



DIALYSIS CARE CENTER, LLC
15786 S. Bell Road
Homer Glen, IL 60491
PH: 708-645-1000
FAX: 931-484-4701

February 15, 2018

VIA Federal Express

Michael Constantino
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd floor
Springfield, Illinois 62761
Attn: Michael Constantino

RECEIVED

FEB 16 2018

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Response to State Board Report - Dialysis Care Center Beverly, Chicago project #17-052

Dear Mr. Constantino:

I am writing on behalf of Dialysis Care Center Beverly in response to the State Board Report. This report addresses Reasons for Non-Compliance.

1. Planning area Need

77 ILAC 1110.1430 (C) (2) & (4)

As of January 2018, the state board has a need of additional 75 ESRD stations in H5A 6. Our sister facility, Dialysis Care Center Oak Lawn, that serves a neighboring market area/H5A, recently was certified by CMS on January 8, 2018 and is already operating at 50% utilization. We are anticipating 75-80% utilization by end of April 2018. Dialysis Care Center Oak Lawn will exceed 90% utilization before the completion of Dialysis Care Center Beverly.

When comparing the patient population of Dialysis Care Center Oak Lawn to Dialysis Care Center Beverly, there is an increase of CKD 4 patients by 61 and an increase of CKD 3 patients by 219 within one-year time frame.

Therefore, Dialysis Care Center Beverly which is an extension of catchment of our physician referral population is needed in order to serve the ESRD population of H5A 6 efficiently.

2. Availability of Funds and Financial Viability

77 ILAC 1120.120

77 ILAC 1120.130

As of February 14, 2018, Dialysis Care Center has an excess of \$10 million in liquid cash allocated to new projects, showing that we are in good financial standing. Please find enclosed a letter of verification of funds from Mr. Andrew Gaban, Vice President of JP MORGAN Chase.

Previously approved projects, Dialysis Care Center Oak Lawn and Dialysis Care Center Olympia Fields, are now fully operational and completed within budget and with were funded comfortably from our capital project resources.

Attachment 1

3. Reasonableness Project Costs

ILAC 1120.140

The project cost did not include modernization costs, new construction costs or architectural fees, due to cost of these items amortized in the lease terms. The construction is being completed by the landlord of the building and this cost is included in the increased rental rate throughout the term of the lease and Fair Market value of the lease. Please find attached letter from the landlord for clarification purposes.

Attachment 2

Please do not hesitate to contact me if you have any questions or need any additional information regarding this project

Sincerely,



Asim M. Shazzad
Chief Operating Officer



February 14, 2018

Dialysis Care Center Holdings LLC
16192 Costal Hwy
Lewes, DE 19958

Re: Dialysis Care Center Holdings LLC ("Company")

To Whom it may concern:

This letter is being delivered on behalf of the Company to provide information on its banking relationship with JPMorgan Chase Bank, N.A. (the "Bank"), for use in connection with your request. We can hereby confirm that the Company has maintained accounts at the Bank since 2016 and has operated the accounts in a satisfactory manner.

The following is a summary of the Company's current account relationship with the Bank:

Account Relationship:

Opened: 6/2016 Checking account x0179

Present balance of \$10,158,657.72 on 2/14/2018

End of Day Balance on 2/13/2018 was \$165,765.47

Please be advised that this letter refers only to facts as they exist as of the date of this letter and that any balance information referenced above is subject to end of day adjustments and the Bank shall have no duty or obligation to inform the addressee hereof of any future changes in such facts. This letter is solely for the benefit of the addressee hereof for the referenced purpose, and may not be relied on by any other person or for any other purpose.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew K. Gahan", written over a circular stamp or seal.

Andrew K. Gahan
Vice President
JPMorgan Chase Bank, N.A.

The information in this letter is provided as an accommodation to the inquirer. This letter and any information provided in connection therewith are furnished on the condition that they are strictly confidential, that no liability or responsibility whatsoever in connection therewith shall attach to the Bank or any of its officers, employees, or agents, that this letter makes no representations regarding the general condition of the companies named herein, their management, or their future ability to meet their obligations, and that information provided in this letter or in connection therewith is subject to change without notice.

Consumer Banking - 400 East Ogden Ave., Hinsdale, IL 60521
Telephone: 630.655.5800, Facsimile: 630.655.5175
JPMorgan Chase Bank, N.A.

Attachment 1

CPMOK Properties LLC

10456 S. Seeley
Chicago, Ill. 60643

February 14, 2018

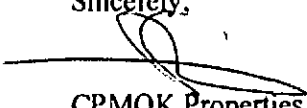
Mike Constantino
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2ND Floor
Springfield, Illinois 62761
217-782-3516
217-785-4111

Re: Dialysis Care Center Beverly, Chicago Project 17-052

Dear Mr. Constantino,

I am writing in response to your request for additional information regarding the build out of the Dialysis Care Center Beverly facility to be constructed at 10801 S. Western Avenue referenced more fully as Chicago Project 17-052 (the "Premises"). CPMOK Properties LLC is developing a medical office facility at the Premises. Pursuant to the lease dated October 10th, 2017, by and between CPMOK Properties LLC ("Landlord") and Dialysis Care Center LLC ("Tenant"), Landlord has agreed to furnish all of the material, labor, and equipment necessary for the completion of the construction of the improvements specified in the plans and specifications provided by the Tenant to Landlord. Furthermore, all work shall be completed pursuant to IDPH Design standards and governing municipalities' requirements. The cost of the project pursuant to the terms of the Lease will be solely bore by the Landlord, of which a portion of the estimated improvements is amortized within the negotiated Annual Base Rent.

Sincerely,



CPMOK Properties, LLC
Chris Pappas
Principal

Attachment 2