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July 13, 2018

Via Hand Delivery

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

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

**Re: Dialysis Care Center Rockford (Proj. No. 17-070)
Response to State Board Report**

Dear Ms. Avery:

Polsinelli represents DaVita Inc. In this capacity, we are writing in response to the Illinois Health Facilities and Services Review Board's ("State Board") findings on the Dialysis Care Center Rockford ("DCC Rockford") application for permit to establish a 12 station dialysis clinic to be located at 657 Highgrove Place, Rockford, Illinois (the "Proposed Facility") as published in its July 10, 2018 report ("Board Staff Report"). Pursuant to Section 6(c-5) of the Illinois Health Facilities Planning Act (the "Planning Act"), the Applicants submit the following comment to the Board Staff Report.

By way of background, DaVita submitted an application for an 8 station dialysis clinic in south Rockford to be known as Alpine Dialysis (Project No. 17-039). The Alpine Dialysis clinic proposal was considered at the April 17, 2018 State Board meeting. DaVita's Alpine Dialysis project received two negative findings in its State Board report issued just three months ago, namely:

(1) Planning Area Need which was due to an excess of stations in the relevant Planning Area, HSA 1; and

(2) Unnecessary Duplication of Service, Maldistribution of Service, Impact to Other Providers which was due to the determination that sufficient capacity among the existing clinics existed.

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Since the denial of the Alpine Dialysis application, nothing has changed. Accordingly, it was our expectation that the State Board would make the same finding on Unnecessary Duplication of Service, Maldistribution of Service, Impact to Other Providers for the Proposed Facility as it did for the Alpine Dialysis application, which is just 5 miles away in Rockford proper.

As noted in DaVita's June 27, 2018 comment, the DCC Rockford Proposed Facility has many flaws and deficiencies that were not present in the Alpine Dialysis application. Certain of the deficiencies we cited are noted and we acknowledge and appreciate that fact. Notably absent is a deficient finding on the Unnecessary Duplication of Service, Maldistribution of Service, Impact to Other Providers criterion.

Given nothing has changed since denial of the Alpine Dialysis application, we expected the Proposed Facility application would not be compliant with this criterion. There is a normal distribution of stations for the Proposed Facility site compared to the statewide average. And as stated in the Alpine State Board report,

the seven facilities within the 30 minute service area are all within 20 minutes of the proposed facility and the ***existing facilities can accommodate an additional 89 patients before reaching target occupancy.*** All of the dialysis facilities that have been approved by the State Board attest that they will maintain an open medical staff allowing any nephrologist to round at that facility.¹

A negative finding for Unnecessary Duplication of Services/Maldistribution of Services/Impact to Other Providers should be made and reported on the summary on page 3 of the DCC Rockford report.

¹ Illinois Health Facilities and Services Review Board, Alpine Dialysis, DaVita Alpine Dialysis Supplemental State Board Report 10 (Apr. 17, 2018) available at <https://www2.illinois.gov/sites/hfsrb/Projects/ProjectDocuments/2017/17-039/18.%2017-039%20DaVita%20Alpine%20Dialysis%20Supplemental%203.pdf> (last visited Jul. 11, 2018) (emphasis added).



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Thank you for your consideration of the Applicants' response to the State Board's findings for the DCC Rockford application for permit.

Sincerely,

A handwritten signature in blue ink that reads "Anne M. Cooper".

Anne M. Cooper

cc: Mary J. Anderson