



**FRESENIUS
KIDNEY CARE**

Fresenius Kidney Care
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October 25, 2016

RECEIVED

OCT 26 2017

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

**Re: Supplemental Information
Project #17-024, Fresenius Kidney Care Springfield East**

Dear Ms. Avery,

The enclosed pages contain supplemental information in response to the Intent to Deny given to the above-mentioned project at the September 26, 2017 meeting.

Thank you for your time and consideration of this information.

Sincerely,

Lori Wright
Senior CON Specialist

cc: Clare Connor



**SUPPLEMENTAL INFORMATION FOR
#17-024 Fresenius Kidney Care Springfield East**

In response to the Intent to Deny issued to project #17-024 at the September 26, 2017 meeting, Fresenius Kidney Care is submitting this additional information. We note that the application met all but two criteria.

Planning Area Need

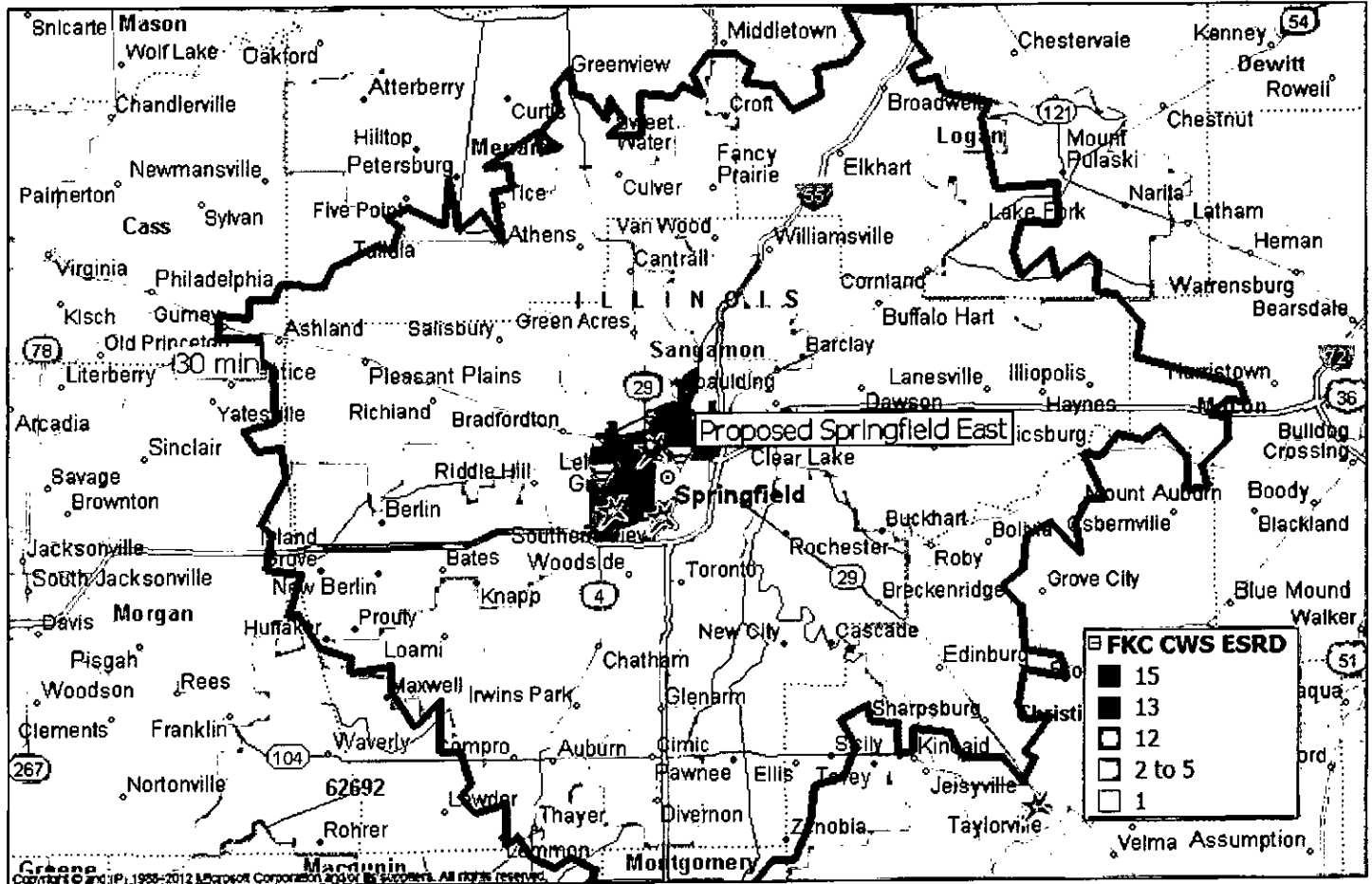
While there may be an excess of stations in HSA 3, as mentioned in the application, the vastly rural nature of the HSA produces clinics that generally do not operate the six treatment shifts that utilization and need calculations are based on. Typically, this is because the population is not sufficient to sustain the three shifts per day, six day a week operations requirement, and the focus is on the first two shifts because it is not safe for ESRD patients to travel long distances on two-lane country roads, especially in inclement weather or at night. Public transportation is also not available to these patients in the evening (the third shift).

Although Springfield is not rural itself, many patients come into Springfield for treatment from surrounding rural areas. The map on the following page shows the demographics of the current patient population at the Fresenius Centre-West facility. A significant number travel up to almost 30 miles from outlying rural areas. It is in the rural patient's best interest to be able to travel to and from dialysis in the daytime. The Springfield East facility will provide adequate access for patients who want to dialyze at a Fresenius clinic, who would otherwise have to dialyze on a night shift if it is not approved.



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Demographics of Fresenius Medical Care Centre-West Springfield Current Patients



Unnecessary Duplication of Services - Clinics Within 30 Minutes Travel Time

Facility	Address	City	ZIP Code	MapQuest		x1.15 Adj	Stations	Isolation Stations ⁴	June 2017		Sept 2017		Sept 2017 Util without Isolation Stations
				Miles	Time				Patients	Utilization	Patients	Utilization	
FKC Centre West Springfield ¹	1112 Centre West Dr	Springfield	62704	4.4	12	14	16	1	70	73.90%	71	73.96%	78.89%
DaVita Springfield Central ²	932 N Rutledge St	Springfield	62702	7	2.1	2	21	1	83	65.80%	87	69.05%	72.50%
DaVita Springfield South ³	2930 S 6th Street	Springfield	62703	11	3.9	4	12	1	42	58.30%	45	62.50%	68.18%
DaVita Montvale	2930 Montvale Dr	Springfield	62704	6.1	16	18	17	0	66	64.70%	69	67.65%	64.70%
							66	3	261	66%	272	68%	71.07%

1. Dr. Forero certified that he has 90 patients who will begin dialysis here in the next two years before the Springfield East facility is operating.
2. Pending relocation #16-036 certified the facility will relocate and be at 87% utilization.
3. Recently approved still in ramp-up period with certified to identified patients.
4. Isolation stations can only be used if the facility has a patient requiring isolation treatment and cannot be used for the general population of ESRD patients. Operating an isolation reduces a clinic's utilization because it is often unable to be used but is still included in the utilization calculation per Board rules.

Memorial Hospital	800 N Rutledge	Springfield	62702	2	6	6.9	6
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This is a small hospital based facility and only serves patients who because of physical and health limitations are not able to dialyze at a non-hospital based dialysis clinic. Therefore the this facility has not been included in review of the area clinics here as well as in the Board Staff Report.



The chart on the previous page shows the increase in patients since this project was reviewed at the September meeting using June 30th utilization data to the most recent September 2017 data. There are 11 additional ESRD patients dialyzing in the market and a 2% rise in overall area utilization in just three months' time. While this may not seem significant, if you spread this same growth out over the next two years there could be 88 additional ESRD patients in Springfield bringing area utilization to 91%. As Dr. Forero has stated, he has 90 patients who will begin dialysis in the next two years - the 91% utilization rate two years from now seems quite reasonable. If approved, the Fresenius Springfield East facility will be beginning operations and thus will not be creating a duplication of services nor will it negatively impact the provider that operates all but one facility in HSA 3.

As of the date of this letter the Centre-West Springfield facility is serving 73 in-center patients, and operates 15 general stations and one isolation station, so as a result it is at 81% utilization. It is the only Fresenius facility within Health Service Area 3. This Board has consistently valued provider choice as an issue to consider. However, access to a physician's or patient's choice of provider is quickly being diminished in HSA 3, given the only Fresenius clinic is almost full.

ESRD Seamless Care Organization (ESCO)

Aside from addressing the negatives on this project I'd like to point out an important positive that will come with access to dialysis services by Fresenius Kidney Care in the medically underserved area the clinic is proposed in. As you may know, approximately 80% of patients on dialysis are insured through Medicare. These patients often have several co-morbid conditions that cause them to use healthcare resources beyond what is provided at the dialysis center. They are more likely to be admitted to the hospital than the general population and occasionally re-admitted to the hospital within 30 days of a previous stay. This not only increases costs to the healthcare system, but significantly reduces the quality of life of these patients and their families.

In 2015, CMS (Medicare) reached out to the dialysis providers to see if they would be willing to work on a demonstration project designed to improve quality of care and reduce overall healthcare costs for ESRD patients. Fresenius Kidney Care accepted the challenge to participate in this Value Based Care Model and made significant investments in technology, personnel, and staff training. By focusing on caring for the patient we are changing the way care has traditionally been delivered in our industry.

This care model is called an ESCO, or ESRD Seamless Care Organization. **Fresenius Kidney Care is the only provider approved by CMS to participate in this type of program in Illinois.** We pioneered the program in the Chicagoland market in 2016 and, based upon the successes of the program, CMS approved an additional ESCO for the Central Illinois Market for 2017 and have applied for an ESCO expansion into the Springfield market for 2018.



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In the ESCO, the nephrologists and our clinic staff work together to develop a highly coordinated care plan that is focused on the needs of individual patients. This is accomplished through careful monitoring and managing of each patient's physical and emotional health indices, timely clinical interventions, and patient education.

An additional unique feature of the ESCO is our Care Navigation Unit (CNU). This consists of a team of specially trained nurses and care technicians who provide 24/7 patient support and care management services for both patients and healthcare providers. The CNU has proven that through rigorous patient monitoring and appropriate intervention, they can significantly improve patient health outcomes, reducing hospitalizations by up to 20 percent and readmissions by up to 27 percent in ESRD populations.

The Care Navigation Unit also assists hospitals by providing 24-hour access to critical patient information that can help them make informed choices about the care they provide for patients in need. No other dialysis provider offers this service.

This demonstrates the value that Fresenius Kidney Care and our nephrology partners place on collaboration with CMS, policymakers, and hospitals for the benefit of patients. It is one of the reasons Dr. Ferero is so passionate about Fresenius in Springfield and wants to make sure he has the option of a Fresenius clinic for his patients.

It is important to note that patients attributed to the ESCO continue to maintain complete and total freedom of choice for all aspects of their care as a Medicare beneficiary.

Our commitment is to help patients take an active role in their own care. That is what ultimately improves health outcomes, reduces unnecessary utilization of healthcare resources, and improves the quality of life for ESRD patients and their families.

In closing, we respectfully ask that you consider the value that Fresenius Kidney Care brings to ESRD patient's healthcare in the Springfield area and vote for continued access to a Fresenius clinic offering patients a choice.

(Please see Dr. Forero's additional letter of support on following page.)



Leading the Way

October 18, 2017

Ms. Kathryn Olson
Chair
Illinois Health Facilities & Services Review Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Ms. Olson:

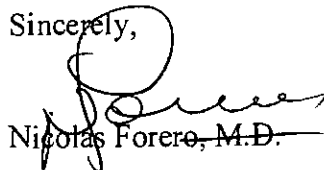
My name is Nicolas Forero, M.D. and I practice nephrology in Springfield, Illinois at the Springfield Clinic with my partner Merry Downer, M.D. who is the Medical Director of Fresenius Kidney Care Centre West Springfield. I am supporting the proposed Fresenius Springfield East facility with the patients in my practice.

I currently refer almost all my patients to the Fresenius Centre West facility because I find the quality of care there beyond reproach. This facility historically is operating near and sometimes above your utilization target of 80%. I have 90 patients who will begin dialysis in the next two years and there will not be room at the Centre West facility for them. I have another 70 patients who will begin dialysis in the following two years. It is being suggested that I should refer my patients to other clinics in Springfield but I do not feel I should not be forced to work with a different provider.

If it is my patient's choice to go to another provider that is one thing, because I feel all patients should have a choice. However, it is a different story if they are forced to and my own strong choice is for their treatment to be at a Fresenius clinic. It is not clear to me, as a physician, why Fresenius Kidney Care couldn't have another clinic in Springfield to accommodate the large number of patients I have that will be starting dialysis.

I respectfully ask you to consider my patient's choice of a provider as well as the lack of choice in Springfield and vote yes to provide access for my patients at the provider of choice.

Sincerely,


Nicolas Forero, M.D.

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