate **without prior dialysis experience** is composed of at least (1) 120 hours didactic instruction and a minimum of (2) 240 hours clinical practicum, unless otherwise specified by individual state regulations.

The **didactic phase** consists of instruction including but not limited to lectures, readings, self-study materials, on-line learning activities, specifically designed hemodialysis workbooks for the teammate, demonstrations and observations. This education may be coordinated by the Clinical Services Specialist (CSS), a nurse educator, the administrator, or the preceptor.

Within the clinic setting this training includes

- Principles of dialysis
- Water treatment and dialysate preparation
- Introduction to the dialysis delivery system and its components
- Care of patients with kidney failure, including assessment, data collection and interpersonal skills
- Dialysis procedures and documentation, including initiation, monitoring, and termination of dialysis
- Vascular access care including proper cannulation techniques
- Medication preparation and administration
- Laboratory specimen collection and processing
- Possible complications of dialysis
- Infection control and safety
- Dialyzer reprocessing, if applicable

The program also introduces the new teammate to DaVita Policies and Procedures (P&P), and the Core Curriculum for Dialysis Technicians.

The **didactic phase** also includes classroom training with the CSS or nurse educator. Class builds upon the theory learned in the Workbooks and introduces the students to more advanced topics. These include:

- Acute Kidney Injury vs. Chronic Renal Failure
- Manifestations of Chronic Renal Failure
- Normal Kidney Function vs. Hemodialysis
- Documentation & Flow Sheet Review

Property of DaVita HealthCare Partners Inc.
Origination Date: 1995
Revision Date: Aug 2014, Oct 2014, Jul 2015, Sept 2015
Page 2 of 6

Confidential and Copyrighted ©1995-present

TR1-01-02

**Training Program Manual
Basic Training for Hemodialysis
DaVita HealthCare Partners Inc.**

TR1-01-02

- Patient Self-management
- Motivational Interviewing
- Infection Control
- Data Collection and Assessment
- Water Treatment and Dialyzer Reprocessing
- Fluid Management
- Pharmacology
- Vascular Access
- Renal Nutrition
- Laboratory
- The Hemodialysis Delivery System
- Adequacy of Hemodialysis
- Complications of Hemodialysis
- Importance of P&P
- Role of the Renal Social Worker
- Conflict Resolution
- The DaVita Quality Index

Also included are workshops, role play, and instructional videos. Additional topics are included as per specific state regulations.

A final comprehensive examination score of 80% (unless state requires a higher score) must be obtained to successfully complete this portion of the didactic phase. The *DaVita Basic Training Final Exam* can be administered by the instructor in a classroom setting, or be completed online (DVU2069-EXAM). The new teammate's preceptor will proctor the online exam. DVU2069-EXAM is part of the new teammate's new hire curriculum in the LMS. If the exam is administered in class and the teammate attains a passing score, The LMS curriculum will show that training has been completed.

If a score of less than 80% is attained, the teammate will receive additional appropriate remediation and a second exam will be given. The second exam may be administered by the instructor in a classroom setting, or be completed online. For online completion, if DVU2069-EXAM has not yet been taken in the teammate's curriculum no additional enrollment into the exam is necessary. If the new teammate took DVU2069-EXAM as the initial exam, the CSS or RN Trainer responsible for teaching Basic Training Class will communicate to the teammate's FA to enroll the teammate in the LMS DaVita Basic Training Final Exam (DVU2069-EXAM) and the teammate's preceptor will proctor the exam. If the new teammate receives a score of less than 80% on the second exam, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate. **Note:** FA teammate enrollment in DVU2069-EXAM is limited to one time.

Property of DaVita HealthCare Partners Inc.
Origination Date: 1995
Revision Date: Aug 2014, Oct 2014, Jul 2015, Sept 2015
Page 3 of 6

Confidential and Copyrighted ©1995-present

TR1-01-02

Attachment - 26C

Training Program Manual
Basic Training for Hemodialysis
DaVita HealthCare Partners Inc.

TR1-01-02

Also included in the **didactic phase** is additional classroom training covering Health and Safety Training, systems/applications training, One For All orientation training, Compliance training, Diversity training, mandatory water classes, emergency procedures specific to facility, location of disaster supplies, and orientation to the unit.

The **didactic phase** for nurses includes three days of additional classroom training and covers the following topics:

- Nephrology Nursing, Scope of Practice, Delegation and Supervision, Practicing according to P&P
- Nephrology Nurse Leadership
- Impact – Role of the Nurse
- Care Planning including developing a POC exercise
- Achieving Adequacy with focus on assessment, intervention, available tools
- Interpreting laboratory Values and the role of the nurse
- Hepatitis B – surveillance, lab interpretation, follow up, vaccination schedules
- TB Infection Control for Nurses
- Anemia Management – ESA Hyporesponse: a StarLearning Course
- Survey Readiness
- CKD-MBD – Relationship with the Renal Dietitian
- Pharmacology for Nurses – video
- Workshop
 - Culture of Safety, Conducting a Homeroom Meeting
 - Nurse Responsibilities, Time Management
 - Communication – Meetings, SBAR (Situation, Background, Assessment, Recommendation)
 - Surfing the VillageWeb – Important sites and departments, finding information

The **clinical practicum phase** consists of supervised clinical instruction provided by the facility preceptor, and/or a registered nurse. During this phase the teammate will demonstrate a progression of skills required to perform the hemodialysis procedures in a safe and effective manner. A *Procedural Skills Verification Checklist* will be completed to the satisfaction of the preceptor, and a registered nurse overseeing the training. The Basic Training workbook for Hemodialysis will also be utilized for this training and must be completed to the satisfaction of the preceptor and the registered nurse.

Those teammates who will be responsible for the Water Treatment System within the facility are required to complete the Mandatory Educational Water courses and the corresponding skills checklists.

**Training Program Manual
Basic Training for Hemodialysis
DaVita HealthCare Partners Inc.**

TR1-01-02

Both the didactic phase and/or the clinical practicum phase will be successfully completed, along with completed and signed skills checklists, prior to the new teammate receiving an independent assignment. The new teammate is expected to attend all training sessions and complete all assignments and workbooks.

The education program for the newly hired patient care provider teammate with previous dialysis experience is individually tailored based on the identified learning needs. The initial orientation to the *Health Prevention and Safety Training* will be successfully completed prior to the new teammate working/receiving training in the clinical area. The new teammate will utilize the Basic Training Workbook for Hemodialysis and progress at his/her own pace. This workbook should be completed within a timely manner as to also demonstrate acceptable skill-level. The *Procedural Skills Verification Checklist* including verification of review of applicable P&P will be completed by the preceptor, and the registered nurse in charge of the training upon demonstration of an acceptable skill-level by the new teammate, and then signed by the new teammate, the RN trainer and the facility administrator.

Ideally teammates will attend Basic Training Class, however, teammates with experience may opt-out of class by successful passing of the *DaVita Basic Training Final Exam* with a score of 80% or higher. The new experienced teammate should complete all segments of the workbook including the recommended resources to prepare for taking the *DaVita Basic Training Final Exam* as questions not only assess common knowledge related to the hemodialysis treatment but also knowledge related to specific DaVita P&P, treatment outcome goals based on clinical initiatives and patient involvement in their care. The new teammate with experience will be auto-enrolled in the *DaVita Basic Training Final Exam* (DVU2069-EXAM) in the LMS as part of their new hire curriculum. The new teammate's preceptor will proctor the exam.

If the new teammate with experience receives a score of less than 80% on the *DaVita Basic Training Final Exam*, this teammate will be required to attend Basic Training Class. The *DaVita Basic Training Final Exam* can be administered by the instructor in a classroom setting, or be completed online. If it is completed online, the CSS or RN Trainer responsible for teaching Basic Training Class will communicate to the teammate's FA to enroll the teammate in the LMS *DaVita Basic Training Final Exam* (DVU2069-EXAM) and the teammate's preceptor will proctor the exam. If the new teammate receives a score of less than 80% on the *DaVita Basic Training Final Exam* after class, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate. Note: FA teammate enrollment in DVU2069-EXAM is limited to one time.

**Training Program Manual
Basic Training for Hemodialysis
DaVita HealthCare Partners Inc.**

TR1-01-02

Prior to the new teammate receiving an independent patient-care assignment, the skills checklist must be completed and signed along with a passing score from the classroom exam or the *Initial Competency Exam*. Completion of the skills checklist is indicated by the new teammate in the LMS (RN: SKLINV1000, PCT: SKLINV2000) and then verified by the FA.

Following completion of the training, a *Verification of Competency* form will be completed (see forms TR1-01-05, TR1-01-06). In addition to the above, further training and/or certification will be incorporated as applicable by state law.

The goal of the program is for the trainee to successfully meet all training requirements. Failure to meet this goal is cause for dismissal from the training program and subsequent termination by the facility.

Process of Program Evaluation

The Hemodialysis Education Program utilizes various evaluation tools to verify program effectiveness and completeness. Key evaluation tools include the DaVita Basic Training Class Evaluation (TR1-01-08A) and Basic Training Nursing Fundamentals (TR1-0108B), the New Teammate Satisfaction Survey and random surveys of facility administrators to determine satisfaction of the training program. To assure continuous improvement within the education program, evaluation data is reviewed for trends, and program content is enhanced when applicable to meet specific needs.

TR1-01-02

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

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



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

Re: Certification of Support Services

Dear Chair Olson:

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

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

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

Sincerely,

Print Name: Arturo Sida
Its: Assistant Secretary
DaVita Inc.
Renal Treatment Centers-Illinois, Inc.

Subscribed and sworn to me
This ____ day of ____, 2016

See Attached

Notary Public

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

State of California

County of Los Angeles

On September 12, 2016 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson (Whiteside Dialysis)

Document Date: September 12, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer Assistant Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

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

Section VII, Service Specific Review Criteria

In-Center Hemodialysis

Criterion 1110.1430(g), Minimum Number of Stations

The proposed Replacement Facility will not be located in a metropolitan statistical area ("MSA"). A dialysis facility located outside an MSA must have a minimum of four dialysis stations. The Applicants propose to establish a 15-station dialysis facility. Accordingly, this criterion is met.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(h), Continuity of Care

DaVita Inc. has an agreement with CGH Medical Center to provide inpatient care and other hospital services. Attached at Attachment – 26F is a copy of the service agreement with this area hospital.

FOR COMPANY USE ONLY:
Clinic #: 01564

PATIENT TRANSFER AGREEMENT

This **PATIENT TRANSFER AGREEMENT** (the "Agreement") is made as of the last date of signature hereto (the "Effective Date"), by and between **CGH Medical Center** (hereinafter "Hospital") and **Renal Treatment Centers-Illinois, Inc.**, a Delaware corporation and subsidiary of DaVita Inc. ("Company").

RECITALS

WHEREAS, the parties hereto desire to enter into this Agreement governing the transfer of patients between Hospital and the following free-standing dialysis clinic owned and operated by Company:

*Whiteside Dialysis
2600 N Locust, Suite D
Sterling, IL 61081*

WHEREAS, the parties hereto desire to enter into this Agreement in order to specify the rights and duties of each of the parties and to specify the procedure for ensuring the timely transfer of patients between the facilities;

WHEREAS, the parties wish to facilitate the continuity of care and the timely transfer of patients and records between the facilities; and

WHEREAS, only a patient's attending physician (not Company or the Hospital) can refer such patient to Company for dialysis treatments.

NOW THEREFORE, in consideration of the premises herein contained and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **HOSPITAL OBLIGATIONS.** In accordance with the policies and procedures as hereinafter provided, and upon the recommendation of an attending physician, a patient of Company may be transferred to Hospital.

(a) Hospital agrees to exercise its best efforts to provide for prompt admission of patients provided that all usual, reasonable conditions of admission are met. All transfers between the facilities shall be made in accordance with applicable federal and state laws and regulations, the standards of The Joint Commission ("TJC") and any other applicable accrediting bodies, and reasonable policies and procedures of the facilities. Transfer record forms shall be completed in detail and signed by the physician or nurse in charge at Company and must accompany the patient to the receiving institution.

(b) Neither the decision to transfer a patient nor the decision to not accept a request to transfer a patient shall be predicated upon arbitrary, capricious or unreasonable discrimination or based upon the patient's inability to pay for services rendered by either facility.

2. COMPANY OBLIGATIONS.

(a) Upon transfer of a patient to Hospital, Company agrees:

- i. That it shall transfer any needed personal effects of the patient, and information relating to the same, and shall be responsible therefore until signed for by a representative of Hospital;
- ii. Original medical records kept by each of the parties shall remain the property of that institution; and
- iii. That transfer procedures shall be made known to the patient care personnel of each of the parties.

(b) Company agrees to transmit with each patient at the time of transfer, or in case of an emergency, as promptly as possible thereafter, an abstract of pertinent medical and other records necessary to continue the patient's treatment without interruption and to provide identifying and other information, to include:

- i. current medical findings;
- ii. diagnosis;
- iii. rehabilitation potential;
- iv. discharge summary;
- v. a brief summary of the course of treatment followed;
- vi. nursing and dietary information;
- vii. ambulating status; and
- viii. administrative and pertinent social information.

(c) Company agrees to readmit to its facilities patients who have been transferred to Hospital for medical care as clinic capacity allows. Hospital agrees to keep the administrator or designee of Company advised of the condition of the patients that will affect the anticipated date of transfer back to Company and to provide as much notice of the transfer date as possible. Company shall assign readmission priority for its patients who have been treated at Hospital and who are ready to transfer back to Company.

3. BILLING, PAYMENT, AND FEES. Hospital and Company each shall be responsible for billing the appropriate payor for the services it provides, respectively, hereunder. Company shall not act as guarantor for any charges incurred while the patient is a patient in Hospital.

4. **HIPAA.** Hospital and Company agree to comply with the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Hospital and Company acknowledge and agree that from time to time, HIPAA may require modification to this Agreement for compliance purposes. Hospital and Company further acknowledge and agree to comply with requests by the other party hereto related to HIPAA.

5. **STATUS AS INDEPENDENT CONTRACTORS.** The parties acknowledge and agree that their relationship is solely that of independent contractors. Governing bodies of Hospital and Company shall have exclusive control of the policies, management, assets, and affairs of their respective facilities. Nothing in this Agreement shall be construed as limiting the right of either to affiliate or contract with any other Hospital or facility on either a limited or general basis while this Agreement is in effect. Neither party shall use the name of the other in any promotional or advertising material unless review and approval of the intended use shall be obtained from the party whose name is to be used and its legal counsel.

6. **INSURANCE.** Each party shall secure and maintain, or cause to be secured and maintained during the term of this Agreement, commercial general liability, property damage, and workers compensation insurance in amounts generally acceptable in the industry, and professional liability insurance providing minimum limits of liability of \$1,000,000 per occurrence and \$3,000,000 in aggregate. Each party shall deliver to the other party certificate(s) of insurance evidencing such insurance coverage upon execution of this Agreement, and annually thereafter upon the request of the other party. Each party shall provide the other party with not less than thirty (30) days prior written notice of any change in or cancellation of any of such insurance policies. Said insurance shall survive the termination of this Agreement.

7. **INDEMNIFICATION.**

(a) **Hospital Indemnity.** Hospital hereby agrees to defend, indemnify and hold harmless Company and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense (including, without limitation, costs of investigation and reasonable attorney's fees), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Hospital and its staff regardless of whether or not it is caused in part by Company or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Company.

(b) **Company Indemnity.** Company hereby agrees to defend, indemnify and hold harmless Hospital and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense (including, without limitation, costs of investigation and reasonable attorney's fees), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Company and its staff regardless of whether or not it is caused in part by or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be

effective as to any loss attributable exclusively to the negligence or willful act or omission of Hospital.

(c) Survival. The indemnification obligations of the parties shall continue in full force and effect notwithstanding the expiration or termination of this Agreement with respect to any such expenses, costs, damages, claims and liabilities which arise out of or are attributable to the performance of this Agreement prior to its expiration or termination.

8. DISPUTE RESOLUTION. Any dispute which may arise under this Agreement shall first be discussed directly with representatives of the departments of the parties that are directly involved. If the dispute cannot be resolved at this level, it shall be referred to administrative representatives of the parties for discussion and resolution.

(a) Informal Resolution. Should any dispute between the parties arise under this Agreement, written notice of such dispute shall be delivered from one party to the other party and thereafter, the parties, through appropriate representatives, shall first meet and attempt to resolve the dispute in face-to-face negotiations. This meeting shall occur within thirty (30) days of the date on which the written notice of such dispute is received by the other party.

(b) Resolution Through Mediation. If no resolution is reached through informal resolution, pursuant to Section 8(a) above, the parties shall, within forty-five (45) days of the first meeting referred to in Section 8(a) above, attempt to settle the dispute by formal mediation. If the parties cannot otherwise agree upon a mediator and the place of the mediation within such forty-five (45) day period, the American Arbitration Association ("AAA") in the State of Illinois shall administer the mediation. Such mediation shall occur no later than ninety (90) days after the dispute arises. All findings of fact and results of such mediation shall be in written form prepared by such mediator and provided to each party to such mediation. In the event that the parties are unable to resolve the dispute through formal mediation pursuant to this Section 8(b), the parties shall be entitled to seek any and all available legal remedies.

9. TERM AND TERMINATION. This Agreement shall be effective for an initial period of one (1) year from the Effective Date and shall continue in effect indefinitely after such initial term, except that either party may terminate by giving at least sixty (60) days notice in writing to the other party of its intention to terminate this Agreement. If this Agreement is terminated for any reason within one (1) year of the Effective Date of this Agreement, then the parties hereto shall not enter into a similar agreement with each other for the services covered hereunder before the first anniversary of the Effective Date. Termination shall be effective at the expiration of the sixty (60) day notice period. However, if either party shall have its license to operate its facility revoked by the State or become ineligible as a provider of service under Medicare or Medicaid laws, this Agreement shall automatically terminate on the date such revocation or ineligibility becomes effective.

10. AMENDMENT. This Agreement may be modified or amended from time to time by mutual written agreement of the parties, signed by authorized representatives thereof, and any such modification or amendment shall be attached to and become part of this Agreement. No

oral agreement or modification shall be binding unless reduced to writing and signed by both parties.

11. **ENFORCEABILITY/SEVERABILITY.** The provisions of this Agreement are severable. The invalidity or unenforceability of any term or provisions hereto in any jurisdiction shall in no way affect the validity or enforceability of any other terms or provisions in that jurisdiction, or of this entire Agreement in any other jurisdiction.

12. **COMPLIANCE RELATED MATTERS.** The parties agree and certify that this Agreement is not intended to generate referrals for services or supplies for which payment may be made in whole or in part under any federal health care program. The parties will comply with statutes, rules, and regulations as promulgated by federal and state regulatory agencies or legislative authorities having jurisdiction over the parties.

13. **EXCLUDED PROVIDER.** Each party represents that neither that party nor any entity owning or controlling that party has ever been excluded from any federal health care program including the Medicare/Medicaid program or from any state health care program. Each party further represents that it is eligible for Medicare/Medicaid participation. Each party agrees to disclose immediately any material federal, state, or local sanctions of any kind, imposed subsequent to the date of this Agreement, or any investigation which commences subsequent to the date of this Agreement, that would materially adversely impact Company's ability to perform its obligations hereunder.

14. **NOTICES.** All notices, requests, and other communications to any party hereto shall be in writing and shall be addressed to the receiving party's address set forth below or to any other address as a party may designate by notice hereunder, and shall either be (a) delivered by hand, (b) sent by recognized overnight courier, or (c) by certified mail, return receipt requested, postage prepaid.

If to Hospital: CGH Medical Center
100 E Lefevre Rd.
Sterling, IL 61081
Attention: Administrator

If to Company: Renal Treatment Centers-Illinois, Inc.
C/o: DaVita Inc.
2000 16th St.
Denver, CO 80202
Attention: Administrator

With copies to: Whiteside Dialysis
C/o: DaVita Inc.
2600 N Locust, Suite D
Sterling, IL 61081
Attention: Facility Administrator

DaVita Inc.
2000 16th Street
Denver, Colorado 80202
Attention: General Counsel

All notices, requests, and other communication hereunder shall be deemed effective (a) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (b) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (c) if sent by certified mail, five (5) business days following the day such mailing is made.

15. **ASSIGNMENT.** This Agreement shall not be assigned in whole or in part by either party hereto without the express written consent of the other party, except that Company may assign this Agreement to one of its affiliates or subsidiaries without the consent of Hospital.

16. **COUNTERPARTS.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Copies of signatures sent by facsimile shall be deemed to be originals.

17. **NON-DISCRIMINATION.** All services provided by Hospital hereunder shall be in compliance with all federal and state laws prohibiting discrimination on the basis of race, color religion, sex national origin, handicap, or veteran status.

18. **WAIVER.** The failure of any party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant, or condition, and the obligations of such party with respect thereto shall continue in full force and effect.

19. **GOVERNING LAW.** The laws of the State of Illinois shall govern this Agreement.

20. **HEADINGS.** The headings appearing in this Agreement are for convenience and reference only, and are not intended to, and shall not, define or limit the scope of the provisions to which they relate.

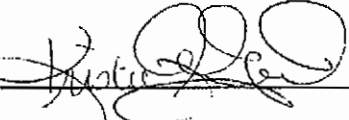
21. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all other agreements, either oral or written, between the parties (including, without limitation, any prior agreement between Hospital and Company or any of its subsidiaries or affiliates) with respect to the subject matter hereof.

22. **APPROVAL BY DAVITA INC. ("DAVITA") AS TO FORM.** The parties acknowledge and agree that this Agreement shall take effect and be legally binding upon the parties only upon full execution hereof by the parties and upon approval by DaVita Inc. as to the form hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

Hospital:

CGH Medical Center

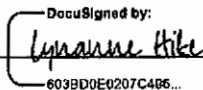
By: 
Name: Kristie Geil

Its: Chief Nursing Officer

Date: 11/17/16

Company:

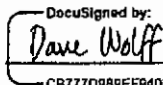
Renal Treatment Centers-Illinois, Inc.

By: 
Name: Lynanne Hike

Its: Regional Operation Director

Date: November 17, 2016

APPROVED AS TO FORM ONLY:

By: 
Name: David G. Wolff

Its: Group General Counsel

Certificate Of Completion

Envelope Id: 3DD0C41B5F65486AA712EAAF0906C85D
 Subject: Please DocuSign: (IL) Whiteside Dialysis 01564 - PTA - CGH Medical Center.pdf
 Source Envelope:
 Document Pages: 7 Signatures: 2
 Certificate Pages: 5 Initials: 0
 AutoNav: Enabled
 EnvelopeId Stamping: Enabled
 Time Zone: (UTC-07:00) Mountain Time (US & Canada)

Status: Completed

Envelope Originator:
 Alyssa Curry
 2000 16th Street
 Denver, CO 80202
 Alyssa.Curry@davita.com
 IP Address: 104.129.198.115

Record Tracking

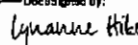
Status: Original
 11/17/2016 10:52:56 AM
 Holder: Alyssa Curry
 Alyssa.Curry@davita.com

Location: DocuSign

Signer Events

Lynanne Hike
 lynanne.hike@davita.com
 Regional Operations Director
 Security Level: Email, Account Authentication
 (None)

Signature

DocuSigned by:

 003B00602010406...

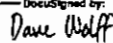
Using IP Address: 50.240.179.81

Timestamp

Sent: 11/17/2016 10:54:30 AM
 Viewed: 11/17/2016 12:57:04 PM
 Signed: 11/17/2016 12:57:17 PM

Electronic Record and Signature Disclosure:
 Accepted: 11/17/2016 12:57:04 PM
 ID: 94fe42a8-4245-4822-a0ba-bb05c0e32472

Dave Wolff
 David.wolff@davita.com
 Group Group Counsel
 Security Level: Email, Account Authentication
 (None)

DocuSigned by:

 C07110089EF0402...

Using IP Address: 104.129.198.116

Sent: 11/17/2016 12:57:18 PM
 Viewed: 11/17/2016 12:58:01 PM
 Signed: 11/17/2016 12:58:11 PM

Electronic Record and Signature Disclosure:
 Accepted: 1/19/2015 1:29:12 PM
 ID: 868d90d3-66f4-4ca2-8c5f-d0e1afe01b11

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Melissa Elliott
 melissa.elliott@davita.com
 Security Level: Email, Account Authentication
 (None)

COPIED

Sent: 11/17/2016 12:58:12 PM

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign
 ID:

Carbon Copy Events

Jennie Lench

Jennie.Lench@davita.com

Security Level: Email, Account Authentication
(None)Electronic Record and Signature Disclosure:
Not Offered via DocuSign
ID:**Status****COPIED****Timestamp**

Sent: 11/17/2016 12:58:13 PM

Notary Events**Envelope Summary Events**

Envelope Sent

Certified Delivered

Signing Complete

Completed

Status

Hashed/Encrypted

Security Checked

Security Checked

Security Checked

Timestamp**Timestamps**

11/17/2016 12:58:13 PM

11/17/2016 12:58:13 PM

11/17/2016 12:58:13 PM

11/17/2016 12:58:13 PM

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, DaVita (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact DaVita:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: emily.briggs@davita.com

To advise DaVita of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at jennifer.vanhyning@davita.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from DaVita

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to emily.briggs@davita.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with DaVita

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to emily.briggs@davita.com and in the body of such request you must state your e-mail, full name, US Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	•Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify DaVita as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by DaVita during the course of my relationship with you.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(j), Relocation of Facilities

The Applicants have a lease for the space housing the Existing Facility with CGH Medical Center that expires on May 7, 2018. CGH Medical Center notified the Applicants it will not renew the lease upon expiration as it plans to repurpose the space housing the Existing Facility to other uses to support its business needs. CGH Medical Center agreed to extend the current lease until DaVita is able to relocate. The Replacement Facility will be a ground-up build with the anticipated construction timeline of 18 to 24 months. To ensure that the current patients at the Existing Facility can continue to dialyze without interruption, the Applicants decided to establish the Replacement Facility.

The Applicants propose to discontinue the Existing Facility and establish the Replacement Facility 3.55 miles, or 6 minutes away at 4320 East Lincolnway, Sterling, Illinois 61081).

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

Attached at Attachment – 26G is a letter from Arturo Sida, Assistant Corporate Secretary of DaVita Inc. certifying that the proposed facility will achieve target utilization by the second year of operation.



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

Re: In-Center Hemodialysis Assurances

Dear Chair Olson:

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

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

Sincerely,

Print Name: Arturo Sida
Its: Assistant Secretary
DaVita Inc.
Renal Treatment Centers-Illinois, Inc.

Subscribed and sworn to me
This ____ day of _____, 2016

See Attached

Notary Public

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

State of California

County of Los Angeles

On September 12, 2016 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

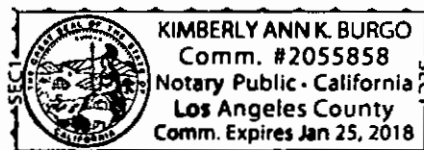
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson (Whiteside Dialysis)

Document Date: September 12, 2016

Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): _____

☐ Individual

☒ Corporate Officer

Assistant Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

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

Section VIII, Financial Feasibility
Criterion 1120.120 Availability of Funds

The project will be funded entirely with cash and cash equivalents, and a lease from Dyn Commercial Holdings, LLC. A copy of DaVita's 2015 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted. A letter of intent to lease the facility is attached at Attachment - 36.

October 24, 2016

Bharat V Puri, SIOR
First Midwest Group, Inc.
6801 Spring Creek Road
Rockford, IL 61107
(815) 229-3000 Office
(815) 222-6900 Cell
bharat@firstmidwestgroup.com
www.firstmidwestgroup.com

RE: LOI for a to be constructed building on approximately 4320 E Lincolnway, Sterling, IL 61081

Dear Bharat:

Cushman & Wakefield ("C&W") has been authorized by Total Renal Care, Inc. a subsidiary of DaVita HealthCare Partners, Inc. to assist in securing a lease requirement. DaVita HealthCare Partners, Inc. is a Fortune 200 company with revenues of approximately \$13 billion. They operate 2,278 outpatient dialysis centers across the US and 124 internationally.

Below is the proposal outlining the terms and conditions wherein the Tenant is willing to lease the subject premises:

<u>PREMISES:</u>	To be constructed single tenant building on approximately 4320 E Lincolnway, Sterling, IL 61081
<u>TENANT:</u>	Renal Treatment Centers – Illinois, Inc., or related entity to be named
<u>LANDLORD:</u>	<i>Dyn Commercial Holdings, L.L.C. or its assignee.</i>
<u>SPACE REQUIREMENTS:</u>	Approximately 6,600 rentable square feet.
<u>PRIMARY TERM:</u>	10 years
<u>BASE RENT:</u>	\$21.75 PSF, NNN with ten percent (10%) increases every 5 years during the term and any options.
<u>ADDITIONAL EXPENSES:</u>	Landlord estimates that the CAMIT expenses during the first year of the term will be \$3.00 psf. Tenant's Prorata Share: 100% Tenant shall be responsible for its directly metered utility expenses. Following the first full calendar year, the controllable CAMIT expenses shall not increase more than 5% annually thereafter. Controllable CAMIT expenses exclude real estate taxes, snow and ice removal and common area utilities.
<u>LANDLORD'S MAINTENANCE:</u>	Landlord, at its sole cost and expense, shall be responsible for the structural and capitalized items (per GAAP standards) for the Property, which costs shall be amortized over their useful life and the annual amortized amount will be included in the operating expenses.

**POSSESSION AND
RENT COMMENCEMENT:**

Landlord shall deliver Possession of the building certified pad (as indicated in Exhibit B) to the Tenant within 90 days from CON permit date. In the event the CON permit date occurs between December 1 and April 1, the 90 day period will not begin to accrue until April 1. Landlord shall have 90 days following Tenant's commencement of construction of the interior buildout to complete the Landlord's exterior Site Development Improvements. Rent Commencement shall be the earlier of the following two events (a) Tenant opening for business and (b) nine (9) months from delivery of Possession by Landlord and Tenant obtaining building permits for its intended improvements. Landlord's delivery obligations hereunder shall be subject to force majeure.

DUE DILIGENCE:

Tenant shall have the right to obtain Tenant's executive committee approval within 90 days following Lease execution. If Tenant does not receive executive committee approval during such 90 day period, Tenant may elect to terminate the Lease by written notice given not later than the 90th day following lease execution. Notwithstanding the foregoing, if Tenant receives its CON prior the end of such 90 day period and has not elected to terminate the lease prior to such receipt, this right to terminate shall be deemed null and void.

LEASE FORM:

Tenant's standard lease form as starting point for negotiations.

USE:

The operation of an outpatient renal dialysis clinic, renal dialysis home training, aphaeresis services and similar blood separation and cell collection procedures, general medical offices, clinical laboratory, including all incidental, related and necessary elements and functions of other recognized dialysis disciplines which may be necessary or desirable to render a complete program of treatment to patients of Tenant and related office and administrative uses or for any other lawful purpose.

PARKING:

Tenant requests:

- a) A stated parking allocation of four stalls per 1,000 sf or higher if required by code
- b) Of the stated allocation, dedicated parking at one stall per 1,000 sf
- c) 2 Handicapped stalls located near the front door to the Premises

LANDLORD WORK:

Any on and off-site improvements (parking lot, landscaping, lighting, sewer, utilities, street, curb, gutter, paving, irrigation, common area lighting, certified pad, etc) as required by the municipality to issue permits for the performance of Landlord's Work or Tenant Work will be incorporated into Landlord's Work as indicated in Exhibit B. Landlord, at its sole cost, will prepare plans, specifications and working drawings for Landlord's Work ("**Landlord's Plans**") and the same will be subject to Tenant's approval. Landlord will perform Landlord's Work in a good and workmanlike manner in conformity with Landlord's Plans, as approved by Tenant. Landlord will promptly repair all latent or patent defects in Landlord's Work, at Landlord's sole cost and expense.

Landlord will be solely responsible for and will pay all impact fees, charges, costs, assessments, and exactions charged, imposed or assessed in connection with the development and construction of the Building or Premises, but not including building permit fees for construction of the Building.

TENANT IMPROVEMENTS:

Landlord will pay to Tenant an allowance ("Tenant Allowance") for costs incurred by Tenant in connection with the construction of the Building. The Tenant Allowance will be an amount equal to \$150.00 per square foot of the Building Floor Area, payable in monthly draws on the first day of each month during the performance of Tenant's Improvements. With each draw request, Tenant shall include sworn statements and lien waivers from each contractor and subcontractor for which payments are being made. At the time of Lease execution, Landlord and Tenant will enter into an escrow agreement or tri-party agreement providing for the payment of the Tenant Allowance (the "Security Agreement"). If Landlord does not fund the escrow or fails to make any payment of the Tenant Allowance on a timely basis, Tenant will have the right to terminate the Lease, stop construction of Tenant's Improvements and/or offset any unpaid amounts against Rent. The Security Agreement will authorize payment of damages or any applicable portion of Tenant's Costs from the account established for Tenant Allowance. Tenant's plans will be subject to Landlord's approval. Post letter of credit. Pay against sworn statements/lien waivers. Tenant will have the right to convert any overage in Tenant Allowance to be used towards Tenant Improvements.

Building design shall be a mixture of brick, EIFS and glass.

OPTION TO RENEW:

Tenant desires three, five-year options to renew the lease. Option rent shall be increased by 10% after Year 10 of the initial term and following each successive five-year option periods.

FAILURE TO DELIVER PREMISES:

If Landlord has not delivered the premises to Tenant with all Landlord Work substantially completed within 120 days from the date on which Tenant commences construction of the Building, Tenant may elect to a) terminate the lease by written notice to Landlord or b) elect to receive two days of rent abatement for every day of delay beyond the 120 day delivery period. Landlord's delivery obligations hereunder shall be subject to force majeure.

HOLDING OVER:

Tenant shall be obligated to pay 115% of the then current rate for the first ninety days and 125% of the then current rate for any holdover beyond ninety days

TENANT SIGNAGE:

Tenant shall have the right to install building, monument and pylon signage at the Premises, subject to compliance with all applicable laws and regulations.

BUILDING HOURS:

As a single Tenant building, Tenant will have access 24 hours a day, seven days a week and will have direct control of HVAC and other utilities.

SUBLEASE/ASSIGNMENT:

Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of DaVita, Inc. without the consent of the Landlord, or to unrelated entities with Landlord reasonable approval.

ROOF RIGHTS:

Tenant shall have the right to place a satellite dish on the roof at no additional fee.

NON COMPETE:

Landlord agrees not to lease space to another dialysis provider within a five mile radius of Premises.

GOVERNMENTAL COMPLIANCE:

Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause the Premises, common areas, the building and parking facilities

to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s). Notwithstanding the foregoing, if any governmental law, ordinance or regulation goes into effect as a result of Tenant's change in use of the Premises, Tenant shall be responsible for the costs of bring the Premises into compliance with such.

CERTIFICATE OF NEED:

Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need (CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to seven (7) months from the latter of an executed LOI or subsequent filing date. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises within seven (7) months from the latter of an executed LOI or subsequent filing date neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE:

Landlord recognizes C&W as the Tenant's local representative and shall pay a brokerage fee equal to seventy cents (\$0.70) per square foot per lease term year, 50% shall be due upon lease signatures and 50% shall be due upon rent commencement. The Tenant shall retain the right to offset rent for failure to pay the brokerage fee.

CONTINGENCIES:

In the event the Landlord is not successful in obtaining all necessary approvals including, but not limited to, zoning and use, the Tenant shall have the right, but not the obligation to terminate the lease. Tenant acknowledges that the property will need to be subdivided and the platting process is anticipated to take 90 days.

PLANS:

Please provide copies of site and construction plans or drawings.

It should be understood that this proposal is subject to the terms of Exhibit A attached hereto. The information in this proposal is confidential and may be legally privileged. It is intended solely for the addressee. Access to this information by anyone but addressee is unauthorized. Thank you for your time and consideration to partner with DaVita.

Sincerely,
Matthew J. Gramlich

CC: DaVita Regional Operational Leadership
DaVita Team Genesis Real Estate

SIGNATURE PAGE

LETTER OF INTENT:

Approximately 4320 E Lincolnway, Sterling, IL 61081

AGREED TO AND ACCEPTED THIS 1 DAY OF NOVEMBER 2016

By: Mary Anderson, NVP

On behalf of Renal Treatment Centers -- Illinois, Inc., a subsidiary of DaVita
Healthcare Partners, Inc.
("Tenant")

AGREED TO AND ACCEPTED THIS 7 DAY OF NOVEMBER 2016

By: [Signature]

("Landlord")

PRELIMINARY SITE PLAN SUBJECT TO CHANGE

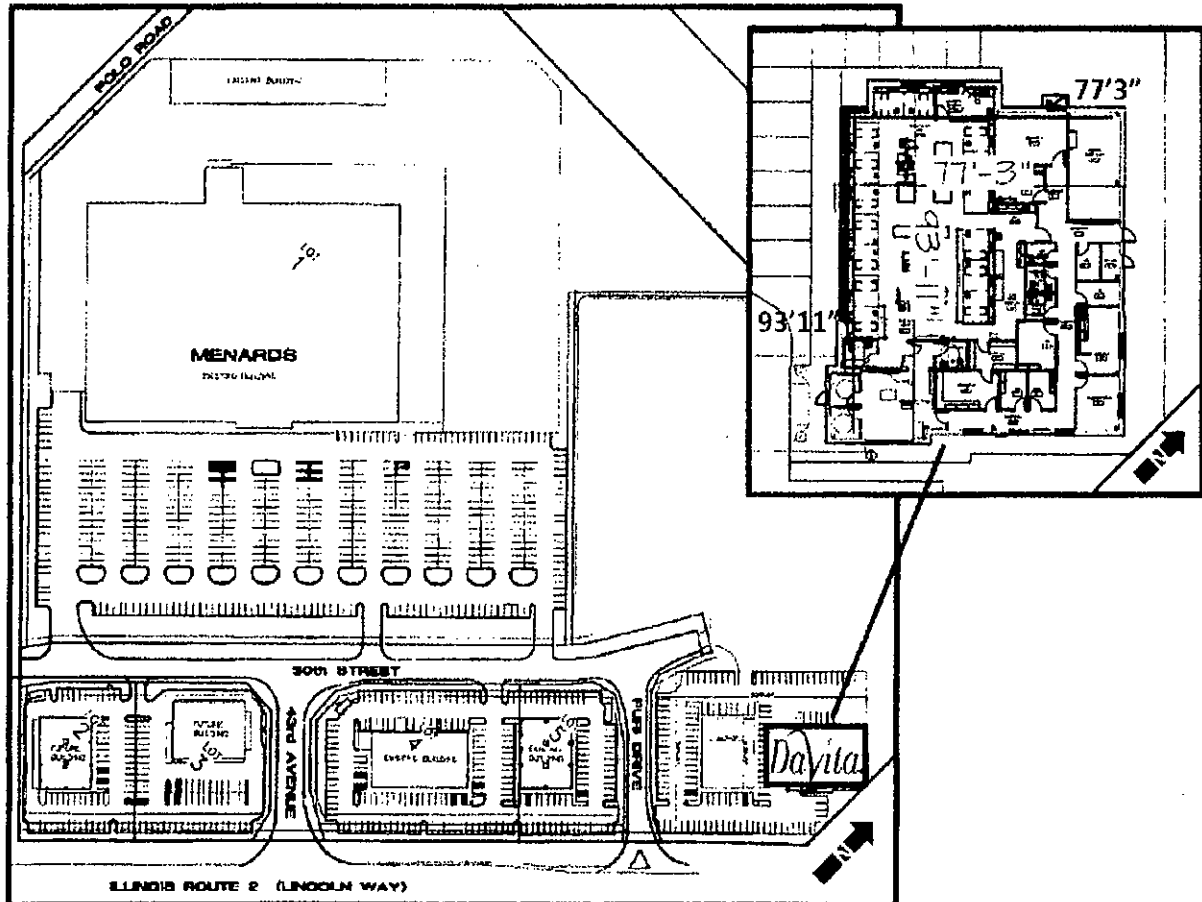


EXHIBIT A

NON-BINDING NOTICE

NOTICE: THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPARATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR C&W) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR C&W INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL. C&W IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES C&W HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT NOTICE. WE RESERVE THE RIGHT TO CONTINUE SIMULTANEOUS NEGOTIATIONS WITH OTHER PARTIES ON BEHALF OF OUR CLIENT. NO PARTY SHALL HAVE ANY LEGAL RIGHTS OR OBLIGATIONS WITH RESPECT TO ANY OTHER PARTY, AND NO PARTY SHOULD TAKE ANY ACTION OR FAIL TO TAKE ANY ACTION IN DETRIMENTAL RELIANCE ON THIS OR ANY OTHER DOCUMENT OR COMMUNICATION UNTIL AND UNLESS A DEFINITIVE WRITTEN LEASE AGREEMENT IS PREPARED AND SIGNED BY TENANT AND LANDLORD.

EXHIBIT B
LANDLORD'S WORK

Certified Pad Work:

1. **Compaction.** The soils where the Building is to be located shall be compacted to 95% Standard Proctor at the time measured and certified by Landlord or its contractor.
- 1.
2. **Zoning.** Any Special Use Permit required for the operation of the Premises for the Permitted Use.
3. **Utilities.** All utilities to be provided within five (5) feet of the building foundation. Landlord shall be responsible for all tap/connection and impact fees for all utilities. All utilities to be coordinated with Tenant's Architect.
4. **Plumbing.** Landlord shall stub the dedicated water line within five feet of the building foundation. Building sanitary drain size will be determined by Tenant's mechanical engineer based on total combined drainage fixture units (DFU's) for the entire building, but not less than 4 inch diameter. The drain shall be stubbed into the building per location coordinated by Tenant at an elevation no higher than 4 feet below finished floor elevation, to a maximum of 10 feet below finished floor elevation and within five feet from the building.
5. **Electrical.** Landlord shall extend the primary to the transformer location selected by the utility. Tenant shall be responsible for the secondary to the Building.
6. **Gas.** Landlord shall provide natural gas service, at a minimum will be rated to have 6" water column pressure and supply 800,000 BTU's. Natural gas pipeline shall be stubbed to within five feet of the building foundation.
7. **Telephone.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as chase way for new telephone service. Entrance conduit locations shall be coordinated with Tenant.
8. **Cable TV.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as a chase way for new cable television service. Entrance conduit location shall be coordinate with Tenant. Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate and grant right of access with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services.
9. **Tenant's Building Permit.** Landlord shall complete any other work or requirements necessary for Tenant to obtain a permit for the construction of the Building shell and Tenant Improvements from the Village of Machesney Park, Illinois or any other applicable authority from which Tenant must receive a permit for its work.

Notwithstanding anything to the contrary contained hereinabove, Tenant acknowledges that Landlord may not be able to complete the stub for the sanitary sewer service as part of the Certified Pad Work and that such work may be completed within thirty (30) days of the Actual Delivery Date of the Certified Pad.

Exterior Site Development Work:

1. **Handicap Accessibility.** Full compliance with ADA and all local jurisdictions' handicap requirements. Landlord shall comply with all ADA regulations affecting the entrance to the Premises, including but not limited to, concrete curb cuts, ramps and walk approaches to/from

the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) handicapped stalls for units over 20 stations, handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

Finish floor elevation is to be determined per Tenant's architectural plan in conjunction with Tenant's civil engineering and grading plans. If required, Landlord to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition accord to accessible standards.

2. Site Development Scope of Requirements:

Landlord to provide Tenant with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Tenant's Architect for coordination purposes. Site development is to include the following:

- Utility extensions, service entrance locations, inspection manholes.
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with storm water management control measures (detention/retention/restrictions);
- Refuse enclosure location & construction details for trash and recycling;
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Tenant's signage;
- Site and parking to accommodate tractor trailer 8 wheel truck delivery access to service entrance;
- Ramps and curb depressions;
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Landlord so desires and will be designed by landscape architect and approved by planning department;
- Construction details, specifications/standards of installation and legends;
- Final grade will be sloped away from Building.

3. **Refuse Enclosure.** Landlord to provide a minimum 6" thick reinforced concrete pad approximate 100 to 150 SF based on Tenant's requirements and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.
4. **Generator.** Landlord to allow a generator to be installed onsite if required by code or Tenant choses to provide one.
5. **Site Lighting.** Landlord to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Tenant's power panel. Location of pole fixtures per Landlord's civil plan to maximize illumination coverage across site. Parking lot lighting to include a timer (to be programmed to Tenant's hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Landlord house panel, if multi-tenant building) and equipped with a code compliant 90 minute battery back up at all access points.
6. **Parking Lot.** Landlord shall provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment.

Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway.

Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into and out of new patient drop off canopy and provide positive drainage to in place storm catch basins leaving surface free of standing water, birth baths or ice build ups potential.

Notwithstanding anything to the contrary contained herein, in order to avoid damage to the asphalt in the parking field during Tenant's construction of the Building, Landlord shall not commence the top course paving of the parking lot, including striping of the parking field ("Top Course Work") by the Exterior Date. The Top Course Work shall be completed within thirty (30) days of Tenant's commencement of Tenant's interior Improvement Work, provided that Tenant will provide Landlord with not less than thirty (30) days notice of its commencement of its interior Improvement Work. Notwithstanding the foregoing, if Landlord has not then received notice from Tenant regarding the commencement of the Tenant's interior Improvement Work, Landlord may commence the Top Course Work on October 15.

7. **Site Signage.** Landlord to allow for an illuminated site and/or façade mounted signs. Power and a receptacle to be installed for Tenant's pylon/monument sign.

Section IX, Financial Feasibility
Criterion 1120.130 – Financial Viability Waiver

The project will be funded entirely with cash. A copy of DaVita's 2015 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(a), Reasonableness of Financing Arrangements

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



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

Re: Reasonableness of Financing Arrangements

Dear Chair Olson:

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

Sincerely,

Print Name: Arturo Sida
Its: Assistant Secretary
DaVita Inc.
Renal Treatment Centers-Illinois, Inc.

Subscribed and sworn to me
This ____ day of _____, 2016

See Attached

Notary Public

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

State of California

County of Los Angeles

On September 12, 2016 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

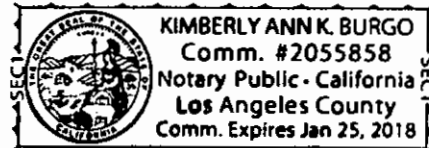
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K.Olson (Whiteside Dialysis)

Document Date: September 12, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer Assistant Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

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

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

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

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(c), Reasonableness of Project and Related Costs

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

Table 1120.310(c) COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD	\$194.21		6,600				\$1,281,775		\$1,281,775
Contingency	\$16.67		6,600				\$110,000		\$110,000
TOTALS	\$210.88		6,600				\$1,391,775		\$1,391,775

* Include the percentage (%) of space for circulation

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

Table 1120.310(c)			
	Proposed Project	State Standard	Above/Below State Standard
New Construction Contracts and Contingencies	\$1,391,775	\$278.19 per gross square foot x 6,600 gross square feet = \$1,836,054	Below State Standard
Contingencies	\$110,000	10% of New Construction Costs = 10% x \$1,281,775 = \$128,177	Below State Standard
Architectural/Engineering Fees	\$107,625	6.64% – 9.98% x (Construction Costs + Contingencies) = 6.64% – 9.98% x (\$1,281,775 + \$110,000) = \$92,413 - \$138,899	Meets State Standard
Consulting and Other Fees	\$60,501	No State Standard	No State Standard
Moveable Equipment	\$606,524	\$53,682.74 per station \$53,682.74 x 15 = \$805,241	Below State Standard

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(d), Projected Operating Costs

Operating Expenses: \$2,081,022

Treatments: 12,012

Operating Expense per Treatment: \$173.25

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(e), Total Effect of Project on Capital Costs

Capital Costs

Depreciation:	\$191,502
Amortization:	\$8,109
Total Capital Costs:	\$199,611

Treatments: 12,012

Capital Costs per Treatment: \$16.62

Section XI, Safety Net Impact Statement

1. This criterion is required for all substantive and discontinuation projects. DaVita Inc. and its affiliates are safety net providers of dialysis services to residents of the State of Illinois. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and Kidney Smarting patients, and community outreach. A copy of DaVita's 2015 Community Care report, which details DaVita's commitment to quality, patient centric focus and community outreach, was previously included as part of Applicants' application for Proj. No. 16-023. As referenced in the report, DaVita led the industry in quality, with twice as many Four- and Five-Star centers than other major dialysis providers. DaVita also led the industry in Medicare's Quality Incentive Program, ranking No. 1 in three out of four clinical measures and receiving the fewest penalties. DaVita has taken on many initiatives to improve the lives of patients suffering from CKD and ESRD. These programs include Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Furthermore, DaVita is an industry leader in the rate of fistula use and has the lowest day-90 catheter rates among large dialysis providers. During 2000 - 2014, DaVita improved its fistula adoption rate by 103 percent. Its commitment to improving clinical outcomes directly translated into 7% reduction in hospitalizations among DaVita patients.

The proposed project will not impact the ability of other health care providers or health care systems to cross-subsidize safety net services. As discussed throughout this Application, the Existing Facility currently serves 53 patients and Dr. Murdakes projects 24 pre-ESRD patients will initiate dialysis within 24 months of project completion. All of the identified patients will either transfer from the Existing Facility or will be referrals of pre-ESRD patients. No patients from other facilities in the planning area are projected to transfer to the Replacement Facility. Accordingly, the Replacement Facility will not adversely impact existing safety net providers.

2. The proposed project is for the relocation of Whiteside Dialysis just 3.55 miles from its current location. Patients currently treated at Whiteside Dialysis will receive treatment at the new facility. As such, the discontinuation of service at the current location will not negatively impact the safety net.

Safety Net Information per PA 96-0031			
CHARITY CARE			
	2013	2014	2015
Charity (# of patients)	187	146	109
Charity (cost in dollars)	\$2,175,940	\$2,477,363	\$2,791,566
MEDICAID			
	2013	2014	2015
Medicaid (# of patients)	679	708	422
Medicaid (revenue)	\$10,371,416	\$8,603,971	\$7,381,390

Section XII. Charity Care Information

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

CHARITY CARE			
	2013	2014	2015
Net Patient Revenue	\$228,115,132	\$266,319,949	\$311,351,089
Amount of Charity Care (charges)	\$2,175,940	\$2,477,363	\$2,791,566
Cost of Charity Care	\$2,175,940	\$2,477,363	\$2,791,566

Appendix 1 – Physician Referral Letter

Attached as Appendix 1 is the physician referral letter from Dr. Murdakes confirming all 53 current ESRD patients will transfer from the Existing Facility to the Replacement Facility for Whiteside Dialysis and projecting 24 pre-ESRD patients will initiate dialysis within the next 12 to 24 months.

Charlene D. Murdakes, M.D.
Rockford Nephrology Associates
612 Roxbury Road
Rockford, Illinois 61107

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

Dear Chair Olson:

As Medical Director for Whiteside Dialysis, I am pleased to support DaVita's relocation of Whiteside Dialysis. The proposed 15-station chronic renal dialysis facility, to be located at 4320 East Lincolnway, Sterling, Illinois 61081, will directly benefit my patients.

The lease for the existing dialysis facility, located on the CGH Medical Center campus, is expiring, and the hospital has expressed an interest in repurposing the space occupied by the existing dialysis facility for hospital purposes. DaVita's proposed replacement facility will maintain access to necessary dialysis services to patients residing in and around Sterling. DaVita is well-positioned to provide these services, as it delivers life sustaining dialysis for residents of similar communities throughout the country and abroad. It has also invested in many quality initiatives to improve its patients' health and outcomes.

The site of the proposed replacement facility is located 3.55 miles or approximately 6 minutes from the existing facility and will provide continued access to my patients.

I have identified 527 patients from my practice who are suffering from Stage 3, 4, or 5 CKD, who all reside within an approximate 30 minute commute of the proposed replacement facility. 118 of these patients are at Stage 4 or 5 CKD, with 40 of the 118 coming from 61081, the ZIP code of both the current existing Whiteside Dialysis facility, as well as the proposed relocation site for Whiteside Dialysis. Conservatively, I predict at least 24 of these 40 late-stage CKD patients will initiate dialysis within 12 to 24 months of the proposed replacement facility becoming operational. My increasing patient base and the expiring lease at the current facility demonstrates considerable demand for this replacement facility.

Whiteside Dialysis treated 53 ESRD patients as of September 30, 2016 for a utilization rate of 58.9%. All of the patients at the existing facility are expected to transfer to the new facility. A list of my patients who have received care at existing facilities in the area over the past 3 years and most recent quarter is provided at Attachment – 1. A list of my new patients that have been referred for in-center hemodialysis for the past 1 year and most recent quarter is

provided at Attachment – 2. The zip code for the 40 pre-ESRD patients previously referenced from my practice is provided at Attachment – 3.

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

DaVita is a leading provider of dialysis services in the United States, and I support the proposed relocation of Whiteside Dialysis.

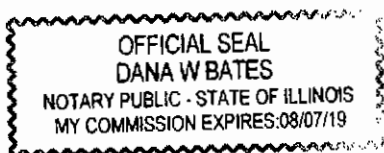
Sincerely,

Charlene D. Murdakes, M.D.

Charlene D. Murdakes, M.D.
Nephrologist
Rockford Nephrology Associates
612 Roxbury Road
Rockford, Illinois 61107

Subscribed and sworn to me
This 13 day of December, 2016

Notary Public: *Dana W. Bates*



Attachment 1
Historical Patient Utilization

Whiteside Dialysis							
2013		2014		2015		2016 YTD 9/30	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
1	61021	1	61017	2	61046	1	61046
2	61046	1	61046	1	61051	1	61051
1	61051	2	61051	24	61071	20	61071
18	61071	24	61071	32	61081	25	61081
33	61081	32	61081	1	61261	1	61261
2	61270	1	61261	2	61270	3	61277
1	61283	2	61270	2	61277	2	61376
2	61376	1	61277	1	61376		
		1	61283				
		2	61376				

Historical Patient Utilization

Dixon Kidney Center							
2013		2014		2015		2016 YTD 9/30	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
1	61006	1	31548	20	61021	1	61006
13	61021	1	34653	1	61054	21	61021
1	61031	16	61021	1	61061	1	61054
1	61032	1	61054	2	61064	2	61064
1	61061	2	61061	1	61068	1	61068
2	61064	3	61064	2	61310	1	61310
1	61068	1	61068	1	62367	2	61367
2	61310	1	61081				
3	61367	1	61310				
		2	61367				

Attachment 2
New Patients

Whiteside Dialysis			
2015		2016 YTD 9/30	
Pt Count	Zip Code	Pt Count	Zip Code
1	61046	1	60467
6	61071	2	61071
8	61081	9	61081
1	61270	2	61270
2	61277		

New Patients

Dixon Kidney Center			
2015		2016 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code
8	61021	1	61006
1	61061	4	61021
1	61068	2	61367
1	61310		
1	62367		

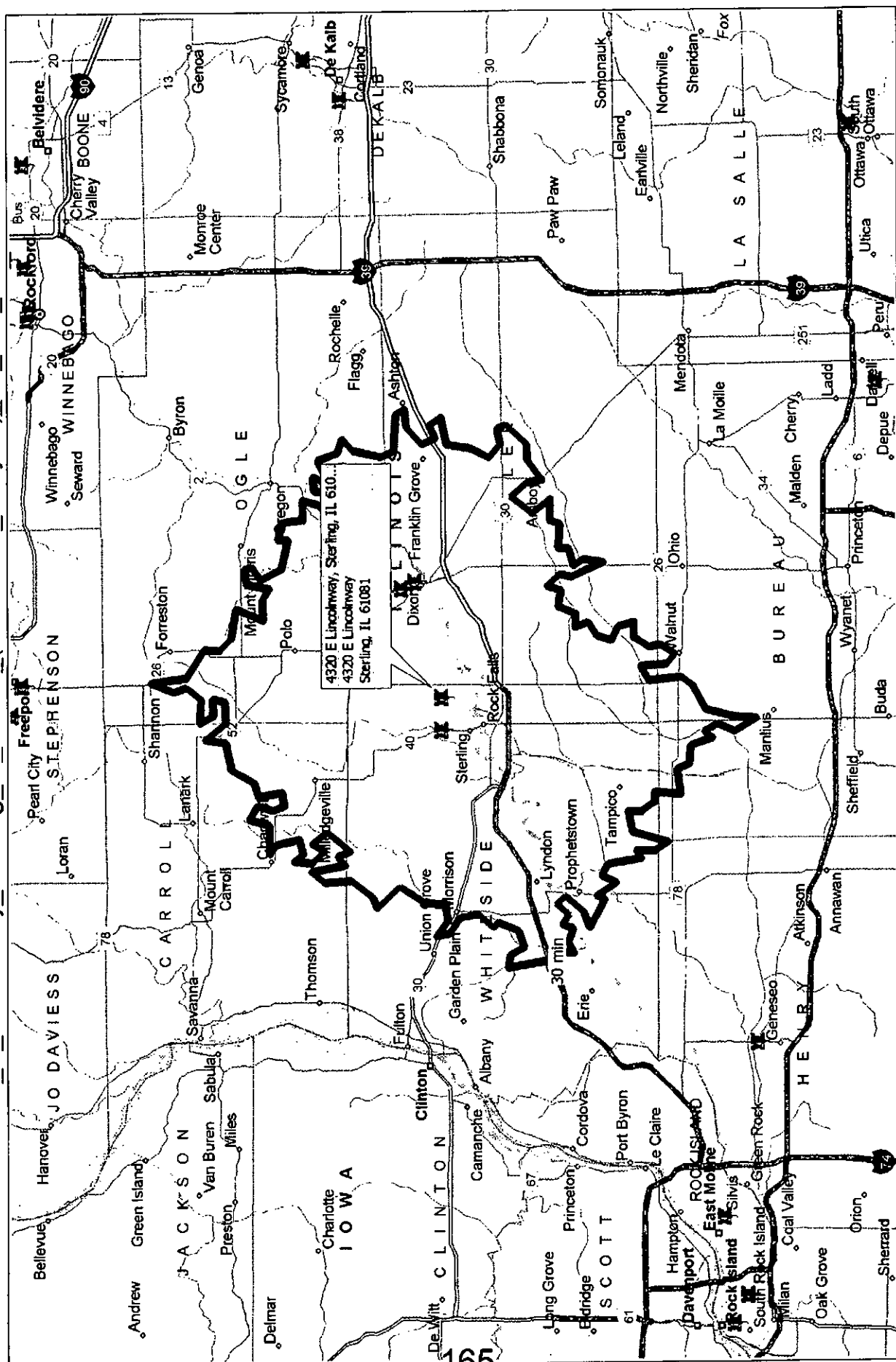
Attachment 3
Pre-ESRD Patients

Zip Code	Total
61081	40
Total	40

Appendix 2 – Time & Distance Determination: Replacement Facility

Attached as Appendix 2 are the distance and normal travel time from all existing dialysis facilities to the proposed facility within 30 minutes normal travel time, as determined by MapQuest.

4320_E_Lincolnway_Sterling_IL_61081_(Whiteside_Dialysis)_30_Min_GSA



Copyright © and (P) 1988-2010 Microsoft Corporation and/or its suppliers. All rights reserved. <http://www.microsoft.com/maps/>
 Certain mapping and direction data © 2010 NAVTEQ. All rights reserved. The data for areas of Canada includes information taken with permission from Canadian authorities, including © Her Majesty the Queen in Right of Canada. © Queen's Printer for
 Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2010 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc. © 2010 by Applied Geographic Systems. All
 rights reserved.



mapquest

Notes

Existing Whiteside Dialysis facility to proposed relocation site for Whiteside Dialysis

Trip to:

4320 E Lincolnway

Sterling, IL 61081-9774

3.55 miles / 6 minutes



2600 Locust St, Sterling, IL 61081-1226

**Download
Free App**



1. Start out going south on Locust St / IL-40 toward E 25th St. [Map](#)

0.1 Mi

0.1 Mi Total



2. Turn left onto Lynn Blvd / County Hwy-40. Continue to follow County Hwy-40. [Map](#)

2.2 Mi

2.3 Mi Total



3. Turn left onto E Lincolnway / IL-2. [Map](#)

1.1 Mi

3.4 Mi Total



4. Make a U-turn at 45th Ave onto E Lincolnway / IL-2. [Map](#)

0.2 Mi

3.5 Mi Total



5. 4320 E LINCOLNWAY is on the right. [Map](#)



4320 E Lincolnway, Sterling, IL 61081-9774

Total Travel Estimate: 3.55 miles - about 6 minutes

©2016 MapQuest, Inc. Use of directions and maps is subject to the MapQuest Terms of Use. We make no guarantee of the accuracy of their content, road conditions or route usability. You assume all risk of use. [View Terms of Use](#)



mapquest

Notes

FMC Dixon Dialysis Center to proposed relocation site
for Whiteside Dialysis

Trip to:

4320 E Lincolnway

Sterling, IL 61081-9774

9.28 miles / 11 minutes



101 W 2nd St, Dixon, IL 61021-3030

Download
Free App



1. Start out going east on W 2nd St toward S Galena Ave / US-52 E / IL-26. [Map](#)

0.04 Mi

0.04 Mi Total



2. Take the 1st left onto S Galena Ave / US-52 W / IL-26. [Map](#)

0.4 Mi

0.5 Mi Total



3. Turn left onto W Everett St / IL-2. Continue to follow IL-2. [Map](#)

8.8 Mi

9.3 Mi Total



4. 4320 E LINCOLNWAY is on the right. [Map](#)



4320 E Lincolnway, Sterling, IL 61081-9774

Total Travel Estimate: 9.28 miles - about 11 minutes

©2016 MapQuest, Inc. Use of directions and maps is subject to the MapQuest Terms of Use. We make no guarantee of the accuracy of their content, road conditions or route usability. You assume all risk of use. [View Terms of Use](#)



mapquest

Notes

Dixon Kidney Center to proposed relocation site for
Whiteside Dialysis

Trip to:

4320 E Lincolnway

Sterling, IL 61081-9774

9.35 miles / 11 minutes



1131 N Galena Ave, Dixon, IL 61021-1015

Download
Free App



1. Start out going **northwest** on **N Galena Ave / US-52 W / IL-26** toward **Lowell Park Rd / County Hwy-38**. [Map](#)

0.3 Mi

0.3 Mi Total



2. Take the 1st **left** onto **4th Ave**. [Map](#)

0.9 Mi

1.2 Mi Total



2

3. Turn **right** onto **Palmyra St / IL-2**. Continue to follow **IL-2**. [Map](#)

8.2 Mi

9.4 Mi Total



4. **4320 E LINCOLNWAY** is on the **right**. [Map](#)



4320 E Lincolnway, Sterling, IL 61081-9774

Total Travel Estimate: **9.35 miles - about 11 minutes**

©2016 MapQuest, Inc. Use of directions and maps is subject to the MapQuest Terms of Use. We make no guarantee of the accuracy of their content, road conditions or route usability. You assume all risk of use. [View Terms of Use](#)

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/Coapplicant Identification including Certificate of Good Standing	25-27
2	Site Ownership	28-38
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	39-40
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	41-42
5	Flood Plain Requirements	43-44
6	Historic Preservation Act Requirements	45-55
7	Project and Sources of Funds Itemization	56
8	Obligation Document if required	57
9	Cost Space Requirements	58
10	Discontinuation	60-62
11	Background of the Applicant	63-87
12	Purpose of the Project	88-91
13	Alternatives to the Project	92-93
14	Size of the Project	94
15	Project Service Utilization	95
16	Unfinished or Shell Space	96
17	Assurances for Unfinished/Shell Space	97
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	98-134
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	135-145
37	Financial Waiver	146
38	Financial Viability	
39	Economic Feasibility	147-153
40	Safety Net Impact Statement	154
41	Charity Care Information	155
	Appendix - 1	156-163
	Appendix - 2	164-168