



**FRESENIUS
KIDNEY CARE**

17-056

Fresenius Kidney Care

3500 Lacey Road, Downers Grove, IL 60515
T 630-960-6807 F 630-960-6812
Email: lori.wright@fmc-na.com

October 12, 2017

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

Re: Fresenius Medical Care Galesburg

Dear Ms. Avery,

I am submitting the enclosed application for consideration by the Illinois Health Facilities and Services Review Board. Please find the following:

1. An original and 1 copy of an application for permit to relocate Fresenius Medical Care Galesburg; and
2. A filing fee of \$2500.00 payable to the Illinois Department of Public Health.

Upon your staff's initial review of the enclosed application, please notify me of the total fee and the remaining fee due in connection with this application and I will arrange for payment of the remaining balance.

I believe this application conforms with the applicable standards and criteria of Part 1110 and 1120 of the Board's regulations. Please advise me if you require anything further to deem the enclosed application complete.

Sincerely,

Lori Wright
Senior CON Specialist

Enclosures



FRESENIUS KIDNEY CARE

Fresenius Kidney Care

3500 Lacey Road, Downers Grove, IL 60515
T 630-960-6807 F 630-960-6812
Email: lori.wright@fmc-na.com

October 12, 2017

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

Re: Fresenius Medical Care Galesburg

Dear Ms. Olson:

I am writing to request your approval of an expedited review of the Fresenius Medical Care Galesburg application to be heard on the January 9, 2018 agenda. This application is for a simple relocation of a facility operating at target utilization and we expect that it will meet all Board criteria.

Earlier approval will enable ample time to get building permits in place in order to break ground in early spring and thereby avoid running into construction during winter weather later in the year.

I respectfully ask that you consider expediting its hearing to the January 9th meeting.

Sincerely,

Lori Wright
Senior CON Specialist

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**RECEIVED**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

OCT 13 2017

This Section must be completed for all projects.

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

Facility Name: Fresenius Medical Care Galesburg*			
Street Address: 650-800 N. Seminary Street (likely 725 N. Seminary St.)			
City and Zip Code: Galesburg 61401			
County: Knox	Health Service Area 2	Health Planning Area:	

*Facility will be called Fresenius Kidney Care Galesburg after the relocation.

Applicant [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Fresenius Medical Care Galesburg, LLC d/b/a Fresenius Medical Care Galesburg	
Street Address: 920 Winter Street	
City and Zip Code: Waltham, MA 02451	
Name of Registered Agent: CT Corporation Systems	
Registered Agent Street Address: 208 S. LaSalle Street, Suite 814	
Registered Agent City and Zip Code: Chicago, IL 60604	
Name of Chief Executive Officer: Bill Valle	
CEO Street Address: 920 Winter Street	
CEO City and Zip Code: Waltham, MA 02451	
CEO Telephone Number: 800-662-1237	

Type of Ownership of Applicant

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> 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 they are organized and the name and address of each partner specifying whether each is a general or limited partner.

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

Co-Applicant [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Fresenius Medical Care Holdings, Inc.	
Street Address: 920 Winter Street	
City and Zip Code: Waltham, MA 02451	
Name of Registered Agent: CT Corporation Systems	
Registered Agent Street Address: 208 S. LaSalle Street, Suite 814	
Registered Agent City and Zip Code: Chicago, IL 60604	
Name of Chief Executive Officer: Bill Valle	
CEO Street Address: 920 Winter Street	
CEO City and Zip Code: Waltham, MA 02451	
CEO Telephone Number: 800-662-1237	

Type of Ownership of Co-Applicant

- | | |
|--|--|
| <input type="checkbox"/> Non-profit Corporation | <input type="checkbox"/> Partnership |
| <input checked="" type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> 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 they are organized and the name and address of each partner specifying whether each is a general or limited partner.

Primary Contact [Person to receive ALL correspondence or inquiries]

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

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

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

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

Name: Clare Connor
Title: Attorney
Company Name: McDermott, Will & Emory
Address: 444 West Lake Street, Chicago, IL 60606
Telephone Number: 312-984-3365
E-mail Address: cranalli@mwe.com
Fax Number: 312-984-7500

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

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Illinois Renal Services, LLC
Address of Site Owner: 2020 Broad Street, Galesburg, IL 61401
Street Address or Legal Description of the Site: 650-800 N. Seminary Street, Galesburg, IL 61401 PIN #9911154030 (likely 725 N. Seminary Street)
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: Fresenius Medical Care Galesburg, LLC d/b/a Fresenius Medical Care Galesburg	
Address: 920 Winter Street, Waltham, MA 02451	
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> For-profit Corporation <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Other	<input type="checkbox"/> Partnership <input type="checkbox"/> Governmental <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/>
<ul style="list-style-type: none"> Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 	
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

Provide (for each 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.
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Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 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 #2006-5 (<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

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

Fresenius Medical Care Galesburg, LLC proposes to discontinue its 14-station Galesburg dialysis facility located at 765 N. Kellogg, Galesburg on the Galesburg Cottage Hospital campus in HSA 2. A replacement facility will be established at 650-800 N. Seminary Street (likely address will be 725 N. Seminary Street) also in Galesburg directly across the street from the Hospital. The 68 current in-center patients as well as the 24 home dialysis patients are all expected to transfer to the new site upon opening.

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

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	1,180,816	664,300	1,845,116
Contingencies	116,784	65,700	182,484
Architectural/Engineering Fees	126,720	71,280	198,000
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	305,000	79,000	384,000
Bond Issuance Expense (project related)	N/A	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	2,797,450	1,457,640	4,255,090
Other Costs To Be Capitalized	N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)	N/A	N/A	N/A
TOTAL USES OF FUNDS	\$4,526,770	\$2,337,920	\$6,864,690
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	1,729,320	880,280	2,609,600
Pledges	N/A	N/A	N/A
Gifts and Bequests	N/A	N/A	N/A
Bond Issues (project related)	N/A	N/A	N/A
Mortgages	N/A	N/A	N/A
Leases (fair market value)	2,797,450	1,457,640	4,255,090
Governmental Appropriations	N/A	N/A	N/A
Grants	N/A	N/A	N/A
Other Funds and Sources	N/A	N/A	N/A
TOTAL SOURCES OF FUNDS	\$4,526,770	\$2,337,920	\$6,864,690

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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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>244,120</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: <input checked="" type="checkbox"/> None or not applicable <input type="checkbox"/> Preliminary <input type="checkbox"/> Schematics <input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>12/31/2019</u>
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): <input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies <input checked="" type="checkbox"/> Financial Commitment will occur after permit issuance.
APPEND DOCUMENTATION AS <u>ATTACHMENT 8</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable: <input type="checkbox"/> Cancer Registry <input type="checkbox"/> APORS <input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted <input checked="" type="checkbox"/> 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 **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
In-Center Hemodialysis	4,526,770	6,488			6,488		
Total Clinical	4,526,770	6,488			6,488		
NON REVIEWABLE							
Non-Clinical (Administrative, Mechanical, Staff, Waiting Room Areas)	2,337,920	3,650			3,650		
Total Non-clinical	2,337,920	3,650			3,650		
TOTAL	\$6,864,690	10,138			10,138		


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

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives 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 is filed on the behalf of Fresenius Medical Care Galesburg, LLC *
In accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application 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 fee required for this application is sent herewith or will be paid upon request.


SIGNATURE

Teri Gurchiek
PRINTED NAME

Vice President of Operations/Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 5th day of Oct


Signature of Notary

Seal

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

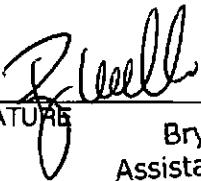
*Insert the EXACT legal name of the applicant

CERTIFICATION


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

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

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


SIGNATURE
Bryan Mello
Assistant Treasurer
PRINTED NAME

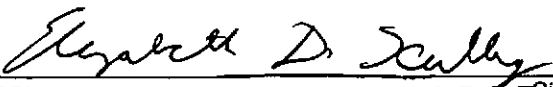
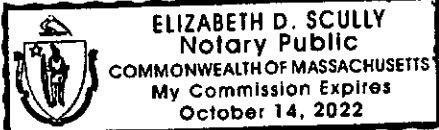
PRINTED TITLE


SIGNATURE
Thomas D. Brouillard, Jr.
Assistant Treasurer
PRINTED NAME

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 21 day of February 2017

Notarization:
Subscribed and sworn to before me
this ____ day of ____ 2017


Signature of Notary
Seal

Signature of Notary
Seal

*Insert EXACT legal name of the applicant

SECTION II. DISCONTINUATION

This Section is applicable to the discontinuation of a health care facility maintained by a State agency.

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 (State-Owned Facilities and Relocation of ESRD's)

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 90 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

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

IMPACT ON ACCESS

1. Document whether or not the discontinuation of each service or of the entire facility will 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.

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.

Background

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 that the information was 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.

Criterion 1110.230 – Purpose of the Project, and Alternatives**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 relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the 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 the age and condition of the project site, as well as 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 Staff 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 and it shall include the basis used for determining the space and the methodology applied.**
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 and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE: NOT APPLICABLE

Provide the following information:

1. Total gross square footage (GSF) 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 is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

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

ASSURANCES: NOT APPLICABLE:

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.

F. Criterion 1110.1430 - In-Center Hemodialysis

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

Category of Service	# Existing Stations	# Proposed Stations
<input checked="" type="checkbox"/> In-Center Hemodialysis	14	14

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.1430(c)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.1430(c)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.1430(c)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.1430(c)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.1430(c)(5) - Planning Area Need - Service Accessibility	X		
1110.1430(d)(1) - Unnecessary Duplication of Services	X		
1110.1430(d)(2) - Maldistribution	X		
1110.1430(d)(3) - Impact of Project on Other Area Providers	X		
1110.1430(e)(1), (2), and (3) - Deteriorated Facilities and Documentation			X
1110.1430(f) - Staffing	X	X	
1110.1430(g) - Support Services	X	X	X
1110.1430(h) - Minimum Number of Stations	X		
1110.1430(i) - Continuity of Care	X		
1110.1430(j) - Relocation (if applicable)	X		
1110.1430(k) - Assurances	X	X	
APPEND DOCUMENTATION AS ATTACHMENT 24, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

4. **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 1130.525 - "Requirements for Exemptions Involving the Discontinuation of a Health Care Facility or Category of Service" and subsection 1110.1430(j) - Relocation of an in-center hemodialysis facility.

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)

VII. 1120.120 - AVAILABILITY OF FUNDS

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable [Indicate the dollar amount to be provided from the following sources]:

<u>2,609,600</u>	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
<u>N/A</u>	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
<u>N/A</u>	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>4,255,090</u>	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;

	5) For any option to lease, a copy of the option, including all terms and conditions.	
<u>N/A</u>	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;	
<u>N/A</u>	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;	
<u>N/A</u>	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.	
<u>\$6,864,690</u>	TOTAL FUNDS AVAILABLE	
APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.		

SECTION VIII. 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 35, 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.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage	APPLICANT MEETS THE FINANCIAL VIABILITY WAIVER CRITERIA IN THAT ALL OF THE PROJECTS CAPITAL EXPENDITURES ARE COMPLETELY FUNDED THROUGH INTERNAL SOURCES, THEREFORE NO RATIOS ARE PROVIDED.			
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.

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 36, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD		182.00			6,488			1,180,816	1,180,816
Contingency		18.00			6,488			116,784	116,784
Total Clinical		\$200.00			6,488			1,297,600	1,297,600
Non Clinical		182.00			3,650			664,300	664,300
Contingency		18.00			3,650			65,700	65,700
Total Non		\$200.00			3,650			730,000	730,000
TOTALS		\$200.00			10,138			\$2,027,600	\$2,027,600

* 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 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for **ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES** [20 ILCS 3960/5.4]:

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 38.

Safety Net Information per PA 96-0031			
CHARITY CARE			
	2014	2015	2016
Charity (# of patients)	251	195	233
Charity (cost in dollars)	\$5,211,664	\$3,204,986	\$3,269,127
MEDICAID			
	2014	2015	2016
Medicaid (# of patients)	750	396	320
Medicaid (revenue)	\$22,027,882	\$7,310,484	\$4,383,383

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

Note:

- 1) Charity (self-pay) and Medicaid patient numbers continue to decrease as Fresenius Financial Coordinators assist patients in signing up for health insurance in the Healthcare Marketplace. This provides the patient with insurance coverage not only for dialysis but for other needed healthcare services. Patients who cannot afford the premiums have them paid by the American Kidney Fund.
- 2) Medicaid reported numbers are also impacted by the large number of patients who switched from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2016 of our commercial patients we had 1,230 Medicaid Risk patients with Revenues of \$22,664,352

SECTION XI. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

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 39.

CHARITY CARE			
	2014	2015	2016
Net Patient Revenue	\$411,981,839	\$438,247,352	\$449,611,441
Amount of Charity Care (charges)	\$5,211,664	\$3,204,986	\$3,269,127
Cost of Charity Care	\$5,211,664	\$3,204,986	\$3,269,127

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

Note:

- 1) Charity (self-pay) and Medicaid patient numbers continue to decrease as Fresenius Financial Coordinators assist patients in signing up for health insurance in the Healthcare Marketplace. This provides the patient with insurance coverage not only for dialysis but for other needed healthcare services. Patients who cannot afford the premiums have them paid by the American Kidney Fund.
- 2) Medicaid reported numbers are also impacted by the large number of patients who switched from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2016 of our commercial patients we had 1,230 Medicaid Risk patients with Revenues of \$22,664,352

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS		
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Applicant Identification

Applicant

Exact Legal Name:	Fresenius Medical Care Galesburg, LLC d/b/a Fresenius Medical Care Galesburg
Street Address:	920 Winter Street
City and Zip Code:	Waltham, MA 02451
Name of Registered Agent:	CT Corporation Systems
Registered Agent Street Address:	208 S. LaSalle Street, Suite 814
Registered Agent City and Zip Code:	Chicago, IL 60604
Name of Chief Executive Officer:	Bill Valle
CEO Street Address:	920 Winter Street
CEO City and Zip Code:	Waltham, MA 02451
CEO Telephone Number:	800-662-1237

Type of Ownership of Applicant

- | | | |
|---|--|--------------------------------|
| <input type="checkbox"/> Non-profit Corporation | <input type="checkbox"/> Partnership | |
| <input type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental | |
| <input checked="" type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> 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 they are organized and the name and address of each partner specifying whether each is a general or limited partner.

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

Co-Applicant

Exact Legal Name:	Fresenius Medical Care Holdings, Inc.
Street Address:	920 Winter Street
City and Zip Code:	Waltham, MA 02451
Name of Registered Agent:	CT Corporation Systems
Registered Agent Street Address:	208 S. LaSalle Street, Suite 814
Registered Agent City and Zip Code:	Chicago, IL 60604
Name of Chief Executive Officer:	Bill Valle
CEO Street Address:	920 Winter Street
CEO City and Zip Code:	Waltham, MA 02451
CEO Telephone Number:	800-662-1237

Type of Ownership of Co-Applicant

- | | | |
|--|--|--------------------------------|
| <input type="checkbox"/> Non-profit Corporation | <input type="checkbox"/> Partnership | |
| <input checked="" type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental | |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> 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 they are organized and the name and address of each partner specifying whether each is a general or limited partner.

File Number

0394346-1



To all to whom these Presents Shall Come, Greeting:

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

FRESENIUS MEDICAL CARE GALESBURG, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JUNE 12, 2012, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 16TH
day of FEBRUARY A.D. 2017 .***

Jesse White

SECRETARY OF STATE

Authentication #: 1704702670 verifiable until 02/16/2018
Authenticate at: <http://www.cyberdriveillinois.com>

Certificate of Good Standing
ATTACHMENT 1

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Illinois Renal Services, LLC
Address of Site Owner: 2020 Broad Street, Galesburg, IL 61401
Street Address or Legal Description of the Site: 650-800 N. Seminary, Galesburg, IL 61401 PIN #9911154030 (likely 725 N. Seminary Street)
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.



FRESENIUS KIDNEY CARE

Loren Guzik
Transaction Manager
3500 Lacey Road, Suite 9000
Downers Grove, IL 60515

August 23, 2017

Dr. Partha Srinivasan

RE: Galesburg, IL

Fresenius Kidney Care Letter of Intent

Dear Dr. Srini,

FRESENIUS KIDNEY CARE, a wholly owned subsidiary of FRESENIUS KIDNEY CARE Holdings, Inc. d/b/a FRESENIUS KIDNEY CARE North America ("FMCNA") is pleased to present the following Request for Proposal to lease space from your company.

LANDLORD:	ILLINOIS RENAL SERVICES, LLC.
TENANT:	Fresenius Kidney Care or its affiliates.
LOCATION:	713 N. Seminary, Galesburg, IL 61401.
INITIAL SPACE	
REQUIREMENTS:	Approximately 10,138 sq.ft.
PRIMARY TERM:	An initial lease term of 15 years. The Lease and rent would commence on the date that the facility starts treating patients. For purposes of establishing an actual occupancy date, both parties will execute an amendment after occupancy has occurred, setting forth dates for purposes of calculations, notices, or other events in the Lease that may be tied to a commencement date.
DELIVERY OF PREMISES:	Landlord shall deliver the Premises to FRESENIUS KIDNEY CARE for completion of the Tenant Improvements upon substantial completion of the shell.
OPTIONS TO RENEW:	Three (3), five (5) year options to renew the Lease. Option rental rates shall be based upon Fair Market Value to satisfy Stark Laws.
RENTAL RATE:	\$18.50 Net. Landlord shall be responsible for roof and structural walls.

Letter of Intent for Leased Space

Thank You
ATTACHMENT 2



ESCALATION:	3% per year beginning in the second lease year.
LANDLORD BASE BUILDING WORK:	Landlord to construct building according to attached "In Center building Shell Exhibit – Early Access Version 07.2017"
RENT ABATEMENT:	N/A.
CONTRACTOR FOR	
TENANT IMPROVEMENTS:	FRESENIUS KIDNEY CARE will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FRESENIUS KIDNEY CARE shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any. Tenant will need 4 months to complete its interior improvements.
DELIVERIES:	FRESENIUS KIDNEY CARE requires delivery access to the Premises 24 hours per day, 7 days per week.
EMERGENCY GENERATOR:	FRESENIUS KIDNEY CARE shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.
SPACE PLANNING/ ARCHITECTURAL AND MECHANICAL DRAWINGS:	FRESENIUS KIDNEY CARE will provide all space planning and architectural and mechanical drawings required to build out the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the Tenant's responsibility.
PARKING:	Landlord will provide a parking ratio of 5 per 1,000 RSF with as many of those spaces as possible to be directly in front of the building for patient use. FRESENIUS KIDNEY CARE shall require that 10% of the parking be designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at



when necessary, repairing, resurfacing, repaving, re-striping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

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

UTILITIES:

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

SURRENDER:

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



ZONING AND

RESTRICTIVE COVENANTS:

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

FLOOD PLAIN:

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

CAPITALIZATION TEST:

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

FINANCING:

Landlord will provide a non-disturbance agreement.

ENVIRONMENTAL:

Landlord will provide all environmental soil tests to tenant.

DRAFT LEASE:

FRESENIUS KIDNEY CARE requires the use of its Standard Form Lease.

LEASE SECURITY:

Fresenius Medical Holdings Corp shall fully guarantee the lease. Financials will be provided to the Landlord.

NON-BINDING NATURE:

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



**FRESENIUS
KIDNEY CARE**

Loren Guzik
Transaction Manager
3500 Lacey Road, Suite 9000
Downers Grove, IL. 60515

CON Approval:

The lease shall be contingent upon Tenant's award of a Certificate of Need by the Illinois Health Facilities Planning Commission. Estimated approval month is January 2018.

You may email the proposal to loren.guzik@fmc-na.com. Thank you for your time and cooperation in this matter, should you have any questions please call me at 773.474.1034.

Sincerely,

Loren Guzik
Transaction Manager
Fresenius Kidney Care
Phone: 773.474.1034
e-mail: loren.guzik@fmc-na.com
CC: Mr. Bill Popken

AGREED AND ACCEPTED this 1st day of SEPTEMBER, 2017

By: PARTHASARATHY SRINIVASAN

Title: Member Manager, Illinois Renal Services, LLC

AGREED AND ACCEPTED this 15th day of September, 2017

By:

Title: Vice President of Operations

Operating Identity/Licensee

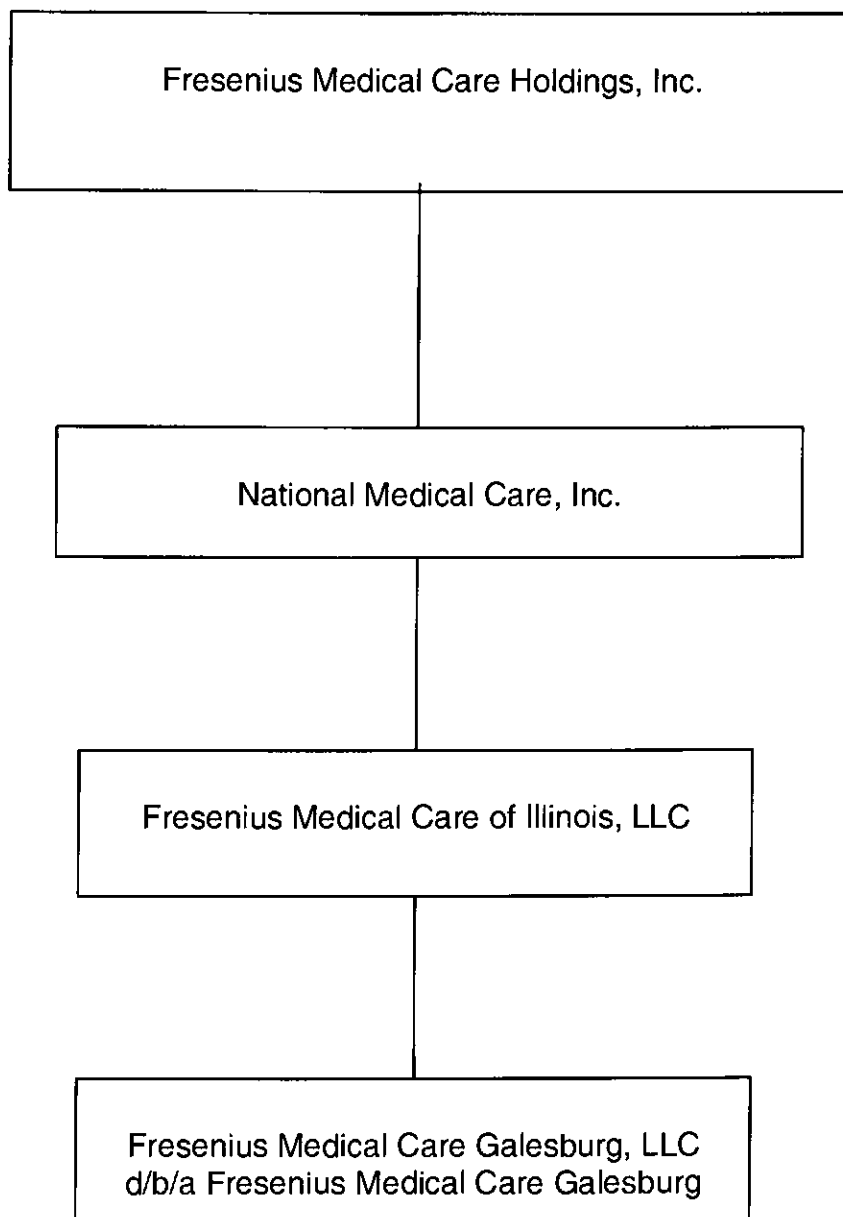
Exact Legal Name: Fresenius Medical Care Galesburg, LLC d/b/a Fresenius Medical Care Galesburg			
Address: 920 Winter Street, Waltham, MA 02451			
<input type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input checked="" type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship
		<input type="checkbox"/>	Other
<ul style="list-style-type: none">o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.			

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

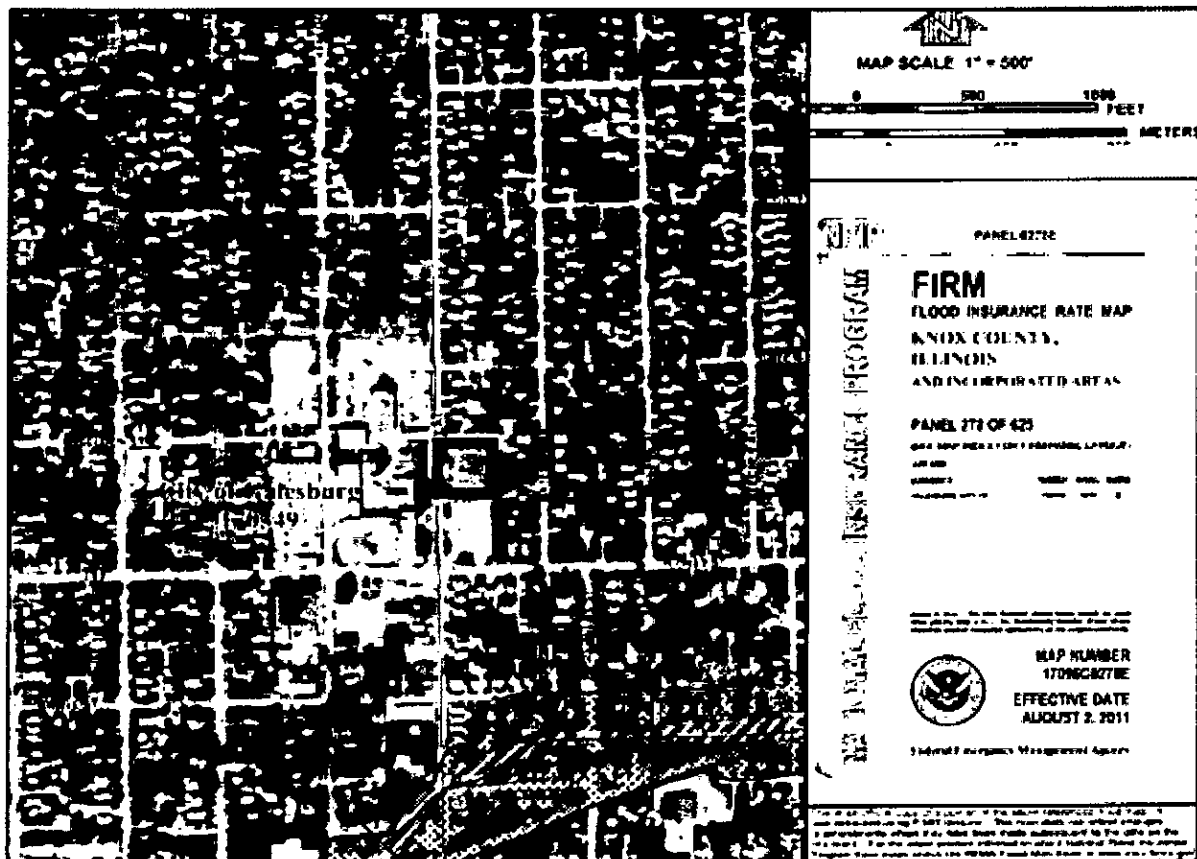
Ownership

Fresenius Medical Care of Illinois, LLC has a 90% membership interest in Fresenius Medical Care Galesburg, LLC. Its address is 920 Winter Street, Waltham, MA 02451

Parthasarathy Srinivasan, M.D. has a 10% membership interest in Fresenius Medical Care Galesburg, LLC. His address is 2020 N. Broad Street, Galesburg, IL, 61404



The proposed site for the relocation of Fresenius Medical Care Galesburg complies with the requirements of Illinois Executive Order #2005-5. The site, approximately 650-800 N. Seminary Street, Galesburg, is not located in a flood plain.





October 5, 2017

Rachel Leibowitz, Ph.D.
Illinois Department of Natural Resources
Illinois State Historic Preservation Office
Attn: Review & Compliance
1 Natural Resources Way
Springfield, IL 62702

Dear Ms. Leibowitz:

Fresenius Medical Care Galesburg, LLC is seeking a Certificate of Need permit to relocate its 14-station dialysis facility from 765 N. Kellogg Street, Galesburg to a site (currently a parking lot) directly across Seminary Street from the hospital. The site is 725 N. Seminary Street. The PIN number for the site is #9911154030. Fresenius Medical Care Galesburg will be in leased space in a building to be built by the landlord.

In accordance with the Illinois Health Facilities Planning Board requirements for the Certificate of Need, I am requesting a letter of determination concerning the applicability of the Historic Preservation Act to this Project.

Attached you will find the following:

- Aerial Map of site
- Street View

Please let me know as soon as possible if you require any additional information. Thank you for your assistance in this matter.

Sincerely,

Lori Wright
Senior CON Specialist

Phone 630-960-6807
Email lori.wright@fmc-na.com

SUMMARY OF PROJECT COSTS

Modernization	
General Conditions	92,250
Temp Facilities, Controls, Cleaning, Waste Management	4,600
Concrete	23,600
Masonry	28,000
Metal Fabrications	13,840
Carpentry	162,186
Thermal, Moisture & Fire Protection	32,840
Doors, Frames, Hardware, Glass & Glazing	126,390
Walls, Ceilings, Floors, Painting	298,000
Specialities	23,100
Casework, FI Mats & Window Treatments	11,100
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	590,500
Wiring, Fire Alarm System, Lighting	355,700
Miscellaneous Construction Costs	83,010
Total	1,845,116
Contingencies	\$182,484
Architecture/Engineering Fees	\$198,000
Moveable or Other Equipment	
Dialysis Chairs	35,000
Clinical Furniture & Equipment	35,000
Office Equipment & Other Furniture	33,000
Water Treatment	180,000
TVs & Accessories	35,000
Telephones	20,000
Generator	12,000
Facility Automation	20,000
Other miscellaneous	14,000
Total	\$384,000
Fair Market Value of Leased Space and Equipment	
FMV Leased Space (10,138 GSF)	4,012,890
FMV Leased Dialysis Machines	229,200
FMV Leased Office Equipment	13,000
	\$4,255,090
Grand Total	\$6,864,690

Itemized Costs
ATTACHMENT - 7

Current Fresenius CON Permits and Status

Project Number	Project Name	Project Type	Completion Date	Comment
#15-028	Fresenius Kidney Care Schaumburg	Establishment	02/28/2017	Obligated/ Construction End Date 10/2017
#15-036	Fresenius Kidney Care Zion	Establishment	06/30/2017	Obligated/Construction End Date 1/2018
#15-046	Fresenius Kidney Care Beverly Ridge	Establishment	06/30/2017	Obligated/Construction End Date 10/2017
#15-050	Fresenius Kidney Care Chicago Heights	Establishment	12/31/2017	Open
#15-062	Fresenius Kidney Care Belleville	Establishment	12/31/2017	Obligated/Construction End Date 10/2017
#16-024	Fresenius Kidney Care East Aurora	Establishment	09/30/2018	Obligated/Construction End Date 11/2017
#16-035	Fresenius Kidney Care Evergreen Park	Relocation	12/31/2017	Open, awaiting certification letter
#16-029	Fresenius Medical Care Ross Dialysis - Englewood	Relocation/ Expansion	12/31/2018	Permitted January 24, 2017
#16-034	Fresenius Kidney Care Woodridge	Establishment	12/31/2017	Obligated/Construction End Date 2/2018
#16-042	Fresenius Kidney Care Paris Community	Establishment	09/30/2018	Permitted March 14, 2017
#16-049	Fresenius Medical Care Macomb	Relocation/ Expansion	12/31/2018	Obligated/Construction End Date 11/2017
#17-004	Fresenius Kidney Care Mount Prospect	Establishment	12/31/2018	Permitted May 2, 2017
#17-033	Fresenius Kidney Care Palatine	Expansion	12/31/2018	Permitted September 26, 2017
#17-023	Fresenius Medical Care Oswego	Expansion	12/31/2018	Permitted September 26, 2017
#17-025	Fresenius Kidney Care Crestwood	Relocation	09/30/2019	Permitted September 26, 2017
#17-027	Fresenius Medical Care Sandwich	Expansion	12/31/2018	Permitted September 26, 2017

Cost Space Requirements

Provide in the following format, the department/area GSF and cost. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
In-Center Hemodialysis	4,526,770	6,488			6,488		
Total Clinical	4,526,770	6,488			6,488		
NON REVIEWABLE							
Non-Clinical (Administrative, Mechanical, Staff, Waiting Room Areas)	2,337,920	3,650			3,650		
Total Non-clinical	2,337,920	3,650			3,650		
TOTAL	\$6,864,690	10,138			10,138		

1110.130 – DISCONTINUATION

General Information Requirements

Fresenius Medical Care Galesburg, LLC proposes to discontinue its 14-station ESRD facility located at 765 N. Kellogg, Galesburg, on the campus of Galesburg Cottage Hospital, operating at 81% utilization with 68 patients as of September 2017. It proposes relocating the existing 14-station facility directly across the street to the Hospital at 725 N. Seminary, Galesburg. All patients are expected to transfer to the new facility and therefore all medical records will be transferred to the new site as well.

The discontinuation is expected to occur simultaneously with the opening of the new facility, on or before December 31, 2019. There will be no break in service to the patients involved. The evacuated leased space will be released back to the landlord.

Reasons for Discontinuation

The Galesburg facility was acquired by Fresenius Medical Care and has been in its current site for over 7 years. At the time it moved to this location it was 11 stations and is now 14 stations and houses a growing home therapies program, currently 24 patients, with only one training room. It has simply outgrown its current space. Additional room is needed to make the in-center hemodialysis department more efficient, for additional storage areas and also to add one more training room to allow additional patients access to home therapies modalities.

Impact On Access

The "relocation" of the Galesburg facility to an alternate site adjacent to the Hospital will not have any impact on any area ESRD providers. First, there is only one other facility within 45-minutes travel time, Fresenius Maple City in Monmouth. Given its current patient count, the proposed relocated Galesburg facility will still be above 80% utilization after the relocation. Identified pre-ESRD patients are being treated by Dr. Srinivasan and would be referred to the Galesburg facility regardless. No patients are being transferred from any other facility.

IMPACT ON ACCESS STATEMENT PER PART 1110.130

The proposed discontinuation and relocation of the Fresenius Medical Care Galesburg 14-station end stage renal disease (ESRD) facility in Galesburg, HSA 2, will not have an adverse effect upon access to care for the residents of the healthcare market area in which it is situated. The facility is serving 91 ESRD patients who are all expected to transfer to the proposed relocated Galesburg facility.

There will be no break in service to patients since the discontinuation/relocation will occur on Sunday when there are no scheduled treatments.

There will be no adverse impact to any facilities within a 45-minute travel time. There is only one facility within 45 minutes, Fresenius Medical Care Maple City. The Fresenius Galesburg relocation will not have any impact on that facility.



Signature

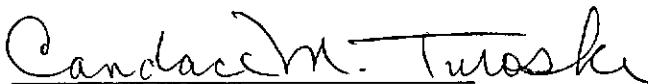
Teri Gurchiek

Printed Name

Vice President of Operations

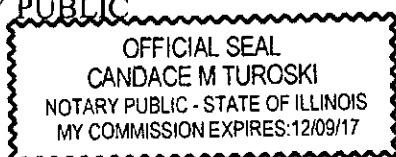
Title

SUBSCRIBED AND SWORN TO
BEFORE ME THIS 5th DAY
OF October, 2017.



NOTARY PUBLIC

Seal



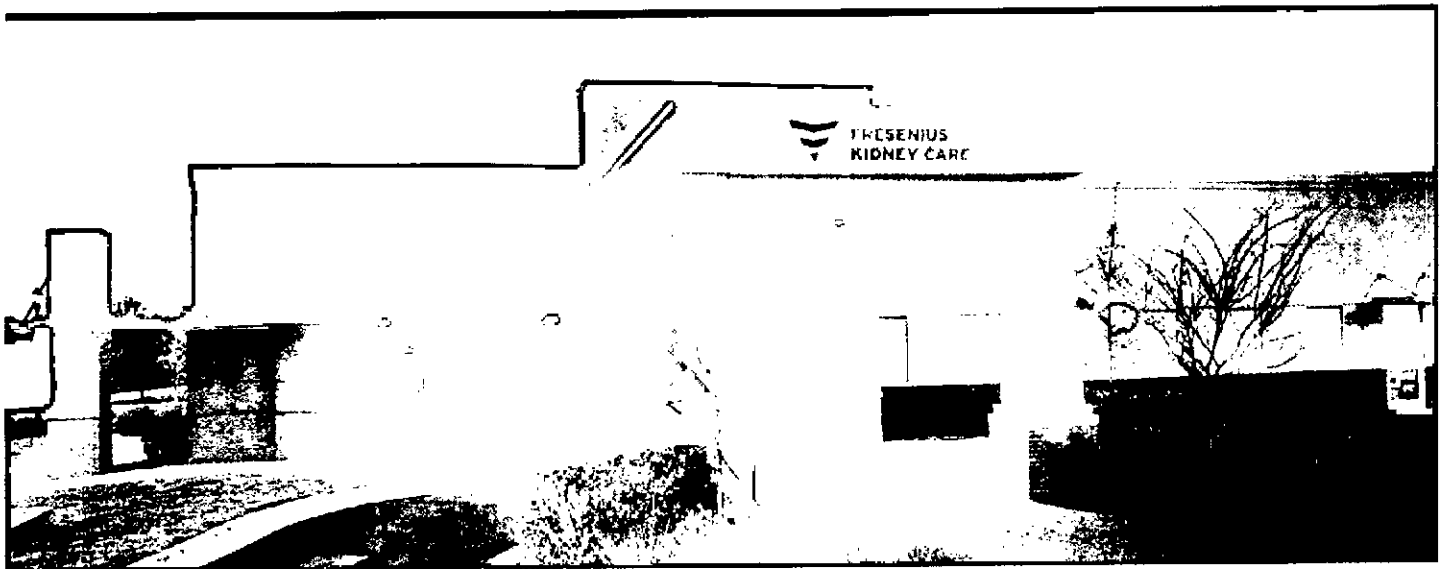


FRESENIUS KIDNEY CARE

About Us

Fresenius Kidney Care, a division of Fresenius Medical Care North America (FMCNA), provides dialysis treatment and services to nearly 180,000 people with kidney disease at more than 2,300 facilities nationwide. Fresenius Kidney Care patients have access to FMCNA's integrated network of kidney care services ranging from cardiology and vascular care to pharmacy and lab services as well as urgent care centers and the country's largest practice of hospitalist and post-acute providers. The scope and sophistication of this vertically integrated network provides us with seamless oversight of our patients' entire care continuum.

As a leader in renal care technology, innovation and clinical research, FMCNA's more than 67,000 employees are dedicated to the mission of delivering superior care that improves the quality of life for people with kidney disease. Fresenius Kidney Care supports people by helping to address both the physical and emotional aspects of kidney disease through personalized care, education and lifestyle support services so they can lead meaningful and fulfilling lives.



Bringing Our Mission to Life

At Fresenius Kidney Care, we understand that helping people with end stage renal disease (ESRD) live fuller, more active and vibrant lives is about much more than providing them with the best dialysis care. It's about caring for the whole person. That's why we use our vast resources to care for our patients emotional, medical, dietary, financial and well-being needs.

We also provide educational support for people with chronic kidney disease (CKD), including routine classes for people with later stage CKD. Our robust education programs are designed to improve patient outcomes and improve the quality of life for every patient.



- **KidneyCare:365**—A company-wide program designed to educate patients with CKD or ESRD about living with kidney disease. These classes are held routinely at a variety of locations including clinics, hospitals and physician offices. Class topics include understanding CKD, eating well, social support and treatment options.
- **Navigating Dialysis Program** – A patient education and engagement program focused on empowering patients with the knowledge they need to thrive during their first 90 days on dialysis. In-center and at-home patients receive a starter kit and supporting touchpoints from members of their care team covering topics like treatment, access, eating well and thriving.
- **Catheter Reduction Program** – A key strategic clinical initiative to support nephrologists and clinical staff with increasing the number of patients dialyzed with a permanent access, preferably a venous fistula (AVF) versus a central venous catheter (CVC). Starting dialysis with or converting patients to an AVF can significantly lower serious complications, hospitalizations and mortality rates.

Value Based Care Model

Healthcare is moving toward a value-based system focused on caring for the whole patient, improving efficiencies and reducing costs. One way that FMCNA has demonstrated its commitment is through a significant investment in End Stage Renal Disease Seamless Care Organizations (ESCOs), the nation's first disease-specific shared savings program designed to identify, test and evaluate new ways to improve care for Americans with ESRD.

In January 2017, the Centers for Medicaid and Medicare Services (CMS) awarded 18 new ESCO contracts to FMCNA, which was in addition to the six ESCOs the company was awarded in 2015. FMCNA now operates 24 of the 37 ESCOs awarded by CMS. FMCNA holds two ESCO contracts in Illinois, including Chicago and Bloomington.

Under each ESCO, local nephrologists and dialysis providers partner to develop an innovative care model based on highly coordinated, patient-centered care. By monitoring and managing the total care of the ESRD patient, the ESCO aims to avoid hospitalizations and help patients move from high-risk to lower-risk on the health care continuum.

The cornerstone of the ESCO program for FMCNA is its Care Navigation Unit (CNU), a team of specially trained nurses and care technicians who provide 24/7 patient support and care management services. By focusing on both the physical and emotional needs of each patient, the CNU can anticipate issues before they arise and help patients respond more quickly when they happen. The CNU has proven that through rigorous patient monitoring and appropriate intervention, they can significantly improve patient health outcomes, reducing hospital admissions by up to 20 percent and readmissions by up to 27 percent in ESRD populations. This investment demonstrates the value FMCNA places on collaboration with CMS, policymakers and physicians for the benefit of its patients. It also shows the importance we place on patients taking active roles in their own care.

At FMCNA, we strive to be the partner of choice by leading the way with collaborative, entrepreneurial new models of value-based care that take full responsibility for the patients we serve while reducing costs and improving outcomes. This approach allows us to coordinate health care services at pivotal care points for hundreds of thousands of chronically ill people and enhance the lives of those trusted to our care.



Five Star Quality Rated by CMS

Fresenius Kidney Care achieved the largest number of top-rated, Five Star dialysis centers in Illinois in 2016, based on the Dialysis Facility Compare Five Star Quality Rating System issued by CMS. This focus on quality continues to drive Fresenius Kidney Care's success in Illinois.

Overview of Services



Treatment Settings and Options

- ✓ In-center hemodialysis
- ✓ At-home hemodialysis
- ✓ At-home peritoneal dialysis



Patient Support Services

- ✓ Nutritional counseling
- ✓ Social work services
- ✓ Home training program
- ✓ Clinical care
- ✓ Patient travel services
- ✓ Patient education classes
- ✓ Urgent care (acute)



Counseling and Guidance for Non-Dialysis Options

- ✓ Kidney transplant
- ✓ Supportive care without dialysis

Our Local Commitment



Fresenius Kidney Care is a predominant supporter of the National Kidney Foundation of Illinois (NKFI). The NKFI is an affiliate of the National Kidney Foundation, which funds medical research improving lives of those with kidney disease, prevention screenings and is a leading educator on kidney disease. Our Fresenius Kidney Care employees in the Chicago area raised over \$25,000 for the NKFI Kidney Walk in downtown Chicago through pledges and t-shirt sales. In addition to the local fundraising efforts, each year Fresenius Kidney Care donates \$25,000 to the NKFI and another \$5,000 in downstate Illinois.

Certification & Authorization

Fresenius Medical Care Galesburg, LLC

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

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

By: *Teri A. Gurecki*

ITS: Vice President of Operations/Manager

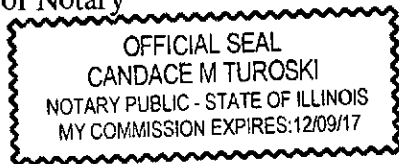
Notarization:

Subscribed and sworn to before me
this 5th day of Oct, 2017

Candace M. Turosski

Signature of Notary

Seal



Certification & Authorization

Fresenius Medical Care Holdings, Inc.

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

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

By: [Signature]
ITS: Bryan Mello
Assistant Treasurer

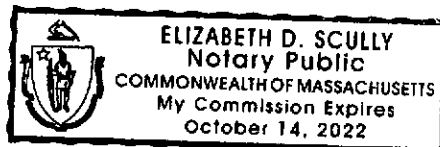
By: [Signature]
ITS: Thomas D. Brouillard, Jr.
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 21 day of February 2017

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2017

Signature of Notary [Signature] Signature of Notary

Seal



Seal

Fresenius Kidney Care In-center Clinics in Illinois

Clinic	Provider #	Address	City	Zip
Aledo	14-2658	409 NW 9th Avenue	Aledo	61231
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002
Aurora	14-2515	455 Mercy Lane	Aurora	60506
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651
Belleville	-	6525 W. Main Street	Belleville	62223
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406
Bolingbrook	14-2605	329 Remington	Bolingbrook	60440
Breese	14-2637	160 N. Main Street	Breese	62230
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609
Burbank	14-2641	4811 W. 77th Street	Burbank	60459
Carbondale	14-2514	1425 Main Street	Carbondale	62901
Centre West Springfield	14-2546	1112 Centre West Drive	Springfield	62704
Champaign	14-2588	1405 W. Park Street	Champaign	61801
Chatham	14-2744	333 W. 87th Street	Chicago	60620
Chicago Dialysis	14-2506	1806 W. Hubbard Street	Chicago	60622
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608
Cicero	14-2754	3000 S. Cicero	Chicago	60804
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624
Crestwood	14-2538	4861W. Cal Sag Road	Crestwood	60445
Decatur East	14-2603	1830 S. 44th St.	Decatur	62521
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015
Des Plaines	14-2774	1625 Oakton Place	Des Plaines	60018
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185
DuQuoin	14-2595	825 Sunset Avenue	DuQuoin	62832
East Aurora	-	840 N. Farnsworth Avenue	Aurora	60505
East Peoria	14-2562	3300 North Main Street	East Peoria	61611
Elgin	14-2726	2130 Point Boulevard	Elgin	60123
Elk Grove	14-2507	901 Biesterfeld Road, Ste. 400	Elk Grove	60007
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805
Galesburg	14-8628	765 N Kellogg St, Ste 101	Galesburg	61401
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609
Geneseo	14-2592	600 North College Ave, Suite 150	Geneseo	61254
Glendale Heights	14-2617	130 E. Army Trail Road	Glendale Heights	60139
Glenview	14-2551	4248 Commercial Way	Glenview	60025
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619
Gurnee	14-2549	101 Greenleaf	Gurnee	60031
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429
Highland Park	14-2782	1657 Old Skokie Road	Highland Park	60035
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195
Humboldt Park	14-2821	3500 W. Grand Avenue	Chicago	60651
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649
Joliet	14-2739	721 E. Jackson Street	Joliet	60432
Kewanee	14-2578	230 W. South Street	Kewanee	61443
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613
Lemont	14-2798	16177 W. 127th Street	Lemont	60439
Logan Square	14-2766	2721 N. Spalding	Chicago	60647
Lombard	14-2722	1940 Springer Drive	Lombard	60148
Macomb	14-2591	523 E. Grant Street	Macomb	61455
Maple City	14-2790	1225 N. Main Street	Monmouth	61462
Marquette Park	14-2566	6515 S. Western	Chicago	60636
McHenry	14-2672	4312 W. Elm St.	McHenry	60050
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704
Melrose Park	14-2554	1111 Superior St., Ste. 204	Melrose Park	60160
Merrionette Park	14-2667	11630 S. Kedzie Ave.	Merrionette Park	60803
Metropolis	14-2705	20 Hospital Drive	Metropolis	62960
Midway	14-2713	6201 W. 63rd Street	Chicago	60638
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448
Moline	14-2526	400 John Deere Road	Moline	61265
Mount Prospect	-	1710-1790 W. Golf Road	Mount Prospect	60056
Mundelein	14-2731	1400 Townline Road	Mundelein	60060
Naperbrook	14-2765	2451 S Washington	Naperville	60565

CLinic	Provider #	Address	City	Zip
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563
New City	14-2815	4622 S. Bishop Street	Chicago	60609
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714
Normal	14-2778	1531 E. College Avenue	Normal	61761
Norridge	14-2521	4701 N. Cumberland	Norridge	60656
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630
Northcenter	14-2531	2620 W. Addison	Chicago	60618
Northfield	14-2771	480 Central Avenue	Northfield	60093
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611
Oak Forest	14-2764	5340A West 159th Street	Oak Forest	60452
Oak Park	14-2504	773 W. Madison Street	Oak Park	60302
Orland Park	14-2550	9160 W. 159th St.	Orland Park	60462
Oswego	14-2677	1051 Station Drive	Oswego	60543
Ottawa	14-2576	1601 Mercury Circle Drive, Ste. 3	Ottawa	61350
Palatine	14-2723	691 E. Dundee Road	Palatine	60074
Pekin	14-2571	3521 Veteran's Drive	Pekin	61554
Peoria Downtown	14-2574	410 W Romeo B. Garrett Ave.	Peoria	61605
Peoria North	14-2613	10405 N. Juliet Court	Peoria	61615
Plainfield	14-2707	2320 Michas Drive	Plainfield	60544
Plainfield North	14-2596	24024 W. Riverwalk Court	Plainfield	60544
Polk	14-2502	557 W. Polk St.	Chicago	60607
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764
Prairie	14-2569	1717 S. Wabash	Chicago	60616
Randolph County	14-2589	102 Memorial Drive	Chester	62233
Regency Park	14-2558	124 Regency Park Dr., Suite 1	O'Fallon	62269
River Forest	14-2735	103 Forest Avenue	River Forest	60305
Rock Island	14-2703	2623 17th Street	Rock Island	61201
Rock River - Dixon	14-2645	101 W. Second Street	Dixon	61021
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008
Roseland	14-2690	135 W. 111th Street	Chicago	60628
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621
Round Lake	14-2616	401 Nippersink	Round Lake	60073
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946
Sandwich	14-2700	1310 Main Street	Sandwich	60548
Schaumburg	14-2802	815 Wise Road	Schaumburg	60193
Silvis	14-2658	880 Crosstown Avenue	Silvis	61282
Skokie	14-2618	9801 Wood Dr.	Skokie	60077
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617
South Deering	14-2756	10559 S. Torrence Ave.	Chicago	60617
South Holland	14-2542	17225 S. Paxton	South Holland	60473
South Shore	14-2572	2420 E. 79th Street	Chicago	60649
Southside	14-2508	3134 W. 76th St.	Chicago	60652
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461
Southwestern Illinois	14-2535	7 Professional Drive	Alton	62002
Spoon River	14-2565	340 S. Avenue B	Canton	61520
Spring Valley	14-2564	12 Wolfer Industrial Drive	Spring Valley	61362
Steger	14-2725	219 E. 34th Street	Steger	60475
Streator	14-2695	2356 N. Bloomington Street	Streator	61364
Summit	14-2802	7319-7322 Archer Avenue	Summit	60501
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640
Waterloo	14-2789	624 Voris-Jost Drive	Waterloo	62298
Waukegan Harbor	14-2727	101 North West Street	Waukegan	60085
West Batavia	14-2729	2580 W. Fabyan Parkway	Batavia	60510
West Belmont	14-2523	4943 W. Belmont	Chicago	60641
West Chicago	14-2702	1859 N. Neilnor	West Chicago	60185
West Metro	14-2536	1044 North Mozart Street	Chicago	60622
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302
West Willow	14-2730	1444 W. Willow	Chicago	60620
Westchester	14-2520	2400 Wolf Road, Ste. 101A	Westchester	60154
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959
Willowbrook	14-2632	6300 S. Kingery Hwy, Ste. 408	Willowbrook	60527
Zion	-	1920-1920 N. Sheridan Road	Zion	60099

Criterion 1110.230 – Purpose of Project

1. The purpose of this project is to provide additional space for a more efficient in-center dialysis clinic, and to expand the home therapies department while keeping both modalities under one roof.
2. The current and proposed relocation site of the Fresenius Galesburg facility are both on or near the campus of Galesburg Cottage Hospital in HSA 2 in Knox County. This ESRD facility serves 68 in-center hemodialysis and 24 home therapies patients. Seventy two percent (72%) of these patients reside in Galesburg.
3. The Galesburg facility has outgrown its current space. Over 7 years ago when it moved into its current site it consisted of 11 stations and 53 patients. It now has 14 stations serving 68 hemodialysis patients along with only one home therapies training room serving 24 patients in approximately 6,100 GSF. The treatment floor is cramped and has no room for future expansion. The home training department is also in need of an additional training room. To provide better quality of care and expand access to these two services in Galesburg it needs to be relocated in order to construct a more efficient size building to house the in-center and home dialysis departments under one roof.
4. Not Applicable
5. Relocating the 14-station Galesburg facility while remaining near the Hospital campus will offer patients and staff a more efficient size treatment floor with capability for expansion when necessary to meet the growing need. It will also allow for additional home therapies services at one location. There will be no interruption in service to the current patients of the Galesburg facility since the "relocation" of the facility will occur on a Sunday when there are no patient treatments scheduled.
6. The goal of Fresenius Kidney Care is to keep dialysis access available to this patient population. There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. It is expected that this facility would continue to have similar quality outcomes after the relocation. Currently the Galesburg patients have the quality values below:
 - 94% of patients had a URR \geq 65%
 - 94% of patients had a Kt/V \geq 1.2

Alternatives

1) All Alternatives

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

The alternative of doing nothing was rejected. The clinic has outgrown its current space which also houses a one training room for the home therapies department currently serving 24 patients. The proposed relocation site will address the need for additional space for a more efficient in-center treatment floor layout, allow room for future station expansion if needed (the facility operates in excess of 80% target utilization), provide additional storage space, and also provide an additional home therapies training room

B. Pursuing a joint venture

This facility is currently a joint venture.

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

There is only one other ESRD facility operating within 30 minutes of Galesburg. Fresenius Medical Care Maple City is located 17 miles away in Monmouth and does not serve patients who reside in Galesburg. Forcing patients to drive out of their health care market for treatment will cause unnecessary hardship and increased travel expenses and difficulties. Forcing patients to travel to Fresenius Maple City does not solve the issue of inadequate space at the Galesburg facility. There is no cost to using other resources.

D. Project as outlined in the application

The most desirable alternative to maintain access to dialysis services in Galesburg and to address the lack of sufficient space in both the in-center and home dialysis programs is to relocate the 14-station Galesburg facility to another site adjacent to the Hospital campus. This will allow for a larger more efficient treatment floor and for additional home dialysis training rooms to offer more patients home services. Locating the facility adjacent to the hospital will provide ongoing easy access to other hospital services in one location. The cost of this alternative is \$6,864,690.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Maintain Status Quo	\$0	Clinic would continue to operate in a cramped and inefficient space with no access to additional space to grow the home therapies program.	Facility quality would remain above standards.	There is no financial cost to patients.
Utilize Other Health Care Resources	\$0	Fresenius Maple City in Monmouth is the only facility operating within 30 minutes, however it is 17 miles away and sending patients there does not address the need for more space for the Galesburg facility.	Facility quality would remain above standards.	Patients would experience excessive transportation costs if forced to travel from Galesburg to Monmouth for treatment.
Form a Joint Venture	\$6,864,690	Facility is currently a joint venture.		
Relocate the 14-station Galesburg facility into an adequate size space and also expand the home therapies department.	\$6,864,690	<p>Improved physical access inside facility and a more efficient workflow with the additional space.</p> <p>Room for more patients to train for home dialysis therapies.</p>	Patient clinical quality would remain above standards, however if more patients have access to home therapies training quality could improve for those patients.	The cost of relocation is necessary to keep dialysis services accessible in the Galesburg market. This is a cost only to Fresenius Kidney Care.

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

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

- 94% of patients had a URR \geq 65%
- 94% of patients had a Kt/V \geq 1.2

Criterion 1110.234, Size of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD 450-650 BGSF Per Station	DIFFERENCE	MET STANDARD?
ESRD IN-CENTER HEMODIALYSIS	6,488 (14 Stations)	6,300 – 9,810 BGSF	None	Yes
Non-clinical	3,650	N/A	N/A	N/A

The State Standard for ESRD is between 450 - 650 BGSF per station or 6,300 – 9,800 BGSF. The proposed 6,488 BGSF for the in-center hemodialysis space meets the State standard.

Criterion 1110.234, Project Services Utilization

UTILIZATION					
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	IN-CENTER HEMODIALYSIS	81% 3rd Qtr, 2017		80%	Yes
YEAR 1	IN-CENTER HEMODIALYSIS		89%	80%	Yes
YEAR 2	IN-CENTER HEMODIALYSIS		95%	80%	Yes

As seen in the chart above, the facility has already met the State standard utilization target of 81%. With the additional 46 patients who will be referred to the facility in the two years after relocation plus those new patients who will be referred to the facility before relocation (and accounting for patient attrition) the facility is expected to maintain utilization above the State target of 80%.

Background of the Applicant

Information on Applicant Background is found at Attachment 11.

A. Planning Area Need – Formula Need Calculation:

The proposed relocation site of Fresenius Medical Care Galesburg dialysis facility is located in Galesburg in HSA 2. HSA 2 is comprised of Bureau, Fulton, Henderson, Knox, LaSalle, Marshall, McDonough, Peoria, Putnam, Stark, Tazewell, Warren and Woodford counties. According to the September 2017 inventory there is an excess of 16 stations in the HSA. However, this project is for a relocation of an existing 14-station facility operating at target utilization, and will have no impact on the inventory.

Service To Planning Area Residents:

- A. The primary purpose of this project is to provide in-center hemodialysis services to the residents of Knox County in HSA 2, more specifically the Galesburg area. 97% of the pre-ESRD and current patients reside in HSA 2.

HSA	Pre-ESRD Patients and Current FKC Galesburg Patients
2	97% 109 Patients
10	3% 3 Patients



**Illinois
Kidney Disease &
Hypertension Center**



RenalCare
Associates, S.C.

Nephrology Associates

Alexander J. Alonso, M.D.
Robert Bruha, M.D.
Sudha Cherukuri, M.D.
Anthony R. Horinek, M.D.
Raji Jacob, M.D.
Gordon W. James, M.D.
Amit B. Janinadas, M.D.
Usman Khan, M.D.
Muhammad Khattak, M.D.
Dinesh K. Kannabhiran, M.D.
Timothy A. Pflederer, M.D.
David C. Rosborough, M.D.
Samer B. Sader, M.D.
Kumarpal C. Shrishimal, M.D.
Robert T. Sparrow, M.D., FASH
Parthasarathy Srinivasan, M.D.

Surgery Associates

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

Physician Assistants

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

Nurse Practitioners

Sarah Adams, APN
Judith A. Dansizen, A.P.R.N.-B.C.
Karen A. Helfers, F.N.P.
Catherine Lang, APN
Tonya K. McDougall, F.N.P.
Tonya Moore, APN
DaNae Nelson, APN
Jill C. Peterson, A.N.P.

Executive Director

Beth A. Shaw, MBA

Director of Operations

Annette Miller, MSN, RN, CEN, CNE

Main Offices

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

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

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

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

October 9, 2017

Ms. Courtney Avery

Administrator

Illinois Health Facilities & Services Review Board

**525 W. Jefferson St., 2nd Floor
Springfield, IL 62761**

Dear Ms. Avery:

My name is Parthasarathy Srinivasan, M.D. and I am a nephrologist practicing in western Illinois with Renal Care Associates (RCA) and am the medical director at Fresenius Medical Care Galesburg. I am writing to support the relocation of the 14-station Galesburg facility. The facility has added stations several times to allow for increased demand for dialysis services which has resulted in a crowded treatment area.

I am a strong proponent for home therapies and currently have 24 home dialysis patients I treat at the Galesburg facility. The home therapies allocated space has also become extremely small for the size of the program. Additional space is needed to add another training room. Moving the facility to a larger space will allow for a more efficient in-center facility with room for future expansion if necessary and room to expand the home therapies department.

My partner and I have referred 22 new patients for hemodialysis services over the past twelve months. We were treating 73 hemodialysis patients at the end of 2014, 81 at the end of 2015, 82 at the end of 2016, and 85 as of September 30, 2017. We have 152 Stage 4 Chronic Kidney Disease patients in our practice who live in the Galesburg area and I expect to refer 46 of them to the Galesburg facility in the first two years after its relocation.

I respectfully ask the Board to approve the relocation of Fresenius Medical Care Galesburg dialysis facility to allow the facility to operate in adequate space while providing access to home therapies and future in-center expansion. Thank you for your consideration.



Illinois Kidney Disease & Hypertension Center



RenalCare
Associates, S.C.

Nephrology Associates
Alexander J. Alonso, M.D.
Robert Bruha, M.D.
Sudha Cherukuri, M.D.
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David C. Rosborough, M.D.
Samir B. Sader, M.D.
Kuntarpal C. Shrishimal, M.D.
Robert T. Sparrow, M.D., FASH
Parthasarathy Srinivasan, M.D.

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

Sincerely,

Parthasarathy Srinivasan, M.D.

Surgery Associates
Manish Gupta, M.D.
Timothy P. O'Connor, M.D., F.A.C.S.

Physician Assistants
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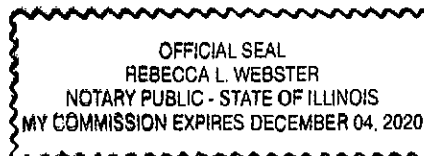
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(309) 663-4766

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

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

Notarization:
Subscribed and sworn to
before me
this 11th day of October,
2017

Signature of Notary
(seal)





Illinois
Kidney Disease &
Hypertension Center



RenalCare
Associates, S.C.

**CURRENT FRESenius GALESBURG PATIENTS
WHO WILL TRANSFER TO THE RELOCATED FACILITY**

Current Galesburg	
Zip Code	Patients
61401	49
61410	5
61412	1
61430	1
61442	2
61448	5
61486	1
61488	2
61489	2
Total	68

**PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE GALESBURG
FACILITY THE 1ST TWO YEARS AFTER RELOCATING**

ZIP Code	Patients
61401	34
61410	2
61414	1
61428	1
61448	3
61472	1
61489	1
61490	1
Total	46



Illinois
Kidney Disease &
Hypertension Center



RenalCare
Associates, S.C.

**NEW HEMODIALYSIS REFERRALS OF DR. SRINIVASAN'S PRACTICE
FOR THE PAST 12 MONTHS**

Zip	Fresenius Kidney Care	
Code	Galesburg	Maple City
61401	17	
61462		2
61473		2
61469		1
Totals	17	5
Grand Total		22

DR. SRINIVASAN'S PRACTICE HEMODIALYSIS PATIENTS

Zip Code	FKC Galesburg
61401	53
61410	4
61414	1
61415	1
61430	1
61462	8
61467	1
61486	1
61488	1
61488	1
61489	1
Total	73

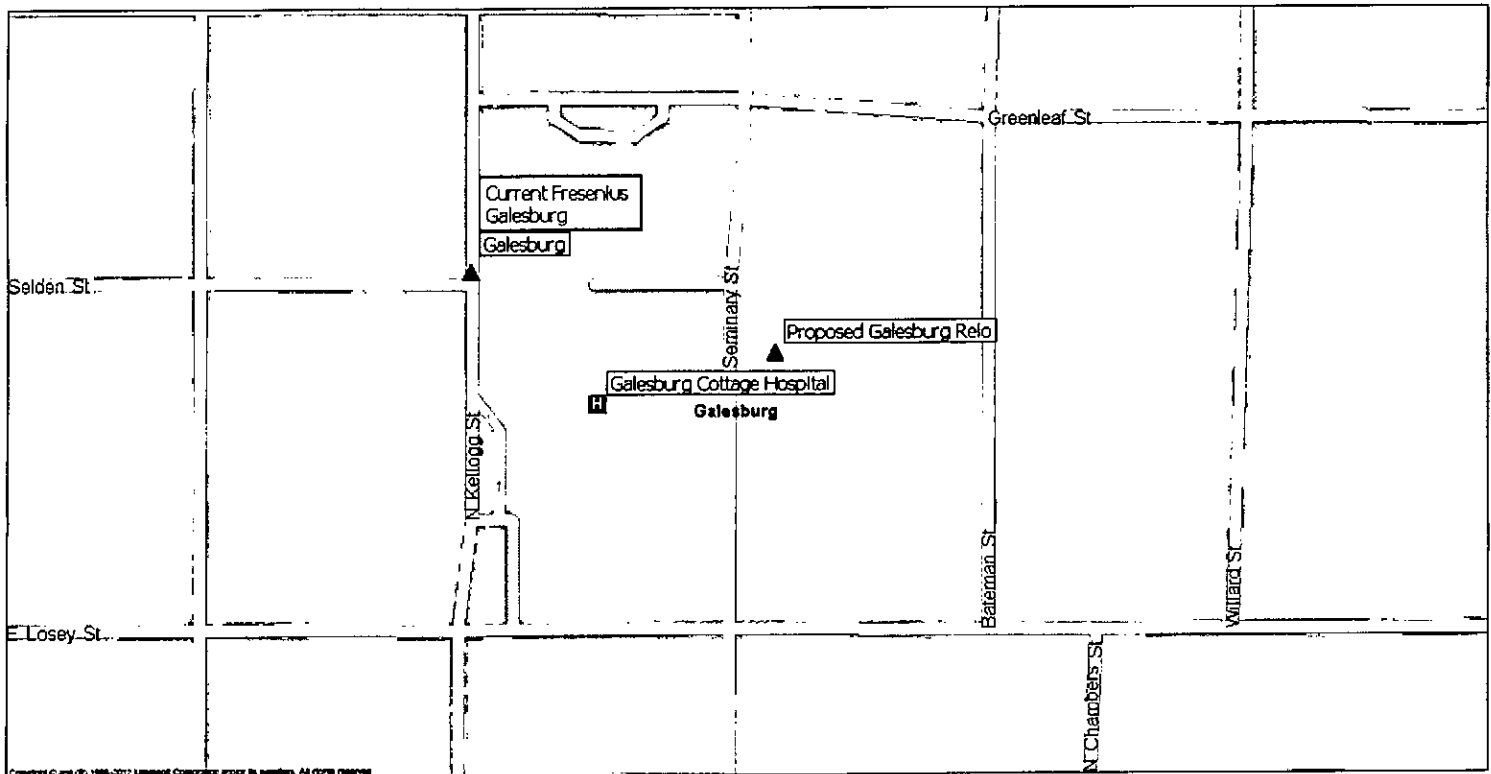
Zip Code	FKC Galesburg
61401	52
61410	5
61412	1
61415	2
61430	2
61442	1
61462	9
61465	1
61467	1
61486	2
61488	2
61488	1
61489	1
61490	1
Total	81

Zip Code	FKC Galesburg	FKC Maple City
61401	49	
61410	5	
61412	1	
61430	1	
61442	2	
61448	5	
61462		11
61469		1
61473		2
61486	1	
61488	2	
61489	2	
Total	68	14
Grand Total		82

Zip Code	FKC Galesburg	FKC Maple City
61401	49	
61410	5	
61412	1	
61430	1	
61442	2	
61448	5	
61462		12
61469		4
61473		1
61486	1	
61488	2	
61489	2	
Total	68	17
Grand Total		85

Service Accessibility – Service Restrictions

The proposed relocated Fresenius Medical Care Galesburg dialysis facility will be located in HSA 2 in Galesburg in Knox County. According to the September 2017 station inventory there is an excess of 16 stations in this HSA. However, this project is for the relocation of the Galesburg facility to another location adjacent to Galesburg Cottage Hospital and will not have any effect on the inventory or distribution of services.



The Fresenius Galesburg facility was established as Western Illinois Kidney Center over 17 years ago with 10 stations. Seven years ago it moved to its current location with 11 stations and 53 patients. In 2013 Fresenius Medical Care acquired the facility. Over the years it has expanded to its current station count of 14 along with one home dialysis training room, although the facility's physical space is limited. It is currently operating in 6,190 GSF which includes the home therapies department. This is below the State standard and the treatment floor is cramped and inefficient. The home therapies department treats 24 patients with one training room and requires additional space to be able to meet the demand for home therapies. The facility is currently operating at 81% utilization with 68 patients.

Facilities within 30 Minutes Travel Time of Fresenius Medical Care Galesburg

There is only one facility within 45-Minutes travel time of Galesburg, Fresenius Medical Care Maple City located 17 miles away in Monmouth. Several patients transferred from the Galesburg facility to Maple City when it opened in December 2015, however this facility serves a patient population residing in far west rural Illinois. While there may be access to in-center services, this facility does not address the current cramped space at the Galesburg facility or the need for additional access for home therapies.

The current Galesburg in-center facility is in a space below Board size standards and is also operating a home therapies clinic in the same space. Access is hampered by the small space of the clinic treatment floor and inability to expand if/when necessary. Also, the home therapies department needs an additional training room to accommodate the growth of home dialysis patients.

Demographics of Patients Identified for the Galesburg Facility

In addition to the 68 patients currently dialyzing at the Galesburg facility, Dr. Srinivassan has identified another 64 pre-ESRD patients who live in the vicinity of the facility who could be expected to be referred to the facility in the first two years after relocation.

Current Galesburg Facility Patients

Zip Code	Patients
61401	49
61410	5
61412	1
61430	1
61442	2
61448	5
61486	1
61488	2
61489	2
Total	68

Pre-ESRD Patients

ZIP Code	Patients
61401	34
61410	2
61414	1
61428	1
61448	3
61472	1
61489	1
61490	1
Total	46

Unnecessary Duplication/Maldistribution

ZIP Code	Population
61262	1,188
61401	34,788
61410	3,912
61412	1,321
61413	1,075
61414	854
61417	259
61423	682
61428	986
61430	628
61435	116
61436	951
61447	924
61448	3,823
61458	822
61462	11,643
61466	342
61467	1,048
61472	648
61474	292
61485	560
61488	1,552
61489	900
61490	1,091
61517	3,259
61529	2,880
61572	1,068
Total	77,612

1-2) The ratio of ESRD stations to population in the zip codes within a 30-minute radius of Fresenius Galesburg is 1 station per 3,374 residents according to the 2010 census. The State ratio is 1 station per 2,818 residents according to 2015 population projections and 9/2017 station inventory.

The relocation of the Galesburg facility will have no impact on the station inventory or the station to population ratio. Therefore, this facility will not create maldistribution but, will address the need for ample and efficient space in the Galesburg facility for current operations, future growth and home therapies expansion.

Facilities within 30 Minutes Normal Travel Time of Fresenius Galesburg

As mentioned previously Fresenius Medical Care Maple City is the only other facility operating within 30 minutes travel time of Galesburg (there are no other facilities within 45 minutes travel time). The Galesburg relocation will have no impact on the Maple City facility since this project is a relocation for the purpose of gaining additional space for a more efficient in-center facility as well as the addition of one more home therapies training room to accommodate the growth of the home dialysis program.

Facilities within 30 Minutes of FKC Galesburg

Facility	Address	City	ZIP Code	MapQuest		September 30th 2017		
				Miles	Time	Stations	Patients	Utilization
FKC Galesburg	725 N. Seminary St.	Galesburg	61401	Relocation Site		14	68	80.95%
FKC Maple City	1225 N Main Street	Monmouth	61462	16.8	23	9	17	31.48%

- Although the only other facility within thirty minutes travel time is not above the target utilization of 80%, the Fresenius Galesburg facility is operating at 81% utilization and has been operating at an average 84% utilization over the past two years. This relocation will not create a maldistribution of services in regard to there being excess capacity. The Galesburg facility will continue to be above 80% utilization after project completion. No patients are being transferred from any other facility nor will the facility be taking patients away from other nearby referral sources.

The applicant is not a hospital; however, the utilization will not be lowered below target utilization at any other ESRD facility due to the relocation of the facility. All patients identified are current Fresenius Galesburg patients and pre-ESRD patients of Dr. Srinivasan from the immediate Galesburg area.

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Parthasarathy Srinivasan is currently the Medical Director for Fresenius Medical Care Galesburg and will continue to be the Medical Director after the relocation. Attached is his curriculum vitae.

B. All Other Personnel

Upon the discontinuation of the Galesburg facility and the establishment of the replacement Galesburg facility all staff will transfer to the new location and resume their current position. There will be no break in employment or work schedules as the facility will relocate on a Sunday when there are no patient treatments scheduled. This will include the following staff:

- Clinic Manager who is a Registered Nurse
- 5 Full-time Registered Nurses
- 1 Part-time Registered Nurse
- 2 Full-time Licensed Practical Nurses
- 5 Full-time Patient Care Technicians
- 1 Part-time Registered Dietitian
- 1 Part-time Licensed Master level Social Worker
- 1 Part-time Equipment Technician
- 1 Full-time Secretary

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

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

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

CURRICULUM VITAE**PARTHASARATHY SRINIVASAN, MD****PERSONAL INFORMATION**

Date of Birth:	June 25, 1955
Place of Birth:	Mysore, Kamataka, India
Citizenship:	United States of America
Marital Status:	Married; Two Children
Office Address:	765 North Kellogg, Suite 203 Galesburg, IL 61401
Office Telephone:	(309) 343-4114

LICENSURE

State of Illinois	09/10/1988 – present
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PRESENT POSITIONS

2013 – present	Medical Director FMC Dialysis units in Galesburg & Macomb
2012 – present	Nephrologist RenalCare Associates, SC Galesburg, IL
1988 – 2012	Medical Director Western Illinois Kidney Center Galesburg, IL
2000 – present	Member – Board of Trustees Galesburg Cottage Hospital Galesburg, IL
2010 – present	Member – Credentials Committee Galesburg Cottage Hospital, Department of Medicine Galesburg, IL
2005 – present	Member – Credentials Committee

OSF St. Mary's Medical Center
Galesburg, IL

PREVIOUS PROFESSIONAL POSITIONS

01/11 – 12/12	Chief of Department of Medicine Galesburg Cottage Hospital, Galesburg, IL
08/03 – 12/04	President Knox County Medical Society
01/01 – 12/02	Chairman Infection and Risk Control Committee
01/98 – 12/99	President – Medical Staff Galesburg Cottage Hospital, Galesburg, IL
01/92 – 12/93	Chief of Department of Medicine Galesburg Cottage Hospital, Galesburg, IL OSF St. Mary's Medical Center, Galesburg, IL
01/90 – 12/91	Chief of Mortality, Morbidity, and Medical Records Committee Galesburg Cottage Hospital, Galesburg, IL OSF St. Mary's Medical Center, Galesburg, IL

BOARD CERTIFICATION

American Board of Internal Medicine

Internal Medicine 1996 – 2006

Nephrology 2000 – 2010
Recertifying 10/13

PROFESSIONAL TRAINING

07/86 – 06/88	Clinical Fellowship in Nephrology Cornell University Medical Center New York Hospital, New York, NY
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Staffing – Physician CV
ATTACHMENT 24f

07/83 – 06/86	Residency in Internal Medicine Woodhull Medical Center Brooklyn, NY Affl. SUNY Downstate Medical Center
08/82 – 01/83	Senior House Officer in Orthopedics Leicester Royal Infirmary Leicester, England
12/81 – 05/82	Senior House Officer in Emergency Medicine Dudley Road Hospital Birmingham, England
10/81 – 11/81	Senior House Officer in Surgery Barnsley Hospital Barnsley, England
01/80 – 01/81	Senior House Surgeon in Surgery Madras General Hospital Madras, India
01/79 – 01/80	House Surgeon – Rotating Kilpauk Medical College Madras, India

EDUCATION

1973 – 1978	Bachelor of Medicine and Surgery Kilpauk Medical College Madras, India
1972 – 1973	Pre-University Course Loyola College Madras, India

CERTIFICATION AND LICENSURE

1988	Illinois State License
1984	New York Medical Licensing Board

1981	Visa Qualifying Examination
1981	Educational Commission for Foreign Medical Graduates Examination (ECFMG)

PROFESSIONAL MEMBERSHIPS

American College of Physicians
American Medical Association
Illinois State Medical Society
American Society of Nephrology
American Society of Hypertension
National Kidney Foundation
American Association of Physicians From India


CLINICAL PRACTICE

- Medical supervision of hemodialysis and peritoneal dialysis patients on a daily basis along with monitoring and follow up of patients with chronic kidney disease and hypertension.
- Well versed in the techniques of acute and chronic peritoneal and hemodialysis, hemoperfusion, and hemofiltration.
- Follow up and immunosuppressive management of renal transplant patients on a continuing basis.
- Comprehensive experience in the management of patients in acute nephrology including intensive care management of critical care, cardiovascular, renal pathology and other sub-specialty divisions of internal medicine.
- Competent in several invasive procedures like central venous catheter insertion, arterial catheter placement, peritoneoscopy, peritoneal dialysis catheter placement, and renal biopsy of both native and transplant kidneys.
- Medical Director of the dialysis unit with daily administrative management and was involved in the design and relocation of the dialysis unit as well.
- Involved actively in continued education for the dialysis nurses.

Criterion 1110.1430 (e)(5) Medical Staff

I am the Vice President of Operations at Fresenius Medical Care North America who oversees the Galesburg facility. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Galesburg, I certify the following:

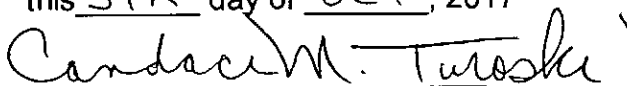
Fresenius Medical Care Galesburg will remain an "open" unit with regards to medical staff. Any Board Licensed nephrologist may apply for privileges at the Galesburg facility, just as they currently are able to at all Fresenius Medical Care facilities.


Signature

Teri Gurchiek
Printed Name

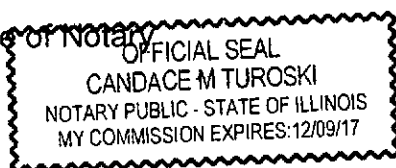
Vice President of Operations/Manager
Title

Subscribed and sworn to before me
this 5th day of Oct, 2017



Signature of Notary

Seal



Criterion 1110.1430 (f) – Support Services

I am the Vice President of Operations at Fresenius Medical Care North America. that oversees the Galesburg facility. In accordance with 77 Il. Admin Code 1110.1430, I certify to the following:

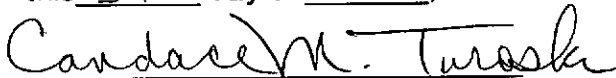
- Fresenius Kidney Care utilizes a patient data tracking system in all of its facilities.
- These support services are available at Fresenius Medical Care Galesburg during all six shifts:
 - Nutritional Counseling
 - Psychiatric/Social Services
 - Home/self training
 - Clinical Laboratory Services –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



Signature

Teri Gurchiek/Vice President of Operations
Name/Title

Subscribed and sworn to before me
this 5th day of Oct, 2017



Signature of Notary

Seal



Criterion 1110.1430 (g) – Minimum Number of Stations

Fresenius Medical Care Galesburg is not located in a Metropolitan Statistical Area (MSA). A minimum of four dialysis stations is required to in an in-center hemodialysis center outside of a MSA. Fresenius Medical Care Galesburg has 14 dialysis stations thereby meeting this requirement.

DIALYSIS UNIT EMERGENCY BACK UP AGREEMENT

This DIALYSIS UNIT EMERGENCY BACK UP AGREEMENT ("Agreement"), is made and entered into this 28th day of March 2012 by, between, and among Fresenius Medical Care Holdings, Inc. d/b/a Fresenius Medical Care North America ("FMCNA"), on behalf of itself, and its direct and indirect wholly-owned, majority-owned and/or controlled affiliates and/or subsidiaries ("Entities") which own, or may in the future own, outpatient dialysis facilities.

WITNESSETH

WHEREAS, FMCNA is the sole or majority owner, either by itself or by way of one of its affiliates or subsidiaries, of Entities (and FMCNA can provide a then-current list of Entities upon reasonable notice);

WHEREAS, Entities are now, or in the future may become, the sole or majority owner, or by way of one of their affiliates or subsidiaries may have control and/or day-to-day supervisory responsibilities, of one or more outpatient dialysis facilities (referred to hereinafter individually as "Facility" and collectively as "Facilities").

WHEREAS, Facilities are required pursuant to the Conditions for Coverage for End-Stage Renal Disease Facilities, 42 C.F.R. § 494.60(d), to implement processes and procedures to manage medical and non-medical emergencies that are likely to threaten the health or safety of the patients and the staff; and

WHEREAS, FMCNA, on its behalf and on behalf of such Entities, desires Facilities to provide emergency coverage to one another pursuant to the terms and conditions contained herein (when serving in the capacity of providing emergency back up coverage, the Facility providing such coverage is hereinafter referred to as "Alternative Dialysis Unit");

NOW, THEREFORE, FMCNA and Entities hereby agree as follows:

I. Duties

(a) Provide Dialysis Services to Patients

Each Entity will develop, maintain and operate, in all aspects, either by itself or through its subsidiaries, outpatient dialysis Facility(ies) and, provide all physical facilities, equipment and personnel necessary to treat patients suffering from chronic renal diseases in accordance with the applicable Conditions for Coverage for End-Stage Renal Disease Facilities of 42 C.F.R. § 494.1 et seq., or successor regulations, and the Interpretative Guidelines promulgated by the Centers for Medicare & Medicaid Services (collectively, the "Conditions for Coverage"). Each Entity and its Facility(ies) shall conform to standards not less than those required by the applicable laws and regulations of any local, state or federal regulatory body, as the same may be amended from time to time. In the absence of applicable laws and regulations, the Facility(ies) shall conform to

applicable standards of professional practice. The cost of such physical facilities, equipment and personnel shall be borne by the Facility(ies) and its direct owner..

Subject to available appropriate physical facilities, staffing and resources at Alternative Dialysis Unit, and applicable policies or procedures of Alternative Dialysis Unit, in the event that Facility patients are transferred to Alternative Dialysis Unit for dialysis due to an emergency that renders Facility as either inoperable or inaccessible to some or all of its enrolled dialysis patients ("Facility Patients"), Alternative Dialysis Unit agrees to provide dialysis treatments to Facility Patients ("Services") until such time that Facility is back in operation to the point where it is capable of safely resuming the treatment of Facility Patients. Alternative Dialysis Unit agrees to provide Services by directly using its own employees, equipment and supplies or by contracting with an outside vendor to provide Services.

Entities understand and acknowledge that in order to receive Services, Facility Patients first must be assigned to a physician with privileges at Alternative Dialysis Unit, unless Facility Patient's attending physician already maintains privileges at Alternative Dialysis Unit. Alternative Dialysis Unit agrees to use its best efforts to assist Facility Patients in choosing a physician with privileges at Alternative Dialysis Unit to oversee their care.

Each Facility shall have a medical director who shall have the qualifications specified in the Conditions for Coverage. Each medical director must be a physician properly licensed in the profession by the state in which such Facility is located. In accordance with the Conditions for Coverage, each Facility shall provide such duly qualified and licensed nurses, technicians, and other personnel as shall be necessary to administer treatment at such Facility, in accordance with applicable local, state, and federal laws and regulations.

(b) Transportation of Patients; Patient Records

In the event a patient is admitted to Alternative Dialysis Unit, Facility shall be responsible for arranging to have Facility Patients transported to Alternative Dialysis Unit and shall send appropriate interim medical records. Facility will provide for Alternative Dialysis Unit, within one working day, copies of Facility Patients' plan of care and medical and other information necessary or useful in the care and treatment of Facility Patients referred to Alternative Dialysis Unit. In the event Facility Patients must be transferred directly from Facility to Alternative Dialysis Unit, Facility shall provide for the security of, and be accountable for, Facility Patients' personal effects during the transfer. Services provided by Alternative Dialysis Unit shall be provided regardless of Facility Patients' race, color, creed, sex, age, disability, or national origin.

(c) Billing

The Services provided to Facility Patients under this Agreement will be billed in accordance with applicable FMCNA billing policies and payor billing rules.

II. Insurance

Each Entity shall generally maintain in full force and effect throughout the term of this Agreement, at its own expense, a policy of comprehensive general liability insurance and professional liability insurance covering it and its staff, respectively, each having a combined single limit of not less than \$1,000,000 per occurrence and \$3,000,000 annual aggregate for bodily injury and property damage to insure against any loss, damage or claim arising out of the performance of each Facility's respective obligations under this Agreement. Each will provide the other with certificates evidencing said insurance, if and as requested. Entities shall maintain, for a period of not less than three (3) years following the termination of this Agreement, any insurance required hereunder if underwritten on a claims-made basis. Any insurance provided hereunder may be provided through self-insurance.

III. Indemnification

Each Entity agrees to indemnify and hold harmless the other Entities, their officers, directors, shareholders, agents and employees against all liability, claims, damages, suits, demands, expenses and costs (including but not limited to, court costs and reasonable attorneys' fees) of every kind arising out of or in consequence of the Entity's (or its Facility's or Alternate Dialysis Unit's, as applicable) breach of this Agreement, and of the negligent errors and omissions or willful misconduct of the indemnifying party, its agents, servants, employees and independent contractors (excluding the other party) in the performance of or conduct related to this Agreement.

IV. HIPAA

The Entities and Facilities shall comply with all applicable patient information privacy and security regulations set forth in the Health Insurance Portability and Accountability Act ("HIPAA") final regulations for Privacy of Individually Identifiable Health Information, as amended from time to time.

V. Term

The term of this Agreement shall be for a period of one (1) year from the date first written above. This Agreement shall automatically renew, unless (a) FMCNA otherwise terminates this Agreement upon written notice, or (b) an Entity provides written notice to FMCNA of its intention to have this Agreement terminated as it pertains to such Entity at least sixty (60) days in advance of such renewal date. This Agreement may be terminated by FMCNA as against an Entity for cause by giving thirty (30) days written notice to the Entity specifying default. This Agreement may be terminated by an Entity, only as it pertains to such Entity, for cause by giving thirty (30) days written notice to FMCNA specifying default. . This Agreement may also be terminated at any time unilaterally by FMCNA..

VI. General Provisions

If any provisions of this Agreement shall, at any time, conflict with any applicable state or federal law, or shall conflict with any regulation or regulatory agency having jurisdiction with respect thereto, this Agreement shall be modified in writing by FMCNA to conform to such regulation, law, guideline, or standard established by such regulatory agency.

This Agreement contains the entire understanding of the FMCNA, on its behalf and on behalf of the Entities, with respect to the subject matter hereof and supersedes all negotiations, prior discussions, agreements or understandings, whether written or oral, with respect to the subject matter hereof, as of the date first written above. This Agreement shall bind and benefit the Parties, their respective successors and assigns.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State where Alternative Dialysis Unit is located, without respect to its conflicts of law rules.

FMCNA, Entities, Facilities and Alternative Dialysis Units shall cooperate with each other in the fulfillment of their respective obligations under the terms of this Agreement and to comply with the requirements of the law and with all applicable ordinances, statutes, regulations, directives, orders or other lawful enactments or pronouncements of any federal, state, municipal, local or other lawful authority.

IN WITNESS WHEREOF, this Agreement is executed and delivered as of the date first written above.

**Fresenius Medical Care Holdings, Inc.,
on behalf of itself and the Entities**

By: Bryan Mello
Name: Bryan Mello
Title: Assistant Treasurer
Date: 4/4/2012

RELOCATION OF FACILITIES

- 1) Fresenius Medical Care Galesburg was operating at 81% utilization serving 68 patients as of September 30, 2017. Over the past two years the average utilization was 84%.
- 2) The Fresenius Galesburg facility was established as Western Illinois Kidney Center over 17 years ago with 10 stations. 7 years ago it moved to its current location with 11 stations and 53 patients. In 2013 Fresenius Medical Care acquired the facility. Over the years it has expanded to its current station count of 14 along with one home dialysis training room, although the facility's physical space is limited. It is currently operating in 6,190 GSF which includes the home therapies department. This is below the State standard and the treatment floor and storage areas are cramped and inefficient. The home therapies department treats 24 patients with one training room and requires additional space to be able to meet the demand for home therapies. The facility is currently operating at 81% utilization with 68 patients.

Criterion 1110.1430 (k) – Assurances

I am the Vice President of Operations at Fresenius Medical Care North America who oversees the Galesburg facility. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Galesburg, I certify the following:


1. As supported in this application through expected referrals to Fresenius Medical Care Galesburg in the first two years of operation at the relocated site, the facility is expected to achieve and maintain the utilization standard, specified in 77 Ill. Adm. Code 1100, of 80% and;
2. Fresenius Medical Care Galesburg hemodialysis patients have achieved adequacy outcomes of:
 - o 94% of patients had a URR \geq 65%
 - o 94% of patients had a Kt/V \geq 1.2

and same is expected for the relocated Fresenius Medical Care Galesburg.


Signature

Teri Gurchiek/Vice President of Operations
Name/Title

Subscribed and sworn to before me
this 5th day of Oct, 2017


Signature of Notary

Seal





**FRESENIUS
KIDNEY CARE**

Loren Guzik
Transaction Manager
3500 Lacey Road, Suite 9000
Downers Grove, IL 60515

August 23, 2017

Dr. Partha Srinivasan

RE: Galesburg, IL

Fresenius Kidney Care Letter of Intent

Dear Dr. Srin,

FRESENIUS KIDNEY CARE, a wholly owned subsidiary of FRESENIUS KIDNEY CARE Holdings, Inc. d/b/a FRESENIUS KIDNEY CARE North America ("FMCNA") is pleased to present the following Request for Proposal to lease space from your company.

LANDLORD:	ILLINOIS RENAL SERVICES, LLC.
TENANT:	Fresenius Kidney Care or its affiliates.
LOCATION:	713 N. Seminary, Galesburg, IL 61401.
INITIAL SPACE	
REQUIREMENTS:	Approximately 10,138 sq.ft.
PRIMARY TERM:	An initial lease term of 15 years. The Lease and rent would commence on the date that the facility starts treating patients. For purposes of establishing an actual occupancy date, both parties will execute an amendment after occupancy has occurred, setting forth dates for purposes of calculations, notices, or other events in the Lease that may be tied to a commencement date.
DELIVERY OF PREMISES:	Landlord shall deliver the Premises to FRESENIUS KIDNEY CARE for completion of the Tenant Improvements upon substantial completion of the shell.
OPTIONS TO RENEW:	Three (3), five (5) year options to renew the Lease. Option rental rates shall be based upon Fair Market Value to satisfy Stark Laws.
RENTAL RATE:	\$18.50 Net. Landlord shall be responsible for roof and structural walls.

Letter of Intent for Leased Space



FRESENIUS KIDNEY CARE

Loren Guzik
Transaction Manager
3500 Lacey Road, Suite 9000
Downers Grove, IL 60515

ESCALATION:	3% per year beginning in the second lease year.
LANDLORD BASE BUILDING WORK:	Landlord to construct building according to attached "In Center building Shell Exhibit – Early Access Version 07.2017"
RENT ABATEMENT:	N/A.
CONTRACTOR FOR	
TENANT IMPROVEMENTS:	FRESENIUS KIDNEY CARE will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FRESENIUS KIDNEY CARE shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any. Tenant will need 4 months to complete its interior improvements.
DELIVERIES:	FRESENIUS KIDNEY CARE requires delivery access to the Premises 24 hours per day, 7 days per week.
EMERGENCY GENERATOR:	FRESENIUS KIDNEY CARE shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.
SPACE PLANNING/ ARCHITECTURAL AND MECHANICAL DRAWINGS:	FRESENIUS KIDNEY CARE will provide all space planning and architectural and mechanical drawings required to build out the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the Tenant's responsibility.
PARKING:	Landlord will provide a parking ratio of 5 per 1,000 RSF with as many of those spaces as possible to be directly in front of the building for patient use. FRESENIUS KIDNEY CARE shall require that 10% of the parking be designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at



FRESENIUS KIDNEY CARE

Loren Guzik
Transaction Manager
3500 Lacey Road, Suite 9000
Downers Grove, IL. 60515

when necessary, repairing, resurfacing, repaving, re-striping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

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

UTILITIES:

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

SURRENDER:

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



ZONING AND

RESTRICTIVE COVENANTS:

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

FLOOD PLAIN:

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

CAPITALIZATION TEST:

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

FINANCING:

Landlord will provide a non-disturbance agreement.

ENVIRONMENTAL:

Landlord will provide all environmental soil tests to tenant.

DRAFT LEASE:

FRESENIUS KIDNEY CARE requires the use of its Standard Form Lease.

LEASE SECURITY:

Fresenius Medical Holdings Corp shall fully guarantee the lease. Financials will be provided to the Landlord.

NON-BINDING NATURE:

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



**FRESENIUS
KIDNEY CARE**

Loren Guzik
Transaction Manager
3500 Lacey Road, Suite 9000
Downers Grove, IL. 60515

CON Approval:

The lease shall be contingent upon Tenant's award of a Certificate of Need by the Illinois Health Facilities Planning Commission. Estimated approval month is January 2018.

You may email the proposal to loren.guzik@fmc-na.com. Thank you for your time and cooperation in this matter, should you have any questions please call me at 773.474.1034.

Sincerely,

Loren Guzik
Transaction Manager
Fresenius Kidney Care
Phone: 773.474.1034
e-mail: loren.guzik@fmc-na.com
CC: Mr. Bill Popken

AGREED AND ACCEPTED this 1 st day of SEPTEMBER, 2017

By: PARTHASARATHY SRINIVASAN

Title: Member Manager, Illinois Renal Services, LLC

AGREED AND ACCEPTED this 15th day of September, 2017

By:

Title: Vice President of Operations

Criterion 1120.310 Financial Viability

Financial Viability Waiver

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

2015 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #16-023, Fresenius Kidney Care East Aurora. 2016 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted to the Board with #17-027, Fresenius Medical Care Sandwich. These are the same financials that pertain to this application. In order to reduce bulk these financials can be referred to if necessary.

Criterion 1120.310 (c) Reasonableness of Project and Related Costs

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE								
Department (list below)	A	B	C	D	E	F	G	H
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)
ESRD		182.00			6,488			1,180,816
Contingency		18.00			6,488			116,784
Total Clinical		\$200.00			6,488			1,297,600
Non Clinical		182.00			3,650			664,300
Contingency		18.00			3,650			65,700
Total Non		\$200.00			3,650			730,000
TOTALS		\$200.00			10,138			\$2,027,600
* Include the percentage (%) of space for circulation								

Criterion 1120.310 (d) – Projected Operating Costs

Year 2018

Estimated Personnel Expense:	\$1,266,144
Estimated Medical Supplies:	\$402,864
Estimated Other Supplies (Exc. Dep/Amort):	\$1,366,860
	<u>\$3,035,868</u>
Estimated Annual Treatments:	14,388
Cost Per Treatment:	\$211.00
Estimated Personnel Expense:	\$1,266,144

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

Year 2018

Depreciation/Amortization:	\$160,000
Interest	\$0
Capital Costs:	<u>\$160,000</u>
Treatments:	14,388
Capital Cost per Treatment	\$11.12

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Galesburg, LLC

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

By: *Don A. Sullivan*

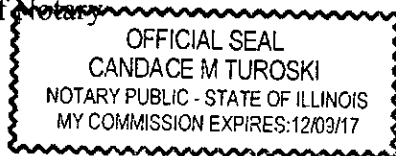
ITS: Vice President of Operations/Manager

Notarization:

Subscribed and sworn to before me
this 5th day of Oct, 2017

Candace M. Turosski
Signature of Notary


Seal




Criterion 1120.310(a) Reasonableness of Financing Arrangements

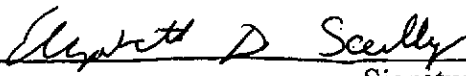
Fresenius Medical Care Holdings, Inc.

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

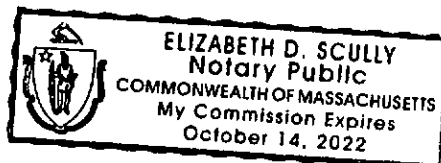
By: 
Title: Thomas D. Brouillard, Jr.
Assistant Treasurer

By: 
Title: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 21 day of February, 2017


Signature of Notary

Seal



Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2017

Signature of Notary

Seal

Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Galesburg, LLC

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

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

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

By: [Signature]
ITS: Vice President Operations

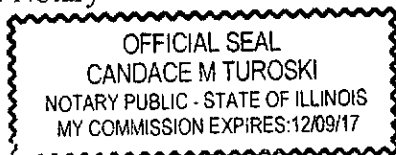
Notarization:

Subscribed and sworn to before me
this 5th day of Oct, 2017

Candace M. Turosski

Signature of Notary

Seal



Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Holdings, Inc.

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

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

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

By: *Bryan Mello*
ITS: Bryan Mello
Assistant Treasurer

By: *Thomas D. Brouillard, Jr.*
ITS: Thomas D. Brouillard, Jr.
Assistant Treasurer

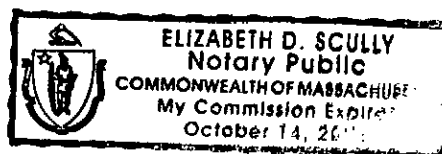
Notarization:
Subscribed and sworn to before me
this 21 day of February, 2017

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2017

Signature of Notary *Elizabeth D. Scully* Signature of Notary

Seal

Seal



Safety Net Impact Statement

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

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

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

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

Safety Net Information per PA 96-0031			
CHARITY CARE			
	2014	2015	2016
Charity (# of patients)	251	195	233
Charity (cost in dollars)	\$5,211,664	\$3,204,986	\$3,269,127
MEDICAID			
	2014	2015	2016
Medicaid (# of patients)	750	396	320
Medicaid (revenue)	\$22,027,882	\$7,310,484	\$4,383,383

Note:

- 1) Charity (self-pay) and Medicaid patient numbers continue to decrease as Fresenius Financial Coordinators assist patients in signing up for health insurance in the Healthcare Marketplace. This provides the patient with insurance coverage not only for dialysis but for other needed healthcare services. Patients who cannot afford the premiums have them paid by the American Kidney Fund.
- 2) Medicaid reported numbers are also impacted by the large number of patients who switched from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2016 of our commercial patients we had 1,230 Medicaid Risk patients with Revenues of \$22,664,352

Charity Care Information

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

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

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

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

Uncompensated Care For All Fresenius Facilities in Illinois

CHARITY CARE			
	2014	2015	2016
Net Patient Revenue	\$411,981,839	\$438,247,352	\$449,611,441
Amount of Charity Care (charges)	\$5,211,664	\$3,204,986	\$3,269,127
Cost of Charity Care	\$5,211,664	\$3,204,986	\$3,269,127

Note:

- 1) Charity (self-pay) and Medicaid patient numbers continue to decrease as Fresenius Financial Coordinators assist patients in signing up for health insurance in the Healthcare Marketplace. This provides the patient with insurance coverage not only for dialysis but for other needed healthcare services. Patients who cannot afford the premiums have them paid by the American Kidney Fund.
- 2) Medicaid reported numbers are also impacted by the large number of patients who switched from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2016 of our commercial patients we had 1,230 Medicaid Risk patients with Revenues of \$22,664,352

Fresenius Medical Care North America - Community Care

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

American Kidney Fund

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

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

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

Indigent Waiver Program

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

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

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

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

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

IL Medicaid and Undocumented patients

FMCNA has a bi-lingual Regional Insurance Coordinator who works directly with Illinois Medicaid to assist patients with Medicaid applications. An immigrant who is unable to produce proper documentation will not be eligible for Medicaid unless there is a medical emergency. ESRD is considered a medical emergency.

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

FMCNA Collection policy

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

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

Medicare and Medicaid Eligibility

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

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

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

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

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

Self-Pay

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

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

YOUR TRIP TO:

mapquest

1225 N Main St, Monmouth, IL, 61462-1277

23 MIN | 16.8 MI **Est. fuel cost: \$1.51**

Trip time based on traffic conditions as of 9:28 AM on October 12, 2017. Current Traffic: Moderate

TO FKC MAPLE CITY

1. Start out going **south** on N Seminary St toward E Losey St.

Then 0.43 miles

0.43 total miles

2. Turn **slight left** onto N Kellogg St.

Then 0.18 miles

0.62 total miles

3. Take the 3rd **right** onto E Main St/US-150 W.*E Main St is just past E Ferris St.**If you are on S Kellogg St and reach E Simmons St you've gone a little too far.*

Then 0.23 miles

0.84 total miles



4. Enter next roundabout and take the 2nd exit onto W Main St.

Then 2.22 miles

3.06 total miles

5. Merge onto US-34 W/Chicago-Kansas City Expressway W toward **Monmouth**.

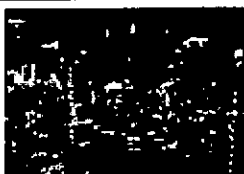
Then 13.69 miles

16.75 total miles

6. Turn **left** onto N Main St.*N Main St is 0.3 miles past N 6th St.*

Then 0.06 miles

16.81 total miles

7. 1225 N Main St, Monmouth, IL 61462-1277, 1225 N MAIN ST is on the **left**.*If you reach Americinn Way you've gone a little too far.*Use of directions and maps is subject to our [Terms of Use](#). We don't guarantee accuracy, route conditions or usability. You assume all risk of use.Book a hotel tonight and
save with some great deals!

(1-877-577-5766)

Car trouble mid-trip?
MapQuest Roadside
Assistance is here:(1-888-461-3635)
MapQuest Travel Time

APPENDIX - 1



Illinois Kidney Disease & Hypertension Center



RenalCare
Associates, S.C.

Nephrology Associates

Alexander J. Alonso, M.D.
Robert Bruha, M.D.
Sudha Cherukuri, M.D.
Anthony R. Horinek, M.D.
Raji Jacob, M.D.
Gordon W. James, M.D.
Amit B. Jannadas, M.D.
Usman Khan, M.D.
Muhammad Khattak, M.D.
Dinesh K. Kannabhiran, M.D.
Timothy A. Pflederer, M.D.
David C. Rosborough, M.D.
Santer B. Sader, M.D.
Kunarpal C. Shrivastava, M.D.
Robert T. Sparrow, M.D., FASH
Parthasarathy Srinivasan, M.D.

Surgery Associates

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

Physician Assistants

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

Nurse Practitioners

Sarah Adams, APN
Judith A. Danszen, A.P.R.N.-B.C.
Karen A. Helfers, F.N.P.
Catherine Lang, APN
Tonya K. McDougall, F.N.P.
Tanya Moore, APN
DaNae Nelson, APN
Jill C. Peterson, A.N.P.

Executive Director

Beth A. Shaw, MBA

Director of Operations

Annette Miller, MSN, RN, CEN, CNE

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

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

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

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

October 9, 2017

Ms. Courtney Avery

Administrator

Illinois Health Facilities & Services Review Board

525 W. Jefferson St., 2nd Floor

Springfield, IL 62761

Dear Ms. Avery:

My name is Parthasarathy Srinivasan, M.D. and I am a nephrologist practicing in western Illinois with Renal Care Associates (RCA) and am the medical director at Fresenius Medical Care Galesburg. I am writing to support the relocation of the 14-station Galesburg facility. The facility has added stations several times to allow for increased demand for dialysis services which has resulted in a crowded treatment area.

I am a strong proponent for home therapies and currently have 24 home dialysis patients I treat at the Galesburg facility. The home therapies allocated space has also become extremely small for the size of the program. Additional space is needed to add another training room. Moving the facility to a larger space will allow for a more efficient in-center facility with room for future expansion if necessary and room to expand the home therapies department.

My partner and I have referred 22 new patients for hemodialysis services over the past twelve months. We were treating 73 hemodialysis patients at the end of 2014, 81 at the end of 2015, 82 at the end of 2016, and 85 as of September 30, 2017. We have 152 Stage 4 Chronic Kidney Disease patients in our practice who live in the Galesburg area and I expect to refer 46 of them to the Galesburg facility in the first two years after its relocation.

I respectfully ask the Board to approve the relocation of Fresenius Medical Care Galesburg dialysis facility to allow the facility to operate in adequate space while providing access to home therapies and future in-center expansion. Thank you for your consideration.

94

Physician Referral Letter
APPENDIX - 2



**Illinois
Kidney Disease &
Hypertension Center**



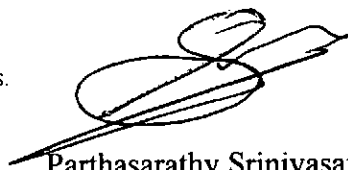
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David C. Rosborough, M.D.
Samer B. Sader, M.D.
Kumarpal C. Shrinimal, M.D.
Robert T. Sparrnw, M.D., FASH
Parthasarathy Srinivasan, M.D.

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

Sincerely,



Parthasarathy Srinivasan, M.D.

Surgery Associates

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

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(309) 343-4114

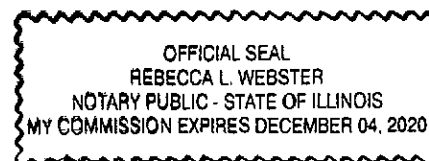
Ottawa
1050 E. Norris Dr., Suite 2C
(815) 431-0785

Notarization:

Subscribed and sworn to
before me
this 11th day of October,
2017



Signature of Notary
(seal)





Illinois
Kidney Disease &
Hypertension Center



RenalCare
Associates, S.C.

**CURRENT FRESenius GALESBURG PATIENTS
WHO WILL TRANSFER TO THE RELOCATED FACILITY**

Current Galesburg	
Zip Code	Patients
61401	49
61410	5
61412	1
61430	1
61442	2
61448	5
61486	1
61488	2
61489	2
Total	68

**PRE-ESRD PATIENTS EXPECTED TO BE REFERRED TO THE GALESBURG
FACILITY THE 1ST TWO YEARS AFTER RELOCATING**

ZIP Code	Patients
61401	34
61410	2
61414	1
61428	1
61448	3
61472	1
61489	1
61490	1
Total	46



Illinois
Kidney Disease &
Hypertension Center



RenalCare
Associates, S.C.

**NEW HEMODIALYSIS REFERRALS OF DR. SRINIVASAN'S PRACTICE
FOR THE PAST 12 MONTHS**

Zip	Fresenius Kidney Care	
Code	Galesburg	Maple City
61401	17	
61462		2
61473		2
61469		1
Totals	17	5
Grand Total		22

DR. SRINIVASAN'S PRACTICE HEMODIALYSIS PATIENTS

Zip Code	FKC Galesburg
61401	53
61410	4
61414	1
61415	1
61430	1
61462	8
61467	1
61486	1
61488	1
61488	1
61489	1
Total	73

Zip Code	FKC Galesburg
61401	52
61410	5
61412	1
61415	2
61430	2
61442	1
61462	9
61465	1
61467	1
61486	2
61488	2
61488	1
61489	1
61490	1
Total	81

Zip Code	FKC Galesburg	FKC Maple City
61401	49	
61410	5	
61412	1	
61430	1	
61442	2	
61448	5	
61462		11
61469		1
61473		2
61486	1	
61488	2	
61489	2	
Total	68	14
Grand Total		82

Zip Code	FKC Galesburg	FKC Maple City
61401	49	
61410	5	
61412	1	
61430	1	
61442	2	
61448	5	
61462		12
61469		4
61473		1
61486	1	
61488	2	
61489	2	
Total	68	17
Grand Total		85