18-037

ORIGINAL

150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606-1599 • 312.819.1900

October 10, 2018

Anne M. Cooper
(312) 873-3606
(312) 819-1910 fax
acooper@polsinelli.com

RECEIVED

OCT 12 2018

HEALTH FACILITIES &
SERVICES REVIEW BOARD

FEDERAL EXPRESS

Michael Constantino
Supervisor, Project Review Section
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: Application for Permit – Cicero Dialysis

Dear Mr. Constantino:

I am writing on behalf of DaVita Inc. and Hopkinton Dialysis LLC (collectively, "DaVita") to submit the attached Application for Permit to establish a 12-station dialysis facility in Cicero, Illinois. For your review, I have attached an original and one copy of the following documents:

1. Check for $2,500 for the application processing fee;
2. Completed Application for Permit;
3. Copies of Certificate of Good Standing for the Applicants;
4. Authorization to Access Information; and
5. Physician Referral Letter.

Thank you for your time and consideration of DaVita's application for permit. If you have any questions or need any additional information to complete your review of the DaVita's application for permit, please feel free to contact me.

Sincerely,

[signature]

Anne M. Cooper

Attachments

[ORIGINAL 18-037

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

RECEIVED

OCT 12 2018

HEALTH FACILITIES & SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name: Cicero Dialysis		
Street Address: 6001 Ogden Avenue		
City and Zip Code: Cicero, Illinois 60804		
County: Cook	Health Service Area: 7	Health Planning Area:

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

Exact Legal Name: DaVita Inc.
Street Address: 2000 16th Street
City and Zip Code: Denver, Colorado 80202
Name of Registered Agent: Illinois Corporation Service Company
Registered Agent Street Address: 801 Adlai Stevenson Drive
Registered Agent City and Zip Code: Springfield, Illinois 62703
Name of Chief Executive Officer: Kent Thiery
CEO Street Address: 2000 16th Street
CEO City and Zip Code: Denver, Colorado 80202
CEO Telephone Number:

Type of Ownership of Applicants

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

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which 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.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Kara Friedman
Title: Attorney
Company Name: Polsinelli PC
Address: 150 North Riverside Plaza, Suite 3000, Chicago, Illinois 60606-1599
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number:

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

Name: Gaurav Bhattacharyya
Title: Division Vice President
Company Name: DaVita Inc.
Address: 1301 W 22nd Street Suite 603, Oak Brook IL 60523
Telephone Number: (630) 382-0490
E-mail Address: gauravb@davita.com
Fax Number:

64712424.1

Facility/Project Identification

Facility Name: Cicero Dialysis		
Street Address: 6001 Ogden Avenue		
City and Zip Code: Cicero, Illinois 60804		
County: Cook	Health Service Area: 7	Health Planning Area:

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

Exact Legal Name: Hopkinton Dialysis, LLC
Street Address: 2000 16th Street
City and Zip Code: Denver, Colorado 80202
Name of Registered Agent: Illinois Corporation Service Company
Registered Agent Street Address: 801 Adlai Stevenson Drive
Registered Agent City and Zip Code: Springfield, Illinois 62703
Name of Chief Executive Officer: Kent Thiery
CEO Street Address: 2000 16th Street
CEO City and Zip Code: Denver, Colorado 80202
CEO Telephone Number:

Type of Ownership of Applicants

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Title: Attorney
Company Name: Polsinelli PC
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Fax Number:

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

Name: Gaurav Bhattacharyya
Title: Division Vice President
Company Name: DaVita Inc.
Address: 1301 W 22nd Street Suite 603, Oak Brook IL 60523
Telephone Number: (630) 382-0490
E-mail Address: gauravb@davita.com
Fax Number:

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: Kara Friedman
Title: Attorney
Company Name: Polsinelli PC
Address: 150 North Riverside Plaza, Suite 3000, Chicago, Illinois 60606-1599
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number:

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: National Shopping Plazas, Inc.
Address of Site Owner: 200 W Madison St #4200, Chicago, IL 60606
Street Address or Legal Description of the Site: 6001 Ogden Avenue, Cicero, Illinois 60804 The legal description of the Site is attached at Attachment – 2A **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: Hopkinton Dialysis, LLC
Address: 2000 16th Street, Denver, Colorado 80202

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

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

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 1110.20 and Part 1120.20(b)]

Part 1110 Classification:

- ☒ Substantive
- ☐ Non-substantive

64712424.1

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.

DaVita Inc. and Hopkinton Dialysis, LLC (collectively, "DaVita" or the "Applicants") seek authority from the Illinois Health Facilities and Services Review Board to establish a 12-station dialysis clinic to be located at 6001 Ogden Avenue, Cicero, Illinois 60804. The proposed dialysis clinic will include approximately 6,776 contiguous rentable square feet.

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

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts	$1,537,758		$1,537,758
Modernization Contracts			
Contingencies	$153,775		$153,775
Architectural/Engineering Fees	$84,750		$84,750
Consulting and Other Fees	$55,907		$55,907
Movable or Other Equipment (not in construction contracts)	$580,853		$580,853
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	$2,277,230		$2,277,230
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	**$4,690,273**		**$4,690,273**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$2,413,043		$2,413,043
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	$2,277,230		$2,277,230
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	**$4,690,273**		**$4,690,273**

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $________
Fair Market Value: $________.

The project involves the establishment of a new facility or a new category of service
☒ Yes ☐ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is $ 1,268,967.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☐ Preliminary

☒ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): January 31, 2021

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ 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
☒ Financial Commitment will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable:
☐ Cancer Registry Not Applicable
☐ APORS Not Applicable
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **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.**

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

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

Facility Bed Capacity and Utilization NOT APPLICABLE

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

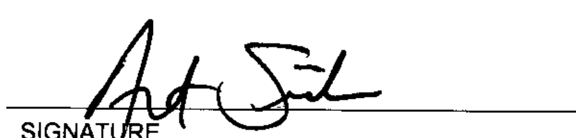
FACILITY NAME:			**CITY:**		
REPORTING PERIOD DATES:		**From:**		**to:**	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic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

CERTIFICATION

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

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

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



SIGNATURE

Arturo Sida

PRINTED NAME

Assistant Corporate Secretary

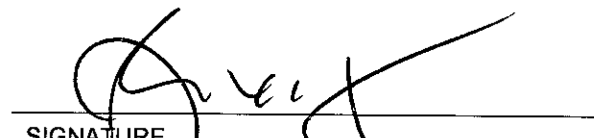
PRINTED TITLE

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

See Attached

Signature of Notary

Seal



SIGNATURE

James K. Hilger

PRINTED NAME

Chief Accounting Officer

PRINTED TITLE

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

Signature of Notary

Seal

*Insert EXACT legal name of the applicant

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

State of California

County of Los Angeles

On August 22, 2018 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

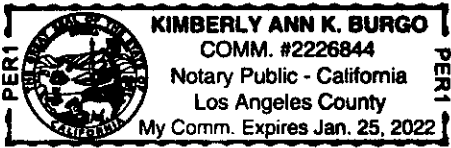
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: IL CON Application (DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC)

Document Date: August 22, 2018 Number of Pages: 1 (one)

Signer(s) if Different Than Above: ____________

Other Information: ____________

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer Assistant Corporate Secretary / Secretary
(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: ____________

SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC

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;
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- 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 Hopkinton Dialysis, 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 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	SIGNATURE
Arturo Sida	James K. Hilger
PRINTED NAME	PRINTED NAME
Secretary, Total Renal Care, Inc., Managing Member, Hopkinton Dialysis, LLC	Chief Accounting Officer, Total Renal Care, Inc., Managing Member of Hopkinton Dialysis, LLC
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of ___________ See Attached	Notarization: Subscribed and sworn to before me this 28 day of August 2018
Signature of Notary	Signature of Notary
Seal	Seal Notary Public State of Washington NICOLE BRUMMOND My Appointment Expires Oct 7, 2019

*Insert EXACT legal name of the applicant

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

State of California

County of Los Angeles

On August 22, 2018 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

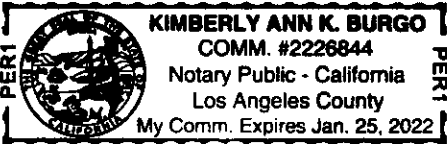
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: IL CON Application (DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC)

Document Date: August 22, 2018 Number of Pages: 1 (one)

Signer(s) if Different Than Above: ______

Other Information: ______

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer Assistant Corporate Secretary / Secretary
(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: ______

SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC

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.

1110.110(a) – Background of the Applicant

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 1110.110(b) & (d)

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 <u>ALL</u> of the alternatives to the proposed project:

Alternative options <u>must</u> 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 <u>ATTACHMENT 13,</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.120 - 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	MEET STANDARD?
YEAR 1					
YEAR 2					

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (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:

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.

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing the establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion, and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

F. Criterion 1110.230 - 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
☒ In-Center Hemodialysis	0	12

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.230(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.230(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.230(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.230(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.2300(b)(5) - Planning Area Need - Service Accessibility	X		
1110.230(c)(1) - Unnecessary Duplication of Services	X		
1110.230(c)(2) - Maldistribution	X		
1110.230(c)(3) - Impact of Project on Other Area Providers	X		
1110.230(d)(1), (2), and (3) - Deteriorated Facilities and Documentation			X
1110.230(e) - Staffing	X	X	
1110.230(f) - Support Services	X	X	X
1110.230(g) - Minimum Number of Stations	X		
1110.230(h) - Continuity of Care	X		
1110.230(i) - Relocation (if applicable)	X		
1110.230(j) - 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 1110.230(i) - 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]:**

Amount		
$2,413,043	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
________	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
________	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
$2,277,230 (Lease FMV)	d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.

_______	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_______	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_______	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
$4,690,273	**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				
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									
	A	B	C	D	E	F	G	H	
Department (list below)	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. $ (A x C)	Mod. $ (B x E)	Total Cost (G + H)
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

APPEND DOCUMENTATION AS ATTACHMENT 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			
Charity (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Charity (cost In dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

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

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

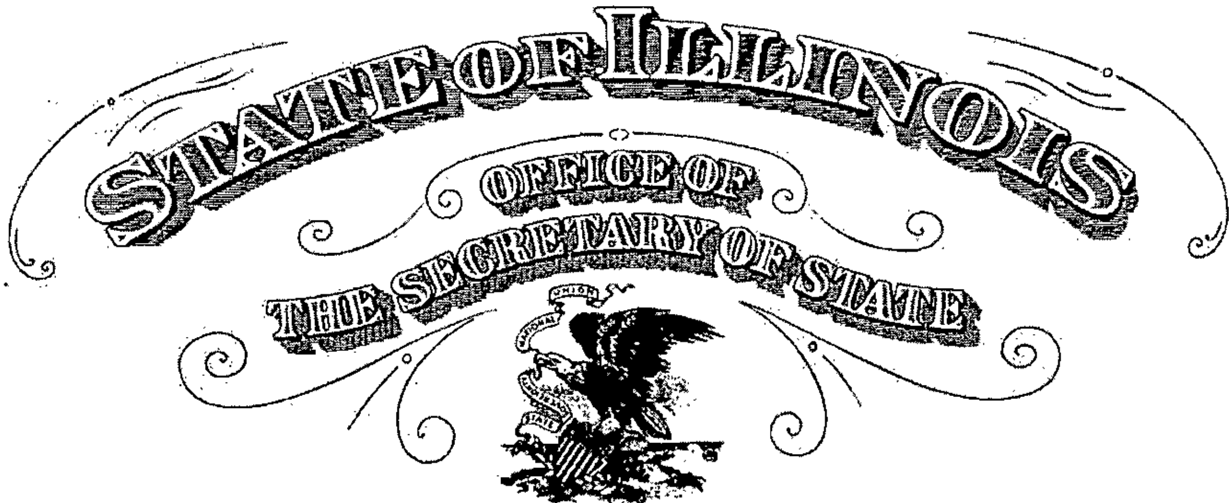
Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for DaVita Inc. and Hopkinton Dialysis, LLC (collectively, the "Applicants" or "DaVita") are attached at Attachment – 1.

Hopkinton Dialysis, LLC will be the operator of Cicero Dialysis. Cicero Dialysis is a trade name of Hopkinton Dialysis, LLC and is not separately organized.

As the person with final control over the operator, DaVita Inc. is named as an applicant for this CON application. DaVita Inc. does not do business in the State of Illinois. A Certificate of Good Standing for DaVita Inc. from the state of its incorporation, Delaware, is attached.

File Number 0689056-3



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

HOPKINTON DIALYSIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON AUGUST 06, 2018, 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* 5TH *day of* SEPTEMBER *A.D.* 2018 .

Authentication #: 1824801688 verifiable until 09/05/2019
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SIXTEENTH DAY OF AUGUST, A.D. 2018.

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

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

Jeffrey W. Bullock, Secretary of State

2391269 8300

SR# 20186216280

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

Authentication: 203263018

Date: 08-16-18

Attachment - 1

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

The letter of intent between National Shopping Plazas, Inc. and Hopkinton Dialysis, LLC to lease the property located at 6001 Ogden Avenue, Cicero, Illinois 60804 is attached at Attachment – 2.

CUSHMAN & WAKEFIELD
225 West Wacker Drive, Suite 3000
Chicago, IL 60606
Web: www.cushmanwakefield.com

July 11, 2018

Jonathan Hanus
National Shopping Plazas, Inc.
200 West Madison Street, Suite 4200
Chicago, IL 60606

RE: LOI – 6001 W Ogden Ave, Cicero, IL 60804

Mr. Hanus:

Cushman & Wakefield ("C&W") has been authorized by Total Renal Care, Inc. a subsidiary of DaVita Inc. to assist in securing a lease requirement. DaVita Inc. is a Fortune 200 company with revenues of approximately $13 billion. They operate 2,278 outpatient dialysis centers across the US and 124 in 10 countries outside the US. Below is the proposal outlining the terms and conditions wherein the Tenant is willing to lease the subject premises:

PREMISES: To be constructed single tenant building located at 6001 W Ogden Ave, Cicero, IL 60804

Please verify address of premises and provide a legal site description

TENANT: Total Renal Care, Inc. or related entity to be named with DaVita Inc. as lease guarantor

LANDLORD: National Shopping Plazas, Inc., an Illinois corporation, as leasing agent

SPACE REQUIREMENTS: Requirement is for approximately 6,776 SF of contiguous rentable square feet. Tenant shall have the right to measure space based on the most recent BOMA standards. Final premises rentable square footage to be confirmed prior to lease execution with approved floor plan and attached to lease as an exhibit.

PRIMARY TERM: 15 years

BASE RENT: $33.75 per square foot NNN Years 1-5;
$37.13 per square foot NNN Years 6-10;
$40.84 per square foot NNN Years 11-15.

ADDITIONAL EXPENSES: If the cumulative pass-through costs for CAM, insurance and real estate taxes exceed $6.50 psf per annum for the period from rent commencement through December 31, 2019, Landlord, not Tenant, shall bear such excess for such period. Tenant's reimbursement obligation relative to Controllable CAM costs (e.g., not including snow and ice removal costs, utility charges, insurance premiums and other uncontrollable CAM costs) shall be capped at $1.50 psf per annum through December 31, 2019, and such cap shall increase on a cumulative

basis at 5% per annum, rounded to the nearest penny, each year thereafter (i.e., $1.50 psf per annum through 2019, $1.58 psf per annum for 2020, $1.66 psf per annum for 2021, etc.).

Tenant will be responsible for paying for all utilities from use of the Premises (although water may be billed under a submeter or as part of CAM if there is no separate meter or submeter).

LANDLORD'S MAINTENANCE: Landlord, at its sole cost and expense, shall be responsible for the structural components, roof and foundations of the Premises.

POSSESSION AND RENT COMMENCEMENT: Subject to force majeure, Landlord shall deliver Possession of the Premises to Tenant with Landlord's Work complete (except for punch list work) within 250 days from the latest of lease execution, waiver of CON contingency or Landlord's receipt of its building permits for Landlord's Work. Rent Commencement shall be the earlier of Tenant's opening for business at the Premises or 90 days from Possession. Landlord and Tenant shall work together to save time while Landlord is constructing the building shell and will consider any and all time saving methods for faster completion and delivery of the space to Tenant, subject to such working together and methods not impairing or interfering with Landlord's prosecution and completion of Landlord's Work.

LEASE FORM: The lease shall be based on the lease between Landlord's affiliate and Tenant for property in Woodridge, IL with changes thereto per the terms of this letter.

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

Landlord shall diligently seek any approvals or variances that may be necessary to permit Tenant's use within the Premises.

PARKING: Parking shall be provided in compliance with applicable law (including by variance, if applicable). If Tenant requests:

a) Handicapped stalls shall be located near the front door to the Premises; and
b) A patient drop off area shall be provided.

Landlord shall diligently pursue any necessary variances with the town of Cicero to satisfy Tenant's parking requirements described above.

BUILDING SYSTEMS: Landlord shall warrant that the portions of the building's mechanical, electrical, plumbing, HVAC systems, roof, and foundation that are constructed or installed as part of Landlord's Work shall be in good order and repair for one year after lease commencement. Furthermore, Landlord will remain responsible for ensuring the parking and common areas are ADA compliant.

LANDLORD'S WORK: Landlord shall deliver to the Premises the Minimum Base Building Improvements pursuant to the attached Exhibit B.

Landlord's Work includes pouring the floor slab of the Premises and work related thereto (the "Floor Slab Work"), but the parties agree that Landlord's Work shall be considered completed, for purposes of delivery of the Premises to Tenant, calculation of the rent commencement date and all other purposes of the Lease, when Landlord's Work (except for punch list work and excluding the Floor Slab Work) has been completed, and Landlord agrees to perform the Floor Slab Work promptly following receipt of written notice from Tenant that Tenant has completed all of the underground plumbing and other work that it intends to perform and desires that Landlord perform the Floor Slab Work.

Prior to construction start, Landlord and Tenant shall coordinate schedules to allow for underground work to not impact floor slab work timing and turnover.

Landlord will provide early access for tenant improvements with Tenant's construction team once the building slab is poured, under roof, and exterior walls are up, subject to such early access not impairing or interfering with Landlord's prosecution and completion of Landlord's Work.

In addition, Landlord shall deliver the building structure and main utility lines serving the building in good working order and shape. If any defects in Landlord's Work are found, prior to or during Tenant construction (which are not the fault of Tenant), repairs will be made by Landlord at its sole cost and expense. Any repairs shall meet all applicable federal, state and local laws, ordinances and regulations and approved a Structural Engineer and Tenant.

TENANT IMPROVEMENTS: Landlord will provide Tenant with a $10.00/psf Tenant Improvement Allowance ("TIA") in lieu of Landlord Work installation of HVAC units. Tenant shall have the TIA paid directly to Tenant's general contractor. TIA to be Tenant's sole discretion and the right to select architectural and engineering firms, no supervision fees associated with construction, and no charges may be imposed by Landlord.

OPTION TO RENEW:	Tenant desires three, five-year options to renew the lease. Option rent shall be increased by 10% after Year 15 of the initial term and at the commencement of each successive five-year option period.
FAILURE TO DELIVER PREMISES:	If Landlord has not delivered the Premises to Tenant with Landlord's Work substantially completed (except for punch list work) by 320 days from the latest of lease execution, Tenant's waiver of CON contingency or Landlord's receipt of building permits for Landlord's Work (such 320 days date, as extended for any delays caused by force majeure, the "Penalty Delivery Date"), Tenant shall be entitled to receive one day of rent abatement for every day of delay beyond the Penalty Delivery Date that the Premises are not so delivered to Tenant.
HOLDING OVER:	Tenant shall be obligated to pay 150% of the then current rate.
TENANT SIGNAGE:	Tenant shall have the right to install building signage at the Premises, and a pylon or monument sign at the Shopping Center, in each case subject to Landlord approval, which shall not be unreasonably withheld, and compliance with all applicable laws and regulations.
BUILDING HOURS:	If permitted by applicable laws and codes, Tenant requires building hours of 24 hours a day, seven days a week.
SUBLEASE/ASSIGNMENT:	Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of DaVita Inc. without the consent of Landlord, or to unrelated entities with Landlord's reasonable approval.
ROOF RIGHTS:	Tenant shall have the right to place a satellite dish on the roof at no additional fee.
NON COMPETE:	None.
HVAC:	In lieu of delivering HVAC units that meet Tenant's specifications, Landlord will provide a TIA as described above.
GOVERNMENTAL COMPLIANCE:	Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause Landlord's Work to be performed in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and that, to the best of Landlord's knowledge, no environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, that violate applicable law exist with respect to the Premises and Landlord shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s).

CUSHMAN & WAKEFIELD

CERTIFICATE OF NEED: Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need (CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to December 7, 2018. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises on or prior to December 7, 2018, neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE: Landlord recognizes C&W as the Tenant's sole representative and shall pay a brokerage fee per separate agreement. Tenant shall retain the right to offset rent for failure to pay the brokerage fee.

CONTINGENCIES: This proposal is subject to Landlord securing and closing on the property and aforementioned premises. In the event Landlord or Tenant is not successful in obtaining all necessary zoning, parking, and use approvals for Tenant's intended initial use prior to Landlord's aforesaid closing on the property, Tenant shall have the right, but not the obligation, to terminate the lease by notice to Landlord delivered prior to Landlord's closing on the property.

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

Sincerely,

Matthew Gramlich

CC: DaVita Regional Operational Leadership

SIGNATURE PAGE

LETTER OF INTENT: 6001 W Ogden Ave, Cicero, IL 60804

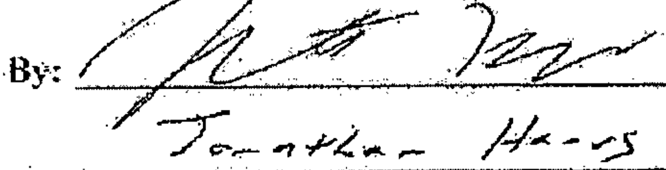
AGREED TO AND ACCEPTED THIS 13 DAY OF ~~JULY~~ August 2018

By: ______________________________

On behalf of Total Renal Care, Inc., a subsidiary of DaVita, Inc.
("Tenant")

AGREED TO AND ACCEPTED THIS 11th DAY OF JULY 2018

NATIONAL SHOPPING PLAZAS, INC., AS LEASING AGENT



By: ______________________________

Jonathan Harris

("Landlord")

CUSHMAN & WAKEFIELD

EXHIBIT A

NON-BINDING NOTICE

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

EXHIBIT B

**[OPTION 1: MBBI - FOR GROUND UP DEVELOPMENT (NEW BUILDING)]
[SUBJECT TO MODIFICATION BASED ON INPUT FROM TENANT'S PROJECT MANAGER WITH RESPECT TO EACH PROJECT]**

LANDLORD'S WORK

A. GENERAL INFORMATION: All Landlord's Work (as defined below) shall be coordinated and approved by Tenant and Tenant's consultants ("Consultants") prior to any work being started, including shop drawings and submittals reviews. The plans and specifications for Landlord's Work (including, without limitation, Mechanical, Electrical, Plumbing, Structural, Civil and Environmental) shall be prepared by a licensed architect or engineer (as applicable) and shall be approved by applicable governmental authorities having jurisdiction thereof ("GAHJ"). Landlord shall provide to Tenant (i) any and all existing civil, architectural and engineering drawings of the Building and Premises, (ii) a construction schedule and weekly updates, and (iii) if needed, reasonable access to other tenant spaces in order for Tenant to complete Tenant's improvements in the Premises.

B. WORKMANSHIP & CODES: All Landlord's Work shall conform to the best industry standards and shall be constructed in accordance with all applicable utility provider requirements and federal, state, county, local and other GAHJ laws, codes, rules, regulations, ordinances, and orders, including, without limitation, related amendments, building and safety codes, fire and life safety codes, barrier-free regulations, energy codes, State Department of Public Health regulations, and other applicable laws, codes, rules, regulations, ordinances, and orders (collectively, "Applicable Code"). All materials shall be new, first quality and installed in strict accordance with manufacturer's instructions and recommendations. Building design will follow DaVita shell prototype design package ("DaVita Shell Prototype") provided to Landlord by Tenant.

C. LANDLORD'S WORK: Landlord, at its sole cost and expense, shall complete the following work (collectively, "Landlord's Work"):

1.0 Zoning & Permitting: Building and Premises must be zoned, certified and approved by GAHJ to perform services as an outpatient medical dialysis clinic. Landlord shall provide all zoning information related to the base building. Any zoning, certifications and land use approvals or changes/variances necessary for use of the Premises as an outpatient medical dialysis clinic shall be the responsibility of the Landlord. Landlord to provide all permitting related to the base building and site improvements. All permits and fees associated with Landlord's Work shall be the responsibility of the Landlord.

2.0 Foundation and Floor: The foundation and floor of the building shall be in accordance with Applicable Code requirements. The foundation and concrete slab shall be designed by the Landlord's engineer to accommodate site-specific climate and soil conditions and recommendations per Landlord's soil engineering and exploration report, which design and report shall be reviewed and approved by Tenant's

Consultants. Foundation to consist of formed concrete spread footing with horizontal reinforcing sized per geotechnical engineering report. Foundation wall, sized according to exterior wall systems used and to consist of formed and poured concrete with reinforcing bars or a running bond masonry block with proper horizontal and vertical reinforcing within courses and cells. Internal masonry cells to be concrete filled full depth entire building perimeter up to finish floor at a minimum. Foundation wall to receive poly board R-10 insulation on interior side of wall on entire building perimeter (if required by Applicable Code). Provide proper foundation drainage. The floor shall be concrete slab on grade and shall be a minimum of four-inch (4") (five-inch (5") at Water treatment room) thick with minimum concrete strength of 3,000-psi to achieve not more than 90% relative humidity, wire or fiber mesh, and/or rebar reinforcement, over 10mil vapor barrier and granular fill per Landlord's soils and/or structural engineering team based on soil conditions and report from Landlord's soils engineer. Finish floor elevation to be a minimum of 8" above finish grade. Where not achievable, provide positive water flow away from the building and use appropriate waterproofing measures. Include proper expansion control joints. Floor shall be level (1/8" with 10' of run), smooth, broom clean with no adhesive residues, in a condition that is acceptable to install floor coverings in accordance with the flooring manufacturer's specifications. Concrete slab shall be tested by Landlord and shall not have more than 90% relative humidity as emitted per ASTM F2170 checklist. Means and methods to achieve this condition shall be responsibility of the Landlord. Under slab plumbing shall be installed by Tenant's General Contractor in coordination with Landlord's General Contractor, inspected by municipality and Tenant for approval prior to pouring the building slab.

3.0 Structural: Structural systems shall be designed to provide a minimum 13'-0" clearance (for 10'-0" finished ceiling height) to the underside of the lowest structural member from finished slab. Structure shall meet building steel (Type II construction or better) erection requirements, standards and Applicable Codes. Alternate building structures must be approved by Tenant. Structural design to allow for ceiling heights (as indicated above) while accommodating all mechanical, plumbing, and electrical above ceiling. Structure to include all necessary members including, but not limited to, columns, beams, joists, load bearing walls, and demising walls. Landlord shall coordinate column spacing and locations with Tenant's Architect. Treatment room shall be column free. The structure of the roof must be able to accommodate all of Tenant's rooftop equipment (including, without limitation, HVAC RTUs (x5) typically on average 1,000 lbs. each, roof hatch (x1) and exhaust fans (x4)). Landlord shall provide necessary bridging, bracing, and reinforcing supports to accommodate all mechanical systems (Typical for flat roofs - minimum of five (5) HVAC roof top openings, one (1) roof hatch opening, and four (4) exhaust fans openings). The structural steel, roof structure, elevated floor (if any) and bearing walls shall be fireproofed to achieve fire ratings as required by Applicable Code (including, without limitation, NFPA 101). A roof hatch shall be provided and equipped with ladders meeting all Applicable Code requirements and shall be accessible by Tenant. In a multi-tenant building, the roof hatch shall not be located in the Premises.

4.0 Exterior Walls: Exterior walls to be fire rated if required by Applicable Code requirements. Interior of walls shall be left as exposed until Tenant completes any and all work within walls on the interior side of the exterior walls. Landlord shall be responsible for interior metal stud furring/framing, mold- and moisture-resistant glass mat board, mold- and moisture-resistant gypsum board, taping and finishing on the interior side of all exterior walls. Exterior walls are to receive moisture resistant drywall with a minimum 3-inch of mineral wool insulation (or such additional insulation that is needed to meet Applicable Code requirements) from floor to underside of roof deck. Exterior walls are to be finished, sanded and ready to receive Tenant finishes from roof deck to 8' above slab after Tenant completes any and all work within said walls. [NOTE: Tenant may elect to take a credit

5.0 **Demising Walls (for multi-tenant building only):** Furnish and install 1hr or 2hr fire rated demising wall(s) as stipulated by Applicable Code (including, without limitation, NFPA 101), whichever is more stringent. Tenant shall be responsible for final finish preparation of gypsum board walls on Tenant side only. At Tenant's option, the interior drywall finish of demising walls shall not be installed until after Tenant's improvements are complete in the wall. Walls to be fire caulked in accordance with UL standards from floor to roof deck. Demising walls to have moisture resistant drywall with a minimum 3-inch thick mineral wool sound attenuation batts from floor to underside of roof deck. Demising walls are to be finished, taped, sanded and ready to receive Tenant finishes.

6.0 **Roof Covering:** The roof system shall have a minimum of a twenty (20) year life span with full (no dollar limit - NDL) manufacturer's warrantee against leakage due to ordinary wear and tear. Roof system to include a minimum of R-30 insulation. Ice control measures mechanically or electrically controlled to be considered in climates subject to these conditions. Downspouts and roof drains to be connected into underground storm water discharge system piping for the site or daylighted to surface drainage system extended beyond attached sidewalks. Storm water will be discharged away from the building, sidewalks, and pavement. Landlord to provide Tenant copy of material and labor roof warranty for record.

7.0 **Parapet:** Landlord to provide a parapet wall based on building designed/type and wall height should be from the highest roof line. HVAC rooftop units should be concealed from public view by Landlord if required by Applicable Code or private requirements.

8.0 **Façade:** Landlord to provide specifications for building façade for Tenant review and approval. Such specifications must be approved by Tenant and Tenant's Architect. Wall system options include, but are not limited to:

1. Minimum 3-inch drainable exterior insulating fenestration system (EIFS) on water-vapor barrier on ¾-inch thick glass matt sheathing, AND (where indicated by Tenant's Architect) Aluminum Composite Panel (ACM) system on metal furring on continuous insulation/weather-barrier, system on 6" 16- or 18-ga metal stud framing; or
2. Minimum 3-inch drainable exterior insulating fenestration system (EIFS), AND (where indicated by Tenant's Architect) Aluminum Composite Panel (ACM) system on metal furring on continuous insulation/weather-barrier system, on water-vapor barrier on 8-inch or 12-inch thick concrete masonry wall construction with 3½-inch 20-ga metal stud furring; or
3. Brick or split face block Veneer on engineered 6" 16 or 18ga metal studs, R- 19 or higher batt wall insulation, on Tyvek (commercial grade) over 5/8"exterior grade gypsum board or Dens-Glass Sheathing.

All wall system to be signed off by a Landlord's Structural Engineer. Wall system "R" value must meet current Applicable Code requirements.

9.0 **Canopy**: Canopy design per DaVita Shell Prototype. Approximate size to be based on building and site plan. Canopy to accommodate patient arrival with a level grade with barrier-free transition to the finish floor elevation. Steel bollards at column locations where needed.

10.0 **Waterproofing and Weatherproofing:** Provide a complete water tight building shell inclusive of, but not limited to, flashing and/or sealant around windows, doors, parapet walls, roof and MEP penetrations. Landlord shall properly seal the building's exterior walls, footings, and slabs. Landlord shall be

responsible for replacing any damaged items and repairing any deficiencies discovered during or after construction of tenant improvements. Landlord shall also properly control and discharge storm water away from the building, sidewalks, and pavement by installing, including without limitation, scuppers and/or downspouts drainage to landscape areas or connected to site storm sewer system as required or such other means necessary to properly control and discharge storm water.

11.0 **Windows:** Landlord to provide Applicable Code compliant energy efficient windows and storefront systems to be 1" tinted insulated Low–E glass with thermally broken insulated aluminum mullions/frames. Window size and locations to be determined by Tenant's architectural floor plan and shall be coordinated with Landlord's Architect. Landlord shall allow Tenant, at Tenant's discretion, to apply a translucent and/or blackout film to the windows (in accordance with manufacturer's recommendations) per Tenant's plans and specifications.

12.0 **Thermal Insulation:** All exterior walls to have a vapor barrier and insulation that meets or exceeds Applicable Code requirements. The R-value to be determined by the size of the stud cavity, if installed on the interior of the wall and should extend from finish floor to bottom of roof deck (or floor deck in multi-story buildings). Should the insulation be installed on the exterior side of the wall sheathing, insulation shall extend from finish floor to the top of the parapet. Roof deck to have a minimum R-30 insulation mechanically fastened to the underside of roof deck. No spray foam insulation.

13.0 **Doors:** All doors to have weather-stripping and commercial grade hardware (equal to Yale 8800 Series, Grade 1 mortise lockset or better). Doors shall meet all Applicable Code, including without limitation, the American Disability Act (ADA) and State Department of Health requirements. Landlord shall change the keys (reset tumblers) on all doors with locks after construction, but prior to commencement of the Lease, and shall provide Tenant with a minimum of three (3) sets of keys. Final location of doors to be determined by Tenant's architectural floor plan and shall be coordinated with Tenant's Architect. At a minimum, the following doors, frames and hardware shall be provided by the Landlord:

- **Patient Entry Doors**: Provide storefront with insulated glass doors and aluminum framing to be 42" width (or such larger width if required by Applicable Code) including proper weather stripping, push paddle/panic hardware (if required by Applicable Code), power assist opener, continuous hinge and lock mechanism, heavy duty aluminum threshold, continuous hinge on each leaf.

- **Service Doors**: Provide a 60" or 72"-inch wide double doors (with 1 - 24" and 1 - 36" leaf or 2- 36" leafs)] with proper weather stripping and painted with rust inhibited paint, flush bolts, T astragal, heavy duty aluminum threshold, continuous hinge on each leaf, door viewer (peep), panic bar hardware (if required by Applicable Code) and push button programmable lockset.

- **Teammate Entry Doors**: Provide a minimum 36-inch wide, 20-ga, insulated, hollow metal door and thermally-broken, welded, 20-ga hollow-metal frame (both finished with rust-inhibiting paint) with programmable keypad lockset, heavy-duty hinges, aluminum threshold, surface closer, and concealed-overhead stop.

- **Emergency Egress Doors**: Provide minimum 36" wide door with 20 gauge insulated hollow metal door both painted with rust-inhibiting paint (AND/OR where indicated by Tenant's Architect a minimum 42" wide aluminum/glass door) and aluminum storefront frame, with exit-only panic bar locking hardware, hinges, surface-closer and concealed-overhead stop.

Landlord shall provide to Tenant, prior to door fabrication, submittals containing specification information, hardware and shop drawings for review and acceptance by Tenant and Tenant's Consultants. Any missing weather stripping or damage to doors or frames will be repaired and/or replaced by Landlord as necessary.

14.0 Utilities: All utilities shall be provided by Landlord at designated utility entrance points into the Premises at locations coordinated with Tenant. Any utility fees, including without limitation, tap fees, impact fees, system development fees, EDU fees, meter fees, fixture fees, sewer, water or other connection fees, or other similar fees relating to the utilities to be used at the Premises for an outpatient medical dialysis clinic shall be paid by the Landlord, and Tenant shall have no responsibility therefor. Landlord shall have contained within the building a common main room to accommodate the utility services which include, but are not limited to, electrical, fire alarm, security alarm and fire riser if in a multi-tenant building.

15.0 Plumbing:

A. Water Service: Furnish and install a separately metered dedicated minimum 2" domestic potable water line stubbed to the Premises per location coordinated with Tenant to support 30 GPM with a constant flow of 50 PSI water pressure, or greater as determined by Tenant based on Tenant's water demand. Maximum water pressure to the Premises shall not exceed 80 PSI, and where it does a pressure reducing valve (PRV) shall be provided and installed by Landlord. If minimum pressure is below 50 psi a booster pump to be provided and installed by Landlord. Water flow and pressure to Tenant's space shall be unaffected by any other building or site water requirements such as other tenant water requirements or irrigation systems. Landlord to bring water to the Premises terminating with a capped valve. Potable water supply to be provided with water meter and 2 identical reduced pressure zone (RPZ) backflow devices arranged in parallel for uninterrupted service and sized to support required GPM demand (with floor drain or open site drain under RPZs). Backflow devices to be provided with adequate drainage. RPZs and meter to be sized to the incoming line per municipality or water provider standards. Provide exterior (anti-freeze when required) hose bibs (minimum of 2) in locations approved by Tenant.

B. Sanitary Line: Sanitary drain/line size will be determined by Tenant based on total combined drainage fixture units (DFU's) for entire building, but not less than 4" diameter. New sanitary building drain/line shall be PVC material or as mandated or approved by municipality and properly sloped to accommodate Tenant's sanitary system design per Tenant's plans and specifications (at a minimum invert level of 48 inches below finished slab) and per Applicable Code. Landlord to coordinate actual depth and location with Tenant's Architect and Engineer. Provide cleanout at Premises entry point. Lift station/sewage ejectors will not be permitted, unless it is the only available option and approved by Tenant in writing. Any drain/line, sanitary or storm water systems serving the Premises in disrepair or with improper pitch shall be corrected by Landlord. Landlord to provide a plumbing vent system no less than 4" in diameter stubbed to the Premises in locations and at an elevation to be coordinated with Tenant. All plumbing vents shall have a minimum separation of 15 feet, or more if required by Applicable Code, from any mechanical rooftop equipment with fresh air intake. Sanitary sampling manhole to be installed by Landlord if required by GAHJ.

16.0 Fire Suppression: If applicable and/or subject to municipal mandate, Landlord shall design and install turnkey Automatic Fire Sprinkler System per Applicable Code inclusive of all necessary testing and certification. This system shall be on a dedicated fire protection water line independent of Tenant's potable water line subject to municipal approval. Landlord to include all municipal approved shop drawings, service drops and sprinkler heads at heights per Tenant's reflective ceiling plan, flow control switches wired and tested, alarms including wiring and an electrically/telephonically controlled fire alarm control panel connected to a monitoring systems for emergency dispatch. In a multi-tenant building, if the sprinkler room/riser is located within, or accessible through, Tenant's Premises, Landlord shall relocate said sprinkler room/riser to another part of the building, or alternatively, Landlord may provide a door from the sprinkler/riser room to the exterior of the building or into an adjacent premises.

17.0 Fire Alarm: Furnish and install an addressable Fire Alarm system in good working order capable of accommodating Tenant's Fire Alarm system within the Premises. Landlord to provide all information on Fire Alarm systems (including, without limitation, fire alarm control panel (FACP), vendor and monitoring company) for Tenant's design. The FACP provided by Landlord shall include supervision of fire suppression system(s) and connections to emergency dispatch or third party monitoring service in accordance with GAHJ. If the Premises is located in a multi-tenant building, then Landlord shall provide an empty conduit stubbed into the Premises from the building's FACP. Fire Alarm system equipment shall be equipped for double detection activation if required.

18.0 Electrical: Furnish and install a separately metered underground 120/208 volt, 3 phase, 4 wire electrical service (sized as noted below) derived from a single metered source and consisting of dedicated CT cabinet per utility company standards feeding a distribution panel board to be provided by Landlord in the Tenant's utility room (location to be per National Electrical Code (NEC) and coordinated with Tenant) for Tenant's exclusive use. Service size to be determined by Tenant's engineer dependent on facility size and gas availability For general reference, anticipated capacity of electrical service is provided in chart below; however, final capacity of electrical service to the Premises that is to be furnished and installed by Landlord shall be determined by Tenant's engineer and provided to Landlord. Tenant will not accept multiple services to obtain the necessary capacity, nor will Tenant accept possession of the Premises until permanent power is provided.

Square Foot	With Gas	Without Gas
6,500 or less	600 amps	800 amps
6,501 to 12,000	800 amps	1,000 amps
12,001 or more	1,000 amps	1,200 amps

Landlord shall provide separately metered electrical service with WYE configuration. The electrical service provided by Landlord shall include transformer coordination with utility company, available fault current from the utility company, transformer, transformer pad and grounding, as well as underground conduit and wire sized for service inclusive of excavation, trenching and restoration, utility metering, distribution panel board with main and branch circuit breakers, and electrical service and building grounding per NEC. If only 480 volt power is available, Landlord shall provide a step down transformer to meet Tenant's requirements above. If only combined service meters are available, Landlord shall provide written verification from utility supplier stating multiple meters are permitted for use by the Building/Premises. If Premises is located in a multi-tenant building, Landlord shall provide meter center with service disconnecting means, service grounding per NEC, dedicated combination CT cabinet with disconnect for Tenant and distribution panel board per above. Existing electrical raceway, wire, and cable

extending through the Premises but serving areas outside the Tenant's space shall be re-routed outside the Premises.

19.0 **Gas Service**: Furnish and install natural gas service with a minimum of between 7" to 11" water column pressure capable of supplying 800,000-BTU's. Natural gas line shall be brought to a location within the Premises as specified by Tenant and shall be individually metered. Landlord shall coordinate this work with local or other GAHJ.

20.0 **Mechanical /Heating Ventilation Air Conditioning:** Landlord shall provide Tenant with an allowance in the amount of $10.00/psf for the cost of all work related to the purchase and installation of the HVAC units/systems by Tenant for the Premises per Tenant's then current design criteria and Applicable Code ("HVAC Allowance"). The HVAC Allowance shall be paid to Tenant, or to Tenant's contractor at Tenant's direction, as more fully set forth in the Lease. Landlord to furnish steel framing members for Tenant's RTU's. Roofing and roof flashings to be installed by Landlord after Tenant RTU installation. Exhaust fans to be located by Tenant's Architect.

21.0 **Telephone:** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as chase way for new telephone service. Entrance conduit location shall be coordinated with Tenant per Tenant's plans and specifications.

22.0 **Cable TV/Internet:** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant utility room to serve as chase way for new cable television or internet service. Landlord shall also provide a single 2" PVC conduit from roof to inside of Premises for new satellite television service. Entrance conduit locations shall be coordinated with Tenant per Tenant's plans and specifications.

23.0 **Site Lighting:** Provide adequate lighting per Applicable Code and to illuminate all parking and pathways for building and site access points. Parking lot lighting to be on a timer (and be programmed per Tenant business hours of operation) or photocell. Parking lot lighting shall be connected to and powered by Landlord house panel and equipped with battery backup per Applicable Code at all access points.

24.0 **Building Lighting:** Landlord shall provide at the main entrance, rear and other entrance/exit doors, landings, and related sidewalks safety lights, exterior service lights, exit signs and emergency lights with battery backup signs per doorway/access point, in accordance with Applicable Code. The exiting shall encompass all routes from access points terminating at public right of way. Lighting shall be connected to and powered by Landlord house panel and equipped with battery backup per Applicable Code at all access points.

25.0 **Common Areas/Parking Lot:** Furnish and install a parking lot with adequate amount of Applicable Code compliant (including, without limitation, ADA and all other federal, state and local jurisdictions' handicap requirements) curb cuts and handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to be striped and parking lot to receive traffic directional arrows and concrete parking bumpers to be anchored in place per stall layout. Handicapped parking stalls shall be signed with current Applicable Code provisions for handicap parking. All common areas must be compliant with Applicable Code. Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway/aisle. Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into and out of new patient drop off canopy and

provide positive drainage to in place storm catch basins leaving surface free of standing water, bird baths or ice buildup potential.

26.0 **Handicap Accessibility:** Landlord shall comply with all Applicable Code related to handicap requirements, including, without limitation, ADA and all other federal, state and local jurisdictions' handicap requirements affecting the building and entrance to the Premises, including, but not limited to, patient drop off area, the elevator, exterior and interior doors, curb cuts, ramps and walk approaches to/from the parking lot, detectable warnings, delivery areas and walkways. Landlord shall provide pavement marking, curb ramp and accessible path of travel for a dedicated delivery access in the rear of the building. The delivery access shall link the path from the driveway paving to the designated Tenant delivery door. If required, Landlord to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide a gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition according to accessible standards.

27.0 **Refuse Enclosure:** Furnish and install a refuse area for Tenant's waste and recycling dumpsters. When required by Applicable Code or Tenant, Landlord to provide: (i) a minimum 6" thick reinforced concrete pad with 6" of gravel under refuse enclosure, approximately 19'-4" W x 8'- 8" D; and (ii) a minimum 6" thick reinforced concrete enclosure access apron with 6" of gravel, approximately 19' W x 10' D, designed to sufficiently accommodate dumpster(s) and vehicle weight.

28.0 **Generator:** Landlord to provide a dedicated generator pad for Tenant, as well as a conduits from said pad to the Premises, in the locations shown on Tenant's plans and specifications; if Tenant or Applicable Code does not require a generator, Landlord to provide dedicated area for a future optional generator pad.

29.0 **Signage:** Landlord to provide and install electrical service and conduit only for Tenant provided and installed (a) exterior façade building signage and (b) a monument or pylon sign with base. Landlord to provide the electrical service and conduit to the monument or pylon sign. Tenant to provide Landlord with the location of monument or pylon sign prior to parking lot installation.

30.0 **Site Development Scope of Requirements:** Landlord to provide Tenant with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Tenant's Architect for coordination purposes. Site development is to include, without limitation, the following:

- Utility extensions, service entrance locations, inspection manholes;
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with Storm water management control measures (detention / retention / restrictions);
- Refuse enclosure location and construction details for trash and recycling;
- Generator pad and conduit locations (or dedicated area for a future optional generator pad);
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Tenant building and monument/pylon signage;
- Site and parking to accommodate tractor trailer 18 wheel truck delivery access to service entrance;

- Ramps and curb depressions;
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Landlord so desires and will be designed by landscape architect and approved by planning department;
- Construction details, specifications / standards of installation and legends; and
- Final grade will be sloped away from building.

EXHIBIT "A"
Legal Description

Parcel 1:

Lots 1 to 6, both inclusive, and Lot 11 (except the South 14.90 feet thereof) and Lot 12 (except the North 1.10 feet thereof) in block 26 in White and Coleman's LaVergne Subdivision, being a Subdivision of blocks 13 to 28 inclusive in Cheviot's First Diision of the Northwest quarter of Section 32, Township 39 North, Range 13, East of the Third Principal Meridian in Cook County, Illinois

Parcel 2:

That part of the East and West Vacated alley bounded on the East by the East line of Lot 4 aforesaid extended South and on the South by the South line of Lot 8 extended East to a point in the Westerly line of Lot 11 aforesaid, said point being 14.90 feet North of and at right angles to the SOuth line of said Lot 11 (excepting therefrom the Northerly 1/2 of that part f said vacated alley lyng Southerly of and accuring to lot 7 in aforesaid subdivision).

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; a counter-signature by the Company or its issuing agent that may be in electronic form.

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

The Illinois Certificate of Good Standing for Hopkinton Dialysis, LLC is attached at Attachment – 3.

File Number 0689056-3

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

HOPKINTON DIALYSIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON AUGUST 06, 2018, 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* 5TH *day of* SEPTEMBER *A.D.* 2018 .

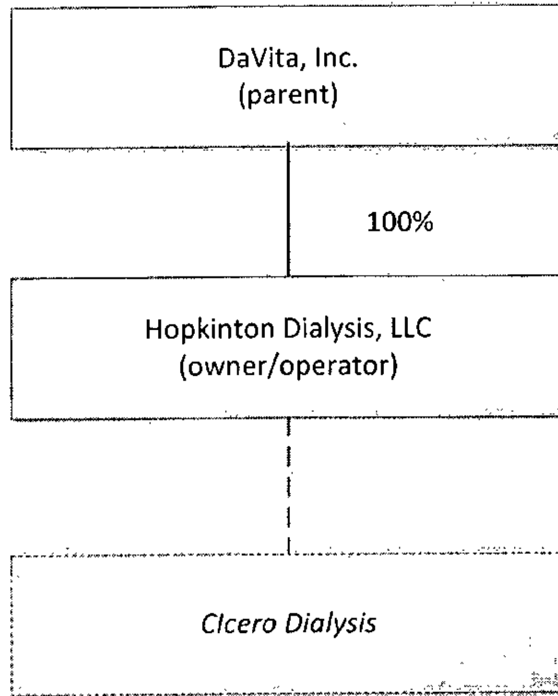
Authentication #: 1824801688 verifiable until 09/05/2019
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

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

The organizational chart for DaVita Inc., Hopkinton Dialysis, LLC and Cicero Dialysis is attached at Attachment – 4.

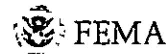
ORGANIZATIONAL STRUCTURE



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

The site of the proposed dialysis clinic complies with the requirements of Illinois Executive Order #2006-5. The proposed dialysis clinic will be located at 6001 Ogden Avenue, Cicero, Illinois 60804. As shown in the documentation from the FEMA Flood Map Service Center attached at Attachment – 5. The interactive map for Panel 17031C0401J reveals that this area is not included in the flood plain.

National Flood Hazard Layer FIRMette



41°50'14.78"N

T39N R13E S29

TOWN OF CICERO
170077

AREA OF MINIMAL FLOOD HAZARD
Zone X

17031C0484J
eff. 8/19/2008

Attachment 5

USGS The National Map: Orthoimagery. Data refreshed October 2017.

87°46'7.43"W

41°49'47.97"N

1:6,000

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes. Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone D

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- (B) 20.2 Cross Sections with 1% Annual Chance
- 17.5 Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 8/3/2018 at 4:15:33 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

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

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

150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606-1599 • 312.819.1900

August 7, 2018

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Direct Fax
acooper@polsinelli.com

Via Federal Express

Rachel Leibowitz, Ph.D.
Deputy State Historic Preservation Officer
Illinois Department of National Resources
Illinois State Historic Preservation
One Natural Resources Way
Springfield, IL 62702

Re: Historic Preservation Act Determination – Hopkinton Dialysis, LLC

Dear Ms. Leibowitz:

This office represents DaVita Inc. and Hopkinton Dialysis, LLC. (the "Requestors"). Pursuant to Section 4 of the Illinois State Agency Historic Resources Preservation Act, Requestors seek a formal determination from the Illinois Historic Preservation Agency as to whether Requestors' proposed project to establish a twelve station dialysis center to be located at 6001 Ogden Avenue, Cicero, Illinois 60804 ("Proposed Project") affects historic resources.

1. Project Description and Address

The Requestors are seeking a certificate of need from the Illinois Health Facilities and Services Review Board to establish a twelve station dialysis center to be located at 6001 Ogden Avenue, Cicero, Illinois 60804. This project will involve the demolition of the existing structure on the site and construction of a new building that will house the dialysis center.

2. Topographical or Metropolitan Map

A metropolitan map showing the location of the Proposed Project is attached at Attachment 1.

3. Historic Architectural Resources Geographic Information System

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

4. Photographs of Standing Buildings/Structure

Photographs of the site of the proposed dialysis clinic are attached at Attachment 3.

5. Addresses for Buildings/Structures

The Proposed Project will be located at 6001 Ogden Avenue, Cicero, Illinois 60804.

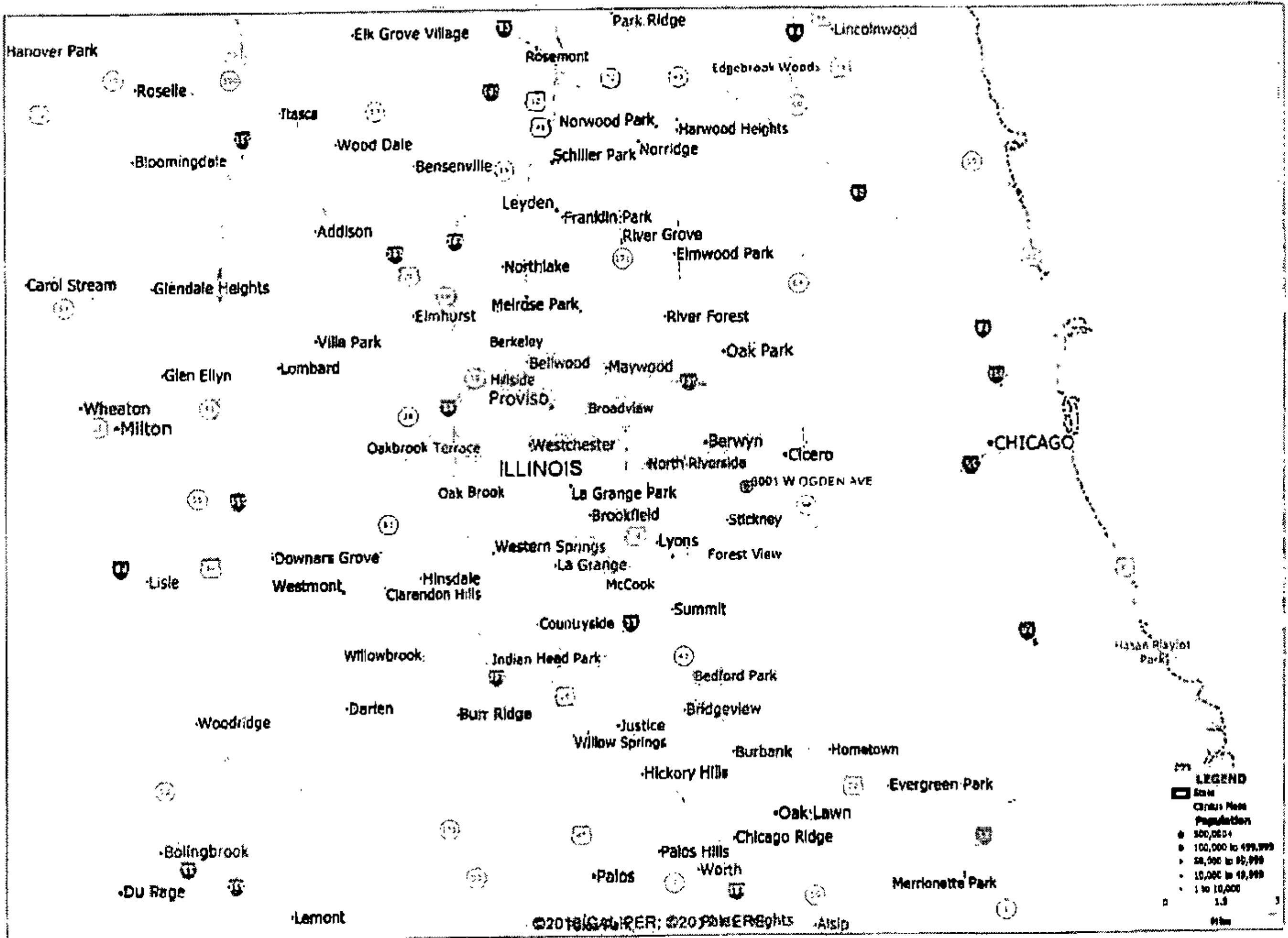
Thank you for your time and consideration of our request for Historic Preservation Determination. If you have any questions or need any additional information, please feel free to contact me at 312-873-3606 or acooper@polsinelli.com

Sincerely,

Anne M. Cooper

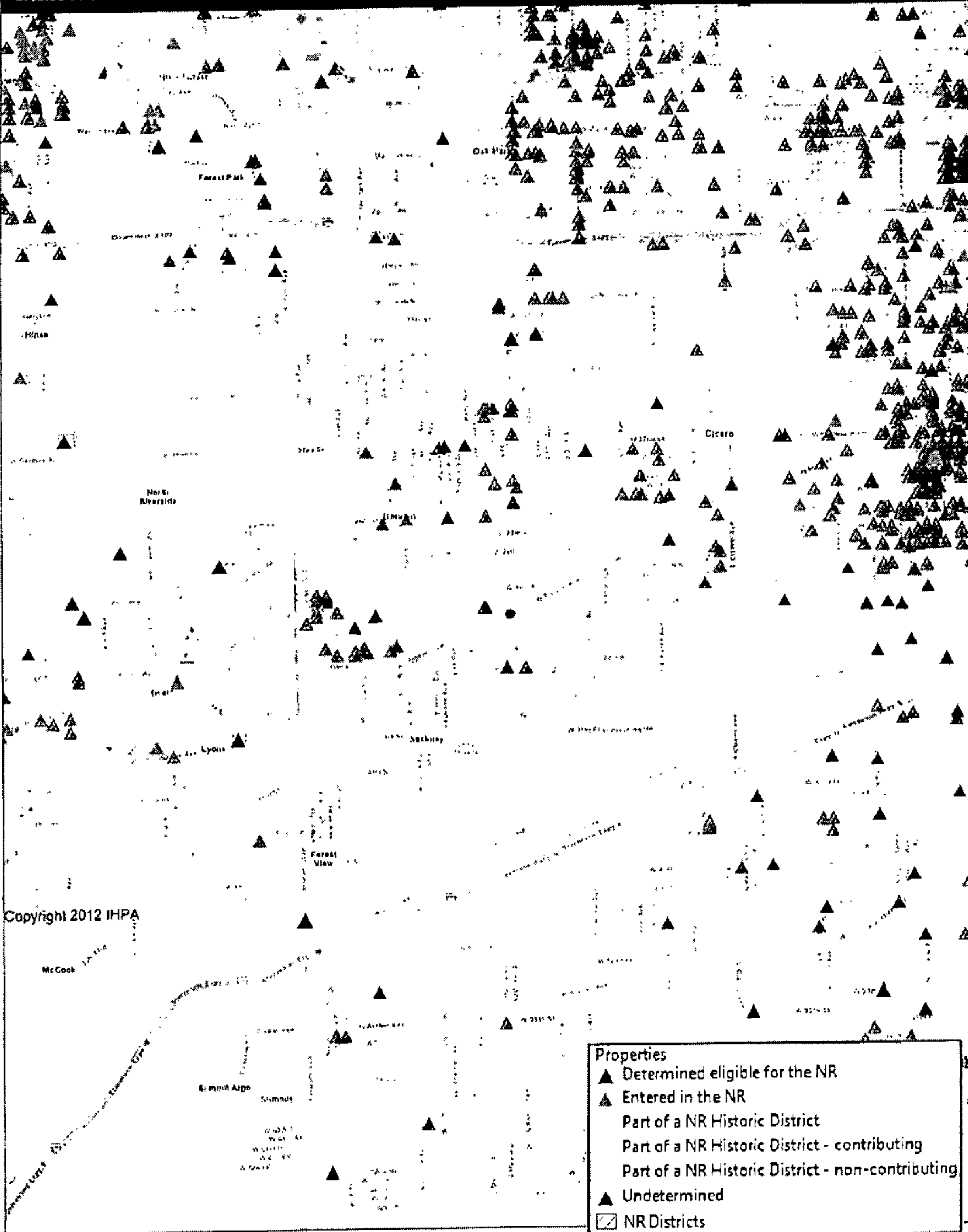
Anne M. Cooper

Attachments



Attachment - 1

Attachment - 6


Cicero Dialysis
Created 08/07/18 2 02 PM
Illinois Historic
Preservation Agency
Oak Park
Forest Park
North Riverside
Cicero
Lyons
McCook
Forest View
Summit Argo
Copyright 2012 IHPA
Properties
Determined eligible for the NR
Entered in the NR
Part of a NR Historic District
Part of a NR Historic District - contributing
Part of a NR Historic District - non-contributing
Undetermined
NR Districts
Copyright 2010 IHPA

Attachment - 3

Attachment - 6

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

Table 1120.110			
Project Cost	**Clinical**	**Non-Clinical**	**Total**
New Construction Contracts	$1,537,758		$1,537,758
Contingencies	$153,775		$153,775
Architectural/Engineering Fees	$84,750		$84,750
Consulting and Other Fees	$55,907		$55,907
Moveable and Other Equipment			
Communications	$104,292		$104,292
Water Treatment	$145,800		$145,800
Bio-Medical Equipment	$15,940		$15,940
Clinical Equipment	$195,324		$195,324
Clinical Furniture/Fixtures	$22,335		$22,335
Lounge Furniture/Fixtures	$3,855		$3,855
Storage Furniture/Fixtures	$6,862		$6,862
Business Office Fixtures	$35,645		$35,645
General Furniture/Fixtures	$33,500		$33,500
Signage	$17,300		$17,300
Total Moveable and Other Equipment	$580,853		$580,853
Fair Market Value of Leased Space	$2,277,230		$2,277,230
Total Project Costs	**$4,690,273**		**$4,690,273**

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

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

Further, although the Letter of Intent attached at Attachment – 2 provides for project obligation to occur after permit issuance, the Applicants will begin negotiations on a definitive lease agreement for the clinic, with the intent that any lease executed prior to permit issuance will contain a clause stating that the effectiveness of the lease is contingent upon CON permit issuance.

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

DaVita Current Projects			
Project Number	**Name**	**Project Type**	**Completion Date**
16-033	Brighton Park Dialysis	Establishment	10/31/2018
16-036	Springfield Central Dialysis	Relocation	03/31/2019
16-040	Jerseyville Dialysis	Expansion	07/31/2018
16-041	Taylorville Dialysis	Expansion	07/31/2018
16-051	Whiteside Dialysis	Relocation	03/31/2019
17-013	Geneva Crossing	Establishment	07/31/2020
17-014	Rutgers Park Dialysis	Establishment	06/30/2019
17-016	Salt Creek Dialysis	Establishment	06/30/2019
17-032	Illini Renal	Relocation/Expansion	05/31/2019
17-040	Edgemont Dialysis	Establishment	05/31/2019
17-049	Northgrove Dialysis	Establishment	07/31/2019
17-053	Ford City Dialysis	Establishment	08/31/2019
17-062	Auburn Park Dialysis	Establishment	02/29/2020
17-063	Hickory Creek Dialysis	Establishment	11/30/2019
17-064	Brickyard Dialysis	Establishment	10/31/2019
17-068	Oak Meadows Dialysis	Establishment	04/30/2020
18-001	Garfield Kidney Center	Relocation	06/30/2020
18-011	Vermilion County Dialysis	Expansion	07/31/2020

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

Cost Space Table							
		Gross Square Feet		Amount of Proposed Total Gross Square Feet That is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
CLINICAL							
ESRD	$4,690,273		6,776	6,776			
Total Clinical	**$4,690,273**		**6,776**	**6,776**			
NON REVIEWABLE							
Administrative							
Total Non-Reviewable							
TOTAL	**$4,690,273**		**6,776**	**6,776**			

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

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. This project is for the establishment of Cicero Dialysis, 12-station in-center hemodialysis clinic to be located at 6001 Ogden Avenue, Cicero, Illinois 60804.

DaVita Inc. is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2017 Community Care report details DaVita's commitment to quality, patient centric focus and community outreach and was previously included in its Marshall Square Dialysis CON application (Proj. No. 18-017). Some key initiatives of DaVita which are covered in that report are also outlined below.

Kidney Disease Statistics

30 million or 15% of U.S. adults are estimated to have CKD.[1] Current data reveals troubling trends, which help explain the growing need for dialysis services:

- Between 1999-2002 and 2011-2014, the overall prevalence estimate for CKD rose from 13.9 to 14.8 percent. The largest relative increase, from 38.2 to 42.6 percent, was seen in those with cardiovascular disease.[2]

- Many studies now show that diabetes, hypertension, cardiovascular disease, higher body mass index, and advancing age are associated with the increasing prevalence of CKD.[3]

- Over six times the number of new patients began treatment for ESRD in 2014 (120,688) versus 1980 (approximately 20,000).[4]

- Over eleven times more patients are now being treated for ESRD than in 1980 (678,383 versus approximately 60,000).[5]

- Increasing prevalence in the diagnosis of diabetes and hypertension, the two major causes of CKD; 44% of new ESRD cases have a primary diagnosis of diabetes; 28% have a primary diagnosis of hypertension.[6]

- Lack of access to nephrology care for patients with CKD prior to reaching end stage kidney disease which requires renal replacement therapy continues to be a public health concern. Timely CKD care is imperative for patient morbidity and mortality. Beginning in 2005, CMS

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[1] Centers for Disease Control & Prevention, National Center for Chronic Disease Prevention and Health Promotion, National Chronic Kidney Disease Fact Sheet, 2017 (2017) *available at* https://www.cdc.gov/diabetes/pubs/pdf/kidney_factsheet.pdf (last visited Aug. 3, 2018).

[2] US Renal Data System, USRDS 2016 Annual Data Report: Epidemiology of Kidney Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 39 (2016).

[3] Id.

[4] Id. at 215.

[5] Id. at 216.

[6] Id. at 288.

began to collect CKD data on patients beginning dialysis. Based on that data, it appears that little progress has been made to improve access to pre-ESRD kidney care. For example, in 2014, 24% of newly diagnosed ESRD patients had not been treated by a nephrologist prior to beginning dialysis therapy. And among these patients who had not previously been followed by a nephrologist, 63% of those on hemodialysis began therapy with a catheter rather than a fistula. Comparatively, only 34% of those patients who had received a year or more of nephrology care prior to reaching ESRD initiated dialysis with a catheter instead of a fistula.[7]

DaVita's Quality Recognition and Initiatives

Awards and Recognition

- Five Star Quality Ratings. DaVita led the industry for the fourth year by meeting or exceeding Medicare standards in the Centers for Medicare and Medicaid Services ("CMS") Five-Star Quality Rating System ("Five Star"). DaVita had more three, four and five star clinics than it has ever had in the history of the program.

- Quality Incentive Program. DaVita ranked first in outcomes for the fourth straight year in the CMS end stage renal disease ("ESRD") Quality Incentive Program. The ESRD QIP reduces payments to dialysis clinics that do not meet or exceed CMS-endorsed performance standards. DaVita outperformed the other ESRD providers in the industry combined with only 11 percent of clinics receiving adjustments versus 23 percent for the rest of the industry.

- Coordination of Care. On June 29, 2017, CAPG, the leading association in the country representing physician organizations practicing capitated, coordinated care, awarded both of DaVita's medical groups - HealthCare Partners in California and The Everett Clinic in Washington - its Standards of Excellence™ Elite Awards. The CAPG's Standards of Excellence™ survey is the industry standard for assessing the delivery of accountable and value based care. Elite awards are achieved by excelling in six domains including Care Management Practices, Information Technology, Accountability and Transparency, Patient-Centered Care, Group Support of Advanced Primary Care and Administrative and Financial Capability.

- Joint Commission Accreditation. In August 2016, DaVita Hospital Services, the first inpatient kidney care service to receive Ambulatory Health Care Accreditation from the Joint Commission, was re-accredited for three years. Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards. For the past three years, DaVita identified key areas for improvement, created training presentations and documents, provided WebEx training sessions and coordinated 156 hospital site visits for The Joint Commission Surveyors and DaVita teammates. Accreditation allows DaVita to monitor and evaluate the safety of kidney care and apheresis therapies against ambulatory industry standards. The accreditation allows for increased focus on enhancing the quality and safety of patient care; improved clinical outcomes and performance metrics, risk management and survey preparedness. Having set standards in place can further allow DaVita to measure performance and become better aligned with its hospital partners.

- Military Friendly Employer Recognition. DaVita has been repeatedly recognized for its commitment to its employees, particularly its more than 1,700 teammates who are reservists, members of the National Guard, military veterans, and military spouses. Victory Media, publisher of GI Jobs® and *Military Spouse Magazine*, recently recognized DaVita as a 2017 Top Military Friendly Employer for the eighth consecutive year. Companies competed for the elite Military Friendly® Employer title by completing a data-driven survey. Criteria included a benchmark score across key programs and policies, such as the strength of company military recruiting efforts,

[7] Id. at 292-294.

percentage of new hires with prior military service, retention programs for veterans, and company policies on National Guard and Reserve service. On July 16, 2018, the Disabled American Veterans recognized DaVita as the 2018 Outstanding Large Employer of the Year. Since 2010, DaVita has hired over 3,000 veteran teammates, offering transitional support for teammates with a military background. Veteran teammates vary from patient care technicians to the organization's current chief development officer. DaVita has long been committed to honoring retired and active-duty service members and works to help them feel welcome in the community and to transition from life in the military to life as teammates at DaVita. See Attachment – 11A.

- Workplace Awards. In April 2018, DaVita was certified by WorldBlu as a "Freedom-Centered Workplace." For the eleventh consecutive year, DaVita appeared on WorldBlu's list, formerly known as "most democratic" workplaces. WorldBlu surveys organizations' teammates to determine the level of democracy practiced. For the sixth consecutive year, DaVita was recognized as a Top Workplace by The Denver Post. In 2018, DaVita was recognized among *Training* magazine's Top 125 for its whole-person learning approach to training and development programs for the fourteenth year in a row. DaVita received a Gold LearningElite award from Chief Learning Officer Magazine, which recognized DaVita's exemplary learning and development programs. DaVita has been among the LearningElite for the past six years, and this was its first Gold level recognition. DaVita was one of more than 100 companies from ten industry sectors to join the inaugural 2018 Bloomberg Gender-Equality Index for creating a majority diverse Board of Directors. The index measures gender equality across internal company statistics, employee policies, external community support and engagement and gender-conscious product offerings. Finally, DaVita has been recognized as one of Fortune® Magazine's Most Admired Companies in 2017 – for the eleventh consecutive year and twelfth year overall.

Quality Initiatives

DaVita has undertaken many initiatives to improve the lives of patients suffering from chronic kidney disease ("CKD") and ESRD. With the ongoing shift from volume to value in healthcare, providers—more than ever—are focusing their attention on generating optimal clinical outcomes in order to enhance patient quality of life. The extensive tools and initiatives that were built into the DaVita Patient-Focused Quality Pyramid help affiliated physicians succeed in this important undertaking. The pyramid serves as a framework for nephrologists to address the complex factors that impact patients, such as mortality, hospitalizations and the patient experience. Complex programs serve as an important tier in the DaVita Patient-Focused Quality Pyramid. They include:

- Clinical initiatives such as preventing missed treatments and managing vascular access, fluid, infection, medications and diabetes.

- Pneumococcal pneumonia and influenza initiatives: Increase pneumonia and influenza vaccination rates.

- Catheter removal: Help patients transition from central venous catheters (CVCs) to arteriovenous (AV) fistulas to reduce risk of hospitalization from infections and blood clots.

- Dialysis transition management: Support patients through any transition of care to improve outcomes and reduce mortality.

DaVita's patient centered quality programs also include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. These programs and others are described below.

- On June 16, 2016, DaVita announced its partnership with Renal Physicians Association ("RPA") and the American Board of Internal Medicine ("ABIM") to allow DaVita-affiliated nephrologists to earn Maintenance of Certification ("MOC") credits for participating in dialysis unit quality

improvement activities. MOC certification highlights nephrologists' knowledge and skill level for patients looking for high quality care.

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

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

The joint venture will encourage patients to better utilize in-home treatment options.

- DaVita's Kidney Smart program helps to improve intervention and education for pre-ESRD patients. Adverse outcomes of CKD can often be prevented or delayed through early detection and treatment. Several studies have shown that early detection, intervention and care of CKD may improve patient outcomes and reduce ESRD as follows:

  (i) Reduced GFR is an independent risk factor for morbidity and mortality. A reduction in the rate of decline in kidney function upon nephrologists' referrals has been associated with prolonged survival of CKD patients,

  (ii) Late referral to a nephrologist has been correlated with lower survival during the first 90 days of dialysis, and

  (iii) Timely referral of CKD patients to a multidisciplinary clinical team may improve outcomes and reduce cost.

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

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

- DaVita's CathAway program seeks to reduce the number of patients with central venous catheters ("CVC"). Instead patients receive arteriovenous fistula ("AV fistula") placement. AV fistulas have superior patency, lower complication rates, improved adequacy, lower cost to the healthcare system, and decreased risk of patient mortality compared to CVCs. In July 2003, the Centers for Medicare and Medicaid Services, the End Stage Renal Disease Networks and key providers jointly recommended adoption of a National Vascular Access Improvement Initiative ("NVAII') to increase the appropriate use of AV fistulas for hemodialysis. The CathAway program is designed to comply with NAVII through patient education outlining the benefits for AV fistula

placement and support through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal.

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

  DaVita currently partners with over 250 hospitals nationwide through Patient Pathways. Patient Pathways has demonstrated benefits to hospitals, patients, physicians and dialysis centers. Since its creation in 2007, Patient Pathways has impacted over 130,000 patients. The Patient Pathways program reduced overall readmission rates by 18 percent, reduced average patient stay by a half-day, and reduced acute dialysis treatments per patient by 11 percent. Moreover, patients are better educated and arrive at the dialysis clinic more prepared and less stressed. They have a better understanding of their insurance coverage and are more engaged and satisfied with their choice of dialysis clinic. As a result, patients have higher attendance rates, are more compliant with their dialysis care, and have fewer avoidable readmissions.

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

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

- Transplant Education. DaVita has achieved industry-leading clinical outcomes that support patients and helps them to be more clinically prepared for transplantation. Patients are educated about the step-by-step transplant process and requirements, health benefits of a transplant and the transplant center options available to them. The social worker or designee obtains transplant center guidelines and criteria for selection of appropriate candidates and assists transplant candidates with factors that may affect their eligibility, such as severe obesity, adherence to prescribed medicine or therapy, and social/emotional/financial factors related to post-transplant functioning.

  On June 6, 2018, DaVita and the University of Chicago Medicine announced the successful implementation of the Transplant Waitlist Support Program. The program's purpose is to help waitlisted patients remain transplant ready by deploying a technology-enabled solution to proactively and electronically exchange patient information between DaVita and the transplant center. Outdated information can cause a patient to be passed over when a transplant opportunity arises.

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

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

Service to the Community

- DaVita consistently raises awareness of community needs and makes cash contributions to organizations aimed at improving access to kidney care. DaVita provides significant funding to kidney disease awareness organizations such as the Kidney TRUST, the National Kidney Foundation, the American Kidney Fund, and several other organizations. DaVita Way of Giving program donated $2.2 million in 2017 to locally based charities across the United States. Its own employees, or members of the "DaVita Village," assist in these initiatives. In 2017, more than 500 riders participated in Tour DaVita, DaVita's annual charity bike ride, which raised $1.25 million to support Bridge of Life. Bridge of Life serves thousands of men, women and children around the world through kidney care, primary care, education and prevention and medically supported camps for kids.

- DaVita is committed to sustainability and reducing its carbon footprint. It is the only kidney care company recognized by the Environmental Protection Agency for its sustainability initiatives. In 2010, DaVita opened the first LEED-certified dialysis center in the U.S. Newsweek Green Rankings recognized DaVita as a 2017 Top Green Company in the United States, and it has appeared on the list every year since the inception of the program in 2009. Since 2013, DaVita has saved 645 million gallons of water through optimization projects. Through toner and cell phone recycling programs, more than $126,000 has been donated to Bridge of Life. In 2016, Village Green, DaVita's corporate sustainability program, launched a formal electronic waste program and recycled more than 113,000 pounds of e-waste.

  In 2018, the U.S. Department of Energy ("DOE") recognized DaVita in its Advanced Rooftop Unit ("RTU") Campaign and awarded DaVita the Communities Award in the Excellence in Corporate Social Responsibility category. DaVita was honored for its leadership in installing more energy efficient RTUs (heating and cooling units) in commercial buildings. DaVita was recognized for the highest number of automated fault detection and diagnostic ("AFDD") installations on RTUs, having installed 4,889 AFDD systems. DaVita was recognized by the Communitas Awards in Communities Award in the Excellence in Corporate Social Responsibility for its sustainability efforts, which include, saving 643 million gallons of water since 2013 through conservation efforts at dialysis centers; diverting 354,610 pounds of electronic waste from landfills since 2016; and donating more than 30,000 meals to local shelters since 2016 through food waste recovery efforts.

- DaVita does not limit its community engagement to the U.S. alone. In 2017, Bridge of Life, the primary program of DaVita Village Trust, an independent 501(c)(3) nonprofit organization, completed a total of 24 international medical missions and 25 domestic screenings, ultimately impacting nearly 14,000 lives . More than 200 DaVita volunteers supported these missions,

impacting more than 110,000 men, women and children. In 2017, Bridge of Life established a Community Health Worker Program where they trained 13 individuals in Haiti and Nicaragua, allowing Bridge of Life to refer patients to local medical staff with their in-country partners and to ensure those patients receive continued follow-up care. It also developed an electronic medical record (EMR) system, allowing Bridge of Life to go paperless and to enter and maintain patient data more quickly and efficiently. In 2018, Bridge of Life partnered with the Syrian American Medical Society ("SAMS") to screen Syrian refugees in Irbid, Jordon for hypertension, diabetes and kidney disease and to provide health education.

Other Section 1110.230(a) Requirements.

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

A list of health care clinics owned or operated by the Applicants in Illinois is attached at Attachment – 11B. Dialysis clinics are currently not subject to State Licensure in Illinois.

Certification that no adverse action has been taken against either of the Applicants or against any health care clinics owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 11C.

An authorization permitting the Illinois Health Facilities and Services Review Board ("State Board") and IDPH access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11C.

DaVita News

DaVita Recognized for Veteran Outreach

Company named 2018 Outstanding Large Employer of the Year by Disabled American Veterans

DENVER, July 16, 2018 /PRNewswire/ -- DaVita Inc. (NYSE: DVA), a leading independent medical group and a leading provider of kidney care services in the United States, today announced it has been recognized by the Disabled American Veterans (DAV) as the 2018 Outstanding Large Employer of the Year.

Since 2010, DaVita has hired over 3,000 veteran teammates, offering transitional support for teammates with a military background. Veteran teammates vary from patient care technicians to the organization's current chief development officer. DaVita has long been committed to honoring retired and active-duty service members and works to help them feel welcome in the community and to transition from life in the military to life as teammates at DaVita.

"We believe in going the extra mile to hire and develop veterans because they went to many extra miles for our country," said Kent Thiry, chairman and CEO of DaVita Inc.

DaVita's Veterans 2 Village (V2V) program is a two-day class introduced in 2016 that focuses on self-development and introduces new veteran teammates to all of DaVita's existing military programs and benefits. DaVita's internal veterans' programs are designed to foster a stronger community for new veteran teammates, as the company's support services continue to develop and grow.

Each year, DaVita hosts Veterans Day celebrations at many of its clinics and business offices. Some celebrations include putting together care packages for troops overseas and writing notes of encouragement for service men and women. In addition, workshops and development courses are offered to help foster a stronger community for new veteran teammates.

Recipients of this award are evaluated on several criteria including the strength of the company's veteran recruiting/hiring efforts, retention and career-building efforts, company policies toward disabled veterans, active-duty, and veteran employees and community outreach initiatives to support all veterans in communities where the business operates.

Explore how DaVita cares for its teammates, its patients and the world at DaVita.com/CSR.

About DaVita Inc.
DaVita Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and DaVita Medical Group. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of March 31, 2018, DaVita Kidney Care operated or provided administrative services at 2,539 outpatient dialysis centers located in the United States serving approximately 198,000 patients. The company also operated 241 outpatient dialysis centers located in 10 countries outside the United States. DaVita Medical Group manages and operates medical groups and affiliated physician networks in California, Colorado, Florida, Nevada, New Mexico and Washington in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner.

DaVita Medical Group's teammates, employed clinicians and affiliated clinicians provided care for approximately 1.7 million patients. For more information, please visit DaVita.com/About.

Contact Information

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303.876.7547

SOURCE DaVita Inc.

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http://pressreleases.davita.com/2018-07-16-DaVita-Recognized-for-Veteran-Outreach

DaVita Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Adams County Dialysis	436 N 10TH ST		QUINCY	ADAMS	IL	62301-4152	14-2711
Alton Dialysis	3511 COLLEGE AVE		ALTON	MADISON	IL	62002-5009	14-2619
Arlington Heights Renal Center	17 WEST GOLF ROAD		ARLINGTON HEIGHTS	COOK	IL	60005-3905	14-2628
Auburn Park Dialysis	7939 SOUTH WESTERN AVENUE		CHICAGO	COOK	IL	60620	
Barrington Creek	28160 W. NORTHWEST HIGHWAY		LAKE BARRINGTON	LAKE	IL	60010	14-2736
Belvidere Dialysis	1755 BELOIT ROAD		BELVIDERE	BOONE	IL	61008	14-2795
Benton Dialysis	1151 ROUTE 14 W		BENTON	FRANKLIN	IL	62812-1500	14-2608
Beverly Dialysis	8109 SOUTH WESTERN AVE		CHICAGO	COOK	IL	60620-5939	14-2638
Big Oaks Dialysis	5623 W TOUHY AVE		NILES	COOK	IL	60714-4019	14-2712
Brickyard Dialysis	2640 NORTH NARRAGANSETT		CHICAGO	COOK	IL	60639	
Brighton Park Dialysis	4729 SOUTH CALIFORNIA AVE		CHICAGO	COOK	IL	60632	
Buffalo Grove Renal Center	1291 W. DUNDEE ROAD		BUFFALO GROVE	COOK	IL	60089-4009	14-2650
Calumet City Dialysis	1200 SIBLEY BOULEVARD		CALUMET CITY	COOK	IL	60409	14-2817
Carpentersville Dialysis	2203 RANDALL ROAD		CARPENTERSVILLE	KANE	IL	60110-3355	14-2598
Centralia Dialysis	1231 STATE ROUTE 161		CENTRALIA	MARION	IL	62801-6739	14-2609
Chicago Heights Dialysis	177 W JOE ORR RD	STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635
Chicago Ridge Dialysis	10511 SOUTH HARLEM AVE		WORTH	COOK	IL	60482	14-2793
Churchview Dialysis	5970 CHURCHVIEW DR		ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640
Cobblestone Dialysis	934 CENTER ST	STE A	ELGIN	KANE	IL	60120-2125	14-2715
Collinsville Dialysis	101 LANTER COURT	BLDG 2	COLLINSVILLE	MADISON	IL	62234	
Country Hills Dialysis	4215 W 167TH ST		COUNTRY CLUB HILLS	COOK	IL	60478-2017	14-2575
Crystal Springs Dialysis	720 COG CIRCLE		CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716
Decatur East Wood Dialysis	794 E WOOD ST		DECATUR	MACON	IL	62523-1155	14-2599
Dixon Kidney Center	1131 N GALENA AVE		DIXON	LEE	IL	61021-1015	14-2651
Driftwood Dialysis	1808 SOUTH WEST AVE		FREEPORT	STEPHENSON	IL	61032-6712	14-2747
Edgemont Dialysis	8 VIEUX CARRE DRIVE		EAST ST. LOUIS	ST. CLAIR	IL	62203	
Edwardsville Dialysis	235 S BUCHANAN ST		EDWARDSVILLE	MADISON	IL	62025-2108	14-2701
Effingham Dialysis	904 MEDICAL PARK DR	STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580
Emerald Dialysis	710 W 43RD ST		CHICAGO	COOK	IL	60609-3435	14-2529

DaVita Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Evanston Renal Center	1715 CENTRAL STREET		EVANSTON	COOK	IL	60201-1507	14-2511
Ford City Dialysis	8159 S CICERO AVENUE		CHICAGO	COOK	IL	60652	
Forest City Rockford	4103 W STATE ST		ROCKFORD	WINNEBAGO	IL	61101	
Grand Crossing Dialysis	7319 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60619-1909	14-2728
Freeport Dialysis	1028 S KUNKLE BLVD		FREEPORT	STEPHENSON	IL	61032-6914	14-2642
Foxpoint Dialysis	1300 SCHAEFER ROAD		GRANITE CITY	MADISON	IL	62040	
Garfield Kidney Center	3250 WEST FRANKLIN BLVD		CHICAGO	COOK	IL	60624-1509	14-2777
Geneva Crossing Dialysis	540 South Schmale Road		Carol Stream	DuPage	IL	60188	
Granite City Dialysis Center	9 AMERICAN VLG		GRANITE CITY	MADISON	IL	62040-3706	14-2537
Harvey Dialysis	16641 S HALSTED ST		HARVEY	COOK	IL	60426-6174	14-2698
Hazel Crest Renal Center	3470 WEST 183rd STREET		HAZEL CREST	COOK	IL	60429-2428	14-2622
Hickory Crrek Dialysis	214 COLLINS STREET		JOLIET	WILL	IL	60432	
Huntley Dialysis	10350 HALIGUS ROAD		HUNTLEIY	MCHENRY	IL	60142	
Illini Renal Dialysis	507 E UNIVERSITY AVE		CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633
Irving Park Dialysis	4323 N PULASKI RD		CHICAGO	COOK	IL	60641	
Jacksonville Dialysis	1515 W WALNUT ST		JACKSONVILLE	MORGAN	IL	62650-1150	14-2581
Jerseyville Dialysis	917 S STATE ST		JERSEYVILLE	JERSEY	IL	62052-2344	14-2636
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685
Kenwood Dialysis	4259 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60653	14-2717
Lake County Dialysis Services	565 LAKEVIEW PARKWAY	STE 176	VERNON HILLS	LAKE	IL	60061	14-2552
Lake Villa Dialysis	37809 N IL ROUTE 59		LAKE VILLA	LAKE	IL	60046-7332	14-2666
Lawndale Dialysis	3934 WEST 24TH ST		CHICAGO	COOK	IL	60623	14-2768
Lincoln Dialysis	2100 WEST FIFTH		LINCOLN	LOGAN	IL	62656-9115	14-2582
Lincoln Park Dialysis	2484 N ELSTON AVE		CHICAGO	COOK	IL	60647	14-2528
Litchfield Dialysis	915 ST FRANCES WAY		LITCHFIELD	MONTGOMERY	IL	62056-1775	14-2583
Little Village Dialysis	2335 W CERMAK RD		CHICAGO	COOK	IL	60608-3811	14-2668
Logan Square Dialysis	2838 NORTH KIMBALL AVE		CHICAGO	COOK	IL	60618	14-2534
Loop Renal Center	1101 SOUTH CANAL STREET		CHICAGO	COOK	IL	60607-4901	14-2505
Machesney Park Dialysis	7170 NORTH PERRYVILLE ROAD		MACHESNEY PARK	WINNEBAGO	IL	61115	14-2806
Macon County Dialysis	1090 W MCKINLEY AVE		DECATUR	MACON	IL	62526-3208	14-2584
Marengo City Dialysis	910 GREENLEE STREET	STE B	MARENGO	MCHENRY	IL	60152-8200	14-2643

DaVita Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Marion Dialysis	324 S 4TH ST		MARION	WILLIAMSON	IL	62959-1241	14-2570
Maryville Dialysis	2130 VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2634
Mattoon Dialysis	6051 DEVELOPMENT DRIVE		CHARLESTON	COLES	IL	61938-4652	14-2585
Metro East Dialysis	5105 W MAIN ST		BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527
Montclare Dialysis Center	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2649
Montgomery County Dialysis	1822 SENATOR MILLER DRIVE		HILLSBORO	MONTGOMERY	IL	62049	14-2813
Mount Vernon Dialysis	1800 JEFFERSON AVE		MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541
Mt. Greenwood Dialysis	3401 W 111TH ST		CHICAGO	COOK	IL	60655-3329	14-2660
Northgrove Dialysiss	2491 INDUSTRIAL DRIVE		HIGHLAND	MADISON	IL	62249	
O'Fallon Dialysis	1941 FRANK SCOTT PKWY E	STE B	O'FALLON	ST. CLAIR	IL	62269	14-2818
Oak Meadows Dialysis	5020 West 95th Street		OAK LAWN	Cook	IL	60453	
Olney Dialysis Center	117 N BOONE ST		OLNEY	RICHLAND	IL	62450-2109	14-2674
Olympia Fields Dialysis Center	4557B LINCOLN HWY	STE B	MATTESON	COOK	IL	60443-2318	14-2548
Palos Park Dialysis	13155 S LaGRANGE ROAD		ORLAND PARK	COOK	IL	60462-1162	14-2732
Park Manor Dialysis	95TH STREET & COLFAX AVENUE		CHICAGO	COOK	IL	60617	
Pittsfield Dialysis	640 W WASHINGTON ST		PITTSFIELD	PIKE	IL	62363-1350	14-2708
Red Bud Dialysis	LOT 4 IN 1ST ADDITION OF EAST INDUSTRIAL PARK		RED BUD	RANDOLPH	IL	62278	14-2772
Robinson Dialysis	1215 N ALLEN ST	STE B	ROBINSON	CRAWFORD	IL	62454-1100	14-2714
Rockford Dialysis	3339 N ROCKTON AVE		ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647
Roxbury Dialysis Center	622 ROXBURY RD		ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665
Rushville Dialysis	112 SULLIVAN DRIVE		RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620
Rutgers Park Dialysis	8455 WOODWARD AVENUE		WOODRIDGE	DUPAGE	IL	60517	
Salt Creek Dialysis	196 WEST NORTH AVENUE		VILLA PARK	DUPAGE	IL	60181	
Sauget Dialysis	2061 GOOSE LAKE RD		SAUGET	SAINT CLAIR	IL	62206-2822	14-2561
Schaumburg Renal Center	1156 S ROSELLE ROAD		SCHAUMBURG	COOK	IL	60193-4072	14-2654
Shiloh Dialysis	1095 NORTH GREEN MOUNT RD		SHILOH	ST CLAIR	IL	62269	14-2753

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DaVita Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Silver Cross Renal Center - Morris	1551 CREEK DRIVE		MORRIS	GRUNDY	IL	60450	14-2740
Silver Cross Renal Center - New Lenox	1890 SILVER CROSS BOULEVARD		NEW LENOX	WILL	IL	60451	14-2741
Silver Cross Renal Center - West	1051 ESSINGTON ROAD		JOLIET	WILL	IL	60435	14-2742
South Holland Renal Center	16136 SOUTH PARK AVENUE		SOUTH HOLLAND	COOK	IL	60473-1511	14-2544
Springfield Central Dialysis	932 N RUTLEDGE ST		SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586
Springfield Montvale Dialysis	2930 MONTVALE DR	STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590
Springfield South	2930 SOUTH 6th STREET		SPRINGFIELD	SANGAMON	IL	62703	14-2733
Stonecrest Dialysis	1302 E STATE ST		ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615
Stony Creek Dialysis	9115 S CICERO AVE		OAK LAWN	COOK	IL	60453-1895	14-2661
Stony Island Dialysis	8725 S STONY ISLAND AVE		CHICAGO	COOK	IL	60617-2709	14-2718
Sycamore Dialysis	2200 GATEWAY DR		SYCAMORE	DEKALB	IL	60178-3113	14-2639
Taylorville Dialysis	901 W SPRESSER ST		TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587
Tazewell County Dialysis	1021 COURT STREET		PEKIN	TAZEWELL	IL	61554	14-2767
Timber Creek Dialysis	1001 S. ANNIE GLIDDEN ROAD		DEKALB	DEKALB	IL	60115	14-2763
Tinley Park Dialysis	16767 SOUTH 80TH AVENUE		TINLEY PARK	COOK	IL	60477	14-2810
TRC Children's Dialysis Center	2611 N HALSTED ST		CHICAGO	COOK	IL	60614-2301	14-2604
Vandalia Dialysis	301 MATTES AVE		VANDALIA	FAYETTE	IL	62471-2061	14-2693
Vermilion County Dialysis	22 WEST NEWELL ROAD		DANVILLE	VERMILION	IL	61834	14-2812
Washington Heights Dialysis	10620 SOUTH HALSTED STREET		CHICAGO	COOK	IL	60628	
Waukegan Renal Center	1616 NORTH GRAND AVENUE	STE C	Waukegan	COOK	IL	60085-3676	14-2577
Wayne County Dialysis	303 NW 11TH ST	STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688
West Lawn Dialysis	7000 S PULASKI RD		CHICAGO	COOK	IL	60629-5842	14-2719
West Side Dialysis	1600 W 13TH STREET		CHICAGO	COOK	IL	60608	14-2783
Whiteside Dialysis	2600 N LOCUST	STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648
Woodlawn Dialysis	5060 S STATE ST		CHICAGO	COOK	IL	60609	14-2310

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Vice Chair Sewell:

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

Additionally, pursuant to 77 Ill. Admin. Code § 1110.110(a)(2)(J), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,

Print Name: Arturo Sida
Its: Assistant Corporate Secretary, DaVita Inc.
Secretary, Total Renal Care, Inc., Managing Member
of Hopkinton Dialysis, LLC

Subscribed and sworn to me
This ___ day of __________, 2018

See Attached

Notary Public

2000 16th Street, Denver, CO 80202 | P (303) 876-6000 F (310) 536-2675 | DaVita.com

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

State of California

County of Los Angeles

On August 22, 2018 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

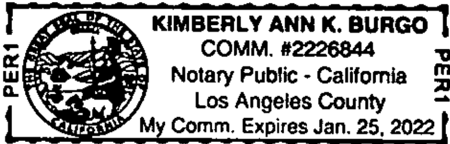
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: IL CON Application (DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC)

Document Date: August 22, 2018 Number of Pages: 1 (one)

Signer(s) if Different Than Above: ______

Other Information: ______

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

- ☐ Individual
- ☒ Corporate Officer Assistant Corporate Secretary / Secretary
  (Title(s))
- ☐ Partner
- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Guardian/Conservator
- ☐ Other: ______

SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC

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

Purpose of Project

1. This project is intended to improve access to life sustaining dialysis services to the residents residing in southwestern Cook County. Due to a large influx of Hispanic residents in the 1980s and 1990s, the Cicero geographic service area ("GSA") is one of the few majority minority communities in the State of Illinois. The community is 46% Hispanic and 22% African-American. Most Hispanic residents speak a language other than English. Due to the large immigrant population, cultural barriers to access health care are high. These barriers include time and availability of providers, characteristics of healthcare personnel and patient-provider communications.[8] Limited communication and perceived lack of linguistic and cultural competence from providers can lead to mistrust of the health care system and make it difficult for immigrants to establish relationships with primary care physicians.[9] Provider communications and an ability to connect with your primary care provider are critical for optimal healthcare, particularly when treating complex chronic illnesses.

   The incidence of ESRD in the Hispanic and African-American populations is higher than in the general population. The ESRD incident rate among the Hispanic population is 1.5 times greater than the non-Hispanic population, and the ESRD incidence rate among African-Americans is 3.7 times greater than Caucasians. Likely contributing factors to this burden of disease include diabetes and metabolic syndrome, both are common among Hispanic and African-American individuals. Other factors for these groups that contribute to a higher disease burden are family history, impaired glucose tolerance, diabetes during pregnancy, hyperinsulinemia and insulin resistance, obesity and physical inactivity. African Americans with diabetes are more likely to develop complications of diabetes and to have greater disability from these complications than the general population. Access to health care, the quality of care received, and barriers due to language, and health literacy also play a role in the higher incident rates.[10]

   In addition to a large minority community, Cicero is an economically disadvantaged community. According to the 2016 U.S. Census Bureau estimates, 22% of residents live below the federal poverty level ("FPL") and 7% live in extreme poverty (below 50% of FPL).[11] Importantly, poverty is a key driver of health status. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely access a physician. The inability to obtain health insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. According to the 2016 U.S. Census Bureau estimates, 23% of residents were uninsured (compared to 10% Statewide).[12] In fact, in a recent community needs assessment, residents noted a need for more doctors and clinics and availability of

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[8] Joan Edward and Vicki Hines-Martin, Examining Perceived Barriers to Healthcare Access for Hispanics in a Southern Urban Community, 5 J of Hospital Administration 102, 104 (2016) *available at* https://www.researchgate.net/profile/Vicki_Hines-Martin/publication/291392351_Examining_perceived_barriers_to_healthcare_access_for_Hispanics_in_a_southern_urban_community/links/56ab9feb08ae8f386569c55b/Examining-perceived-barriers-to-healthcare-access-for-Hispanics-in-a-southern-urban-community.pdf?origin=publication_detail (last visited Jul 9, 2018).

[9] Id. at 102-103.

[10] Claudia M. Lora, M.D. et al, *Chronic Kidney Disease in United States Hispanics: A Growing Public Health Problem,* Ethnicity Dis. 19(4), 466-72 (2009) *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3587111/ (last visited Sep. 29, 2017).

[11] U.S. Census Bureau, Census 2016, American Factfinder *available at* https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml (last visited Aug. 6, 2018).

[12] Id.

more low-cost or free health services in the Cicero community.[13] Due to economic challenges faced by members of this community, the Health Resources & Services Administration ("HRSA") has designated this area a low income health professional shortage area ("HPSA"). See Attachment – 12A.

Given these factors, readily accessible dialysis services are imperative for the health of the residents living in Cicero and the surrounding communities. There are 16 existing or approved dialysis clinics within the Cicero GSA. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trend. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational.

Finally, Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Farheen Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion.

The proposed Cicero Dialysis is needed to ensure ESRD patients in southwestern Cook County have adequate access to dialysis services that are essential to their well-being.

2. A map of the market area for the proposed clinic is attached at Attachment – 12B. The market area encompasses a 5 mile radius around the proposed clinic. The boundaries of the market area are as follows:

    - North 5 miles to Oak Park.
    - Northeast 5 miles to West Garfield Park (Chicago).
    - East 5 miles to Pilsen (Chicago).
    - Southeast 5 miles to Gage Park.(Chicago)
    - South 5 miles to Oak Lawn.
    - Southwest 5 miles to McCook.
    - West 5 miles to LaGrange Park.
    - Northwest 5 miles to Maywood.

    The purpose of this project is to improve access to life sustaining dialysis to residents of southwestern Cook County and the surrounding area.

3. There are 16 existing or approved dialysis clinics within the Cicero GSA. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trends. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational. The proposed Cicero Dialysis is

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[13] Makeda Newell, PhD, Loyola University of Chicago, Cicero Neighborhood Network (CNN) Needs Assessment Final Report 77 (Dec. 2016) *available at* http://www.youthcrossroads.org/newsite/wp-content/uploads/2017/04/CNN-Needs-Assessment-Report_Final_1-8-17-2.pdf (last visited Aug. 6, 2018).

needed to ensure there are sufficient dialysis stations to accommodate Shifa Nephrology Associates' projected patients.

4. Source Information

CENTERS FOR DISEASE CONTROL & PREVENTION, NATIONAL CENTER FOR CHRONIC DISEASE PREVENTION AND HEALTH PROMOTION, National Chronic Kidney Disease Fact Sheet, 2017, (2017) available at https://www.cdc.gov/diabetes/pubs/pdf/kidney_factsheet.pdf (last visited Jul. 3, 2018).

US Renal Data System, USRDS 2017 Annual Data Report: Epidemiology of Kidney Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 16 (2017) available at https://www.usrds.org/2017/download/ v1_c01_ GenPop_17.pdf (last visited Jul. 3, 2018).

THE HENRY J. KAISER FAMILY FOUNDATION, MARKETPLACE EFFECTUATED ENROLLMENT, 2017-2018 *available at* https://www.kff.org/health-reform/state-indicator/marketplace-enrollment-2017-2018/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D (last visited Jul. 3, 2018).

Mohammed P. Hossian, M.D. et al., CKD AND POVERTY: A GROWING GLOBAL CHALLENGE, 53 AM. J. KIDNEY DISEASE 166, 167 (2009) available at http://www.ajkd.org/article/S0272-6386(08)01473-X/fulltext (last visited Jul. 3, 2018).

Joan Edward and Vicki Hines-Martin, Examining Perceived Barriers to Healthcare Access for Hispanics in a Southern Urban Community, 5 J of Hospital Administration 102, 104 (2016) *available at* https://www.researchgate.net/profile/Vicki_Hines-Martin/publication/291392351_Examining_perceived_barriers_to_healthcare_access_for_Hispanics_in_a_southern_urban_community/links/56ab9feb08ae8f386569c55b/Examining-perceived-barriers-to-healthcare-access-for-Hispanics-in-a-southern-urban-community.pdf?origin=publication_detail (last visited Jul 9, 2018).

Makeda Newell, PhD, Loyola University of Chicago, Cicero Neighborhood Network (CNN) Needs Assessment Final Report 77 (Dec. 2016) *available at* http://www.youthcrossroads.org/newsite/wp-content/uploads/2017/04/CNN-Needs-Assessment-Report_Final_1-8-17-2.pdf (last visited Aug. 6, 2018).

5. The proposed clinic will improve access to dialysis services to the residents of southwestern Cook County and the surrounding area. Given the demographics of the Cicero GSA, this clinic is necessary to ensure sufficient access to dialysis services in the community.

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

HRSA Health Resources & Services Administration Data Warehouse

Topic Areas Tools Data FAQs & Resources About HDW HRSA.gov

Home > Tools > Analyzers > Find Shortage Areas by Address

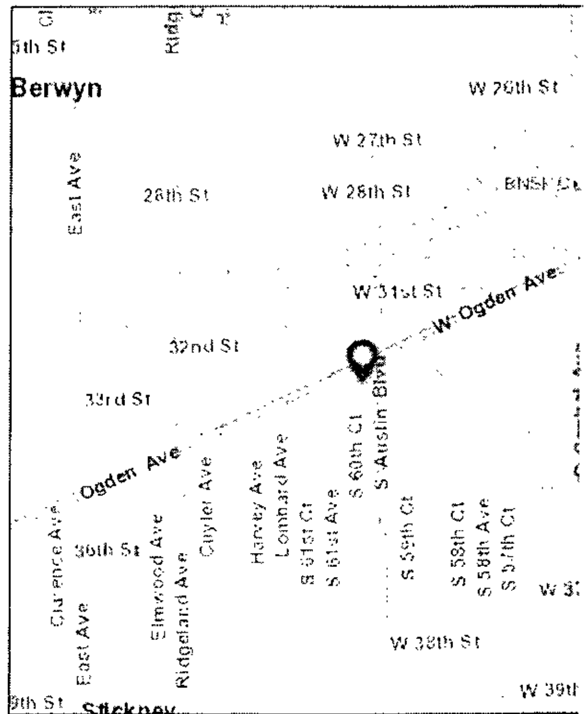
Find Shortage Areas by Address Results

Input address: 6001 Ogden Ave, cicero, Illinois 60804
Geocoded address: 6001 W Ogden Ave, Cicero, Illinois, 60804

Start Over

HPSA Data as of 8/3/2018
MUA Data as of 8/3/2018

[±] More about this address



Click on the image to see an expanded ma

In a Dental Health HPSA: Yes
HPSA Name: Low Income - Maywood/Cicero
ID: 6178215492
Designation Type: Hpsa Population
Status: Designated
Score: 8
Designation Date: 06/28/2001
Last Update Date: 10/28/2017

In a Mental Health HPSA: Yes
HPSA Name: Cicero/Berwyn
ID: 7174454671
Designation Type: Hpsa Geographic
Status: Designated
Score: 14
Designation Date: 09/12/2002
Last Update Date: 12/12/2017

In a Primary Care HPSA: Yes
HPSA Name: Low Income - Cicero/Berwyn
ID: 1176998371
Designation Type: Hpsa Population
Status: Designated
Score: 6
Designation Date: 04/23/2013
Last Update Date: 10/28/2017

In a MUA/P: No

Note: The address entered is geocoded and then compared against the HPSA and MUA/P data in the HRSA Data Warehouse. Due to geoprocessing limitations, the designation cannot be guaranteed to be 100% accurate and does not constitute an official determination.

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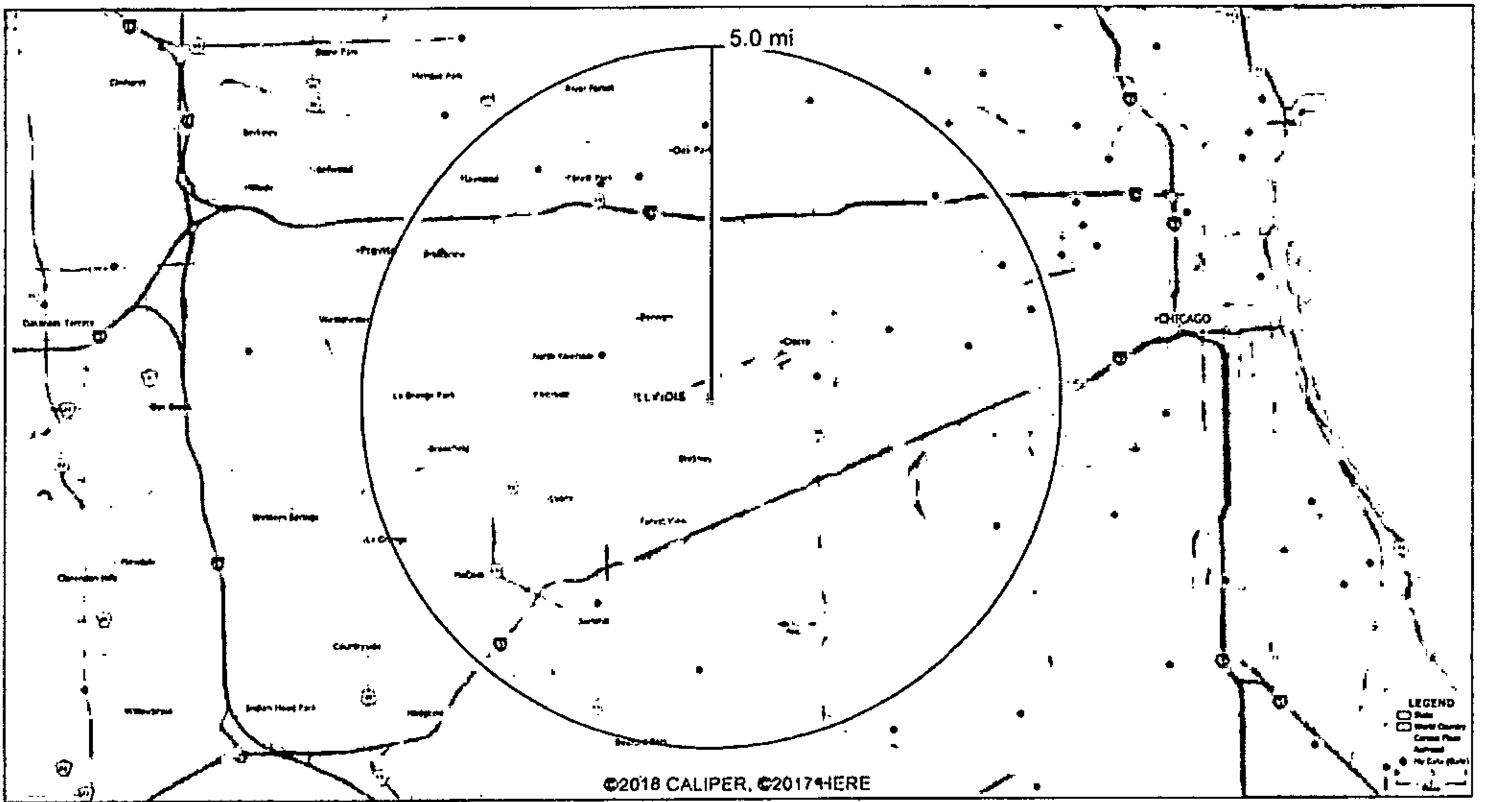
Attachment – 12A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LEGEND
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Section III, Background, Purpose of the Project, and Alternatives
Criterion 1110.230(c) – Background, Purpose of the Project, and Alternatives

Alternatives

The Applicants considered three options prior to determining to establish a 12-station dialysis clinic. The options considered are as follows:

1. Maintain the Status Quo/Do Nothing

2. Utilize Existing Clinics.

3. Establish a new clinic.

After exploring these options, which are discussed in more detail below, the Applicants determined to establish a 12-station dialysis clinic. A review of each of the options considered and the reasons they were rejected follows.

Maintain the Status Quo/Do Nothing

Due to a large influx of Hispanic residents in the 1980s and 1990s, the Cicero GSA is one of the few majority minority communities in the State of Illinois. The community is 46% Hispanic and 22% African-American. Most Hispanic residents speak a language other than English. Due to the large immigrant population, cultural barriers to access health care are high. These barriers include time and availability of providers, characteristics of healthcare personnel and patient-provider communications.[14] Limited communication and perceived lack of linguistic and cultural competence from providers can lead to mistrust of the health care system and make it difficult for immigrants to establish relationships with primary care physicians.[15] Provider communications and an ability to connect with your primary care provider is critical for optimal healthcare, particularly when treating complex chronic illnesses.

The incidence of ESRD in the Hispanic and African-American populations is higher than in the general population. The ESRD incident rate among the Hispanic population is 1.5 times greater than the non-Hispanic population, and the ESRD incidence rate among African-Americans is 3.7 times greater than Caucasians. Likely contributing factors to this burden of disease include diabetes and metabolic syndrome, both are common among Hispanic and African-American individuals. Other factors for these groups that contribute to a higher disease burden are family history, impaired glucose tolerance, diabetes during pregnancy, hyperinsulinemia and insulin resistance, obesity and physical inactivity. African Americans with diabetes are more likely to develop complications of diabetes and to have greater disability from these complications than the general population. Access to health care, the quality of care received, and barriers due to language, and health literacy also play a role in the higher incident rates.[16]

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[14] Joan Edward and Vicki Hines-Martin, Examining Perceived Barriers to Healthcare Access for Hispanics in a Southern Urban Community, 5 J of Hospital Administration 102, 104 (2016) *available at* https://www.researchgate.net/profile/Vicki_Hines-Martin/publication/291392351_Examining_perceived_barriers_to_healthcare_access_for_Hispanics_in_a_southern_urban_community/links/56ab9feb08ae8f386569c55b/Examining-perceived-barriers-to-healthcare-access-for-Hispanics-in-a-southern-urban-community.pdf?origin=publication_detail (last visited Jul 9, 2018).

[15] Id. at 102-103.

[16] Claudia M. Lora, M.D. et al, *Chronic Kidney Disease in United States Hispanics: A Growing Public Health Problem,* Ethnicity Dis. 19(4), 466-72 (2009) *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3587111/ (last visited Sep. 29, 2017).

In addition to a large minority community, Cicero is an economically disadvantaged community. According to the 2016 U.S. Census Bureau estimates, 22% of residents live below the FPL and 7% live in extreme poverty (below 50% of FPL).[17] Importantly, poverty is a key driver of health status. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely access a physician. The inability to obtain health insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. According to the 2016 U.S. Census Bureau estimates, 23% of residents were uninsured (compared to 10% Statewide).[18] In fact, in a recent community needs assessment, residents noted a need for more doctors and clinics and availability of more low-cost or free health services in the Cicero community.[19] Due to economic challenges faced by members of this community, HRSA has designated this area a low income HPSA.

Given these factors, readily accessible dialysis services are imperative for the health of the residents living in Cicero and the surrounding communities. There are 16 existing or approved dialysis clinics within the Cicero GSA. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trends. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational.

Finally, Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Farheen Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion.

There is no capital cost with this alternative.

Utilize Existing Clinics

DaVita considered utilizing existing facilities within the Cicero Dialysis GSA; however, due to the growth in the need for dialysis services in this community, the existing clinics will not be able to accommodate Shifa Nephrology Associates' projected referrals. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trends. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational.

Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death,

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17 U.S. Census Bureau, Census 2016, American Factfinder *available at* https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml (last visited Aug. 6, 2018).

18 Id.

19 Makeda Newell, PhD, Loyola University of Chicago, Cicero Neighborhood Network (CNN) Needs Assessment Final Report 77 (Dec. 2016) *available at* http://www.youthcrossroads.org/newsite/wp-content/uploads/2017/04/CNN-Needs-Assessment-Report_Final_1-8-17-2.pdf (last visited Aug. 6, 2018).

transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Farheen Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion. Based upon historical utilization trends, the existing facilities will not have sufficient capacity to accommodate Shifa Nephrology Associates' projected ESRD patients.

Finally, March 2018 data from the Renal Network supports the need for additional stations in Cicero. According to the Renal Network data 1,422 ESRD patients live within 5 miles of the proposed clinic and this number is expected to grow. As noted above, additional stations recently came online or are projected to come online; however, these stations are dedicated to different patient bases. The existing clinics will not have adequate capacity to treat Shifa Nephrology Associates' projected patients. As a result, DaVita rejected this option.

There is no capital cost with this alternative.

Establish a New Clinic

As noted above, there are 16 existing or approved dialysis clinics within the Cicero GSA. The Cicero GSA is one of the few majority minority communities in the State of Illinois. The community is 46% Hispanic and 22% African-American. Due to the large immigrant population, cultural barriers to access health care are high. These barriers include time and availability of providers, characteristics of healthcare personnel and patient-provider communications.[20] Limited communication and perceived lack of linguistic and cultural competence from providers can lead to mistrust of the health care system and make it difficult for immigrants to establish relationships with primary care physicians.[21] Provider communications and an ability to connect with your primary care provider is critical for optimal healthcare, particularly when treating complex chronic illnesses.

The incidence of ESRD in the Hispanic and African-American populations is higher than in the general population. The ESRD incident rate among the Hispanic population is 1.5 times greater than the non-Hispanic population, and the ESRD incidence rate among African-Americans is 3.7 times greater than Caucasians. Likely contributing factors to this burden of disease include diabetes and metabolic syndrome, both are common among Hispanic and African-American individuals. Other factors for these groups that contribute to a higher disease burden are family history, impaired glucose tolerance, diabetes during pregnancy, hyperinsulinemia and insulin resistance, obesity and physical inactivity. African Americans with diabetes are more likely to develop complications of diabetes and to have greater disability from these complications than the general population. Access to health care, the quality of care received, and barriers due to language, and health literacy also play a role in the higher incident rates.[22]

In addition to a large minority community, Cicero is an economically disadvantaged community. According to the 2016 U.S. Census Bureau estimates, 22% of residents live below the FPL and 7%

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[20] Joan Edward and Vicki Hines-Martin, Examining Perceived Barriers to Healthcare Access for Hispanics in a Southern Urban Community, 5 J of Hospital Administration 102, 104 (2016) *available at* https://www.researchgate.net/profile/Vicki_Hines-Martin/publication/291392351_Examining_perceived_barriers_to_healthcare_access_for_Hispanics_in_a_southern_urban_community/links/56ab9feb08ae8f386569c55b/Examining-perceived-barriers-to-healthcare-access-for-Hispanics-in-a-southern-urban-community.pdf?origin=publication_detail (last visited Jul 9, 2018).

[21] Id. at 102-103.

[22] Claudia M. Lora, M.D. et al, *Chronic Kidney Disease in United States Hispanics: A Growing Public Health Problem,* Ethnicity Dis. 19(4), 466-72 (2009) *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3587111/ (last visited Sep. 29, 2017).

live in extreme poverty (below 50% of FPL).[23] Importantly, poverty is a key driver of health status. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely access a physician. The inability to obtain health insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. Due to economic challenges faced by members of this community, HRSA has designated this area a low income HPSA.

There are 16 existing or approved dialysis clinics within the Cicero GSA. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trends. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational.

Further, Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Farheen Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion. Based upon historical utilization trends, the existing facilities will not have sufficient capacity to accommodate Shifa Nephrology Associates' projected ESRD patients.

Finally, March 2018 data from the Renal Network supports the need for additional stations in Cicero. According to the Renal Network data 1,422 ESRD patients live within 5 miles of the proposed clinic and this number is expected to grow. As noted above, additional stations recently came online or are projected to come online; however, these stations are dedicated to different patient bases. The existing clinics will not have adequate capacity to treat Shifa Nephrology Associates' projected patients. As a result, DaVita rejected this option.

The proposed Cicero Dialysis is needed to ensure ESRD patients in southwestern Cook County have adequate access to dialysis services that are essential to their well-being. As a result, DaVita chose this option.

The cost of this alternative is **$4,690,273**.

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[23] U.S. Census Bureau, Census 2016, American Factfinder *available at* https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml (last visited Aug. 6, 2018).

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

The Applicants propose to establish a 12-station dialysis clinic. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard is 450-650 gross square feet per dialysis station for a total of 5,400 – 7,800 gross square feet for 12 dialysis stations. The total gross square footage of the clinical space of the proposed Cicero Dialysis is 6,776 of gross square feet (or 564.67 GSF per station). Accordingly, the proposed clinic meets the State standard per station.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD	6,776	5,400 – 7,800	N/A	Meets State Standard

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

By the second year of operation, annual utilization at the proposed clinic shall exceed HFSRB's utilization standard of 80%. Pursuant to Section 1100.630 of the HFSRB's rules, clinics providing in-center hemodialysis should operate their dialysis stations at or above an annual utilization rate of 80%, assuming three patient shifts per day per dialysis station, operating six days per week. Dr. Farheen Shah-Kahn is currently treating 111 selected CKD patients who all reside within 5 miles of the proposed Cicero Dialysis, and whose condition is advancing to ESRD. See Appendix - 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation of patients outside the Cicero GSA, it is estimated that 64 of these patients will initiate in-center hemodialysis within 12 to 24 months following project completion.

Table 1110.234(b) Utilization					
	Dept./ Service	**Historical Utilization (Treatments)**	**Projected Utilization**	**State Standard**	**Met Standard?**
Year 2	ESRD	N/A	9,984	8,986	Yes

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

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

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

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

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430, In-Center Hemodialysis Projects – Review Criteria

1. Planning Area Need

This project will improve access to life sustaining dialysis services to the residents residing in southwestern Cook County. Due to a large influx of Hispanic residents in the 1980s and 1990s, the Cicero geographic service area ("GSA") is one of the few majority minority communities in the State of Illinois. The community is 46% Hispanic and 22% African-American. Most Hispanic residents speak a language other than English. Due to the large immigrant population, cultural barriers to access health care are high. These barriers include time and availability of providers, characteristics of healthcare personnel and patient-provider communications.[24] Limited communication and perceived lack of linguistic and cultural competence from providers can lead to mistrust of the health care system and make it difficult for immigrants to establish relationships with primary care physicians.[25] Provider communications and an ability to connect with your primary care provider is critical for optimal healthcare, particularly when treating complex chronic illnesses.

The incidence of ESRD in the Hispanic and African-American populations is higher than in the general population. The ESRD incident rate among the Hispanic population is 1.5 times greater than the non-Hispanic population, and the ESRD incidence rate among African-Americans is 3.7 times greater than Caucasians. Likely contributing factors to this burden of disease include diabetes and metabolic syndrome, both are common among Hispanic and African-American individuals. Other factors for these groups that contribute to a higher disease burden are family history, impaired glucose tolerance, diabetes during pregnancy, hyperinsulinemia and insulin resistance, obesity and physical inactivity. African Americans with diabetes are more likely to develop complications of diabetes and to have greater disability from these complications than the general population. Access to health care, the quality of care received, and barriers due to language, and health literacy also play a role in the higher incident rates.[26]

In addition to a large minority community, Cicero is an economically disadvantaged community. According to the 2016 U.S. Census Bureau estimates, 22% of residents live below the FPL and 7% live in extreme poverty (below 50% of FPL).[27] Importantly, poverty is a key driver of health status. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely access a physician. The inability to obtain health insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. According to the 2016 U.S. Census Bureau estimates, 23% of residents were uninsured (compared to 10% Statewide).[28] In fact, in a recent community needs assessment,

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[24] Joan Edward and Vicki Hines-Martin, Examining Perceived Barriers to Healthcare Access for Hispanics in a Southern Urban Community, 5 J of Hospital Administration 102, 104 (2016) *available at* https://www.researchgate.net/profile/Vicki_Hines-Martin/publication/291392351_Examining_perceived_barriers_to_healthcare_access_for_Hispanics_in_a_southern_urban_community/links/56ab9feb08ae8f386569c55b/Examining-perceived-barriers-to-healthcare-access-for-Hispanics-in-a-southern-urban-community.pdf?origin=publication_detail (last visited Jul 9, 2018).

[25] Id. at 102-103.

[26] Claudia M. Lora, M.D. et al, *Chronic Kidney Disease in United States Hispanics: A Growing Public Health Problem,* Ethnicity Dis. 19(4), 466-72 (2009) *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3587111/ (last visited Sep. 29, 2017).

[27] U.S. Census Bureau, Census 2016, American Factfinder *available at* https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml (last visited Aug. 6, 2018).

[28] Id.

residents noted a need for more doctors and clinics and availability of more low-cost or free health services in the Cicero community.[29] Due to economic challenges faced by members of this community, HRSA has designated this area a low income HPSA.

Given these factors, readily accessible dialysis services are imperative for the health of the residents living in Cicero and the surrounding communities. There are 16 existing or approved dialysis clinics within the Cicero GSA. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trends. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational.

Finally, Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Farheen Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion.

The proposed Cicero Dialysis is needed to ensure ESRD patients in southwestern Cook County have adequate access to dialysis services that are essential to their well-being.

2. Service to Planning Area Residents

The proposed Cicero Dialysis is located in a community that is designated as a health professional shortage area by HRSA. The purpose of the project is to ensure the ESRD patient population in southwestern Cook County has access to life sustaining dialysis. As evidenced in the physician referral letter attached at Appendix – 1, all 64 pre-ESRD patients anticipated to initiate dialysis within two years of project completion reside within 5 miles of Cicero Dialysis.

3. Service Demand

Attached at Appendix - 1 is a physician referral letter from Dr. Shah-Kahn and a schedule of CKD and current patients by zip code. A summary of CKD patients projected to be referred to the proposed dialysis clinic within the first two years after project completion is provided in Table 1110.230(b)(3)(B) below.

Table 1110.230(b)(3)(B) Projected Pre-ESRD Patient Referrals by Zip Code

Zip Code	Total Patients
60623	18
60624	36
60644	2

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[29] Makeda Newell, PhD, Loyola University of Chicago, Cicero Neighborhood Network (CNN) Needs Assessment Final Report 77 (Dec. 2016) *available at* http://www.youthcrossroads.org/newsite/wp-content/uploads/2017/04/CNN-Needs-Assessment-Report_Final_1-8-17-2.pdf (last visited Aug. 6, 2018).

Table 1110.230(b)(3)(B) Projected Pre-ESRD Patient Referrals by Zip Code	
Zip Code	Total Patients
60651	55
Total	111

4. Service Accessibility

As set forth throughout this application, the proposed clinic is needed to maintain access to life-sustaining dialysis for residents in southwestern Cook County. There are 16 existing or approved dialysis clinics within the Cicero GSA. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trends. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational.

The Cicero GSA is one of the few majority minority communities in the State of Illinois. The community is 46% Hispanic and 22% African-American. Most Hispanic residents speak a language other than English. Due to the large immigrant population, cultural barriers to access health care are high. These barriers include time and availability of providers, characteristics of healthcare personnel and patient-provider communications.[30] Limited communication and perceived lack of linguistic and cultural competence from providers can lead to mistrust of the health care system and make it difficult for immigrants to establish relationships with primary care physicians.[31] Provider communications and an ability to connect with your primary care provider is critical for optimal healthcare, particularly when treating complex chronic illnesses.

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[30] Joan Edward and Vicki Hines-Martin, Examining Perceived Barriers to Healthcare Access for Hispanics in a Southern Urban Community, 5 J of Hospital Administration 102, 104 (2016) *available at* https://www.researchgate.net/profile/Vicki_Hines-Martin/publication/291392351_Examining_perceived_barriers_to_healthcare_access_for_Hispanics_in_a_southern_urban_community/links/56ab9feb08ae8f386569c55b/Examining-perceived-barriers-to-healthcare-access-for-Hispanics-in-a-southern-urban-community.pdf?origin=publication_detail (last visited Jul 9, 2018).

[31] Id. at 102-103.

to health care, the quality of care received, and barriers due to language, and health literacy also play a role in the higher incident rates.[32]

In addition to a large minority community, Cicero is an economically disadvantaged community. According to the 2016 U.S. Census Bureau estimates, 22% of residents live below the FPL and 7% live in extreme poverty (below 50% of FPL).[33] Importantly, poverty is a key driver of health status. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely access a physician. The inability to obtain health insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. According to the 2016 U.S. Census Bureau estimates, 23% of residents were uninsured (compared to 10% Statewide).[34] In fact, in a recent community needs assessment, residents noted a need for more doctors and clinics and availability of more low-cost or free health services in the Cicero community.[35] Due to economic challenges faced by members of this community, HRSA has designated this area a low income HPSA.

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Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Farheen Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion.

Finally, March 2018 data from the Renal Network supports the need for additional stations in Cicero. According to the Renal Network data 1,422 ESRD patients live within 5 miles of the proposed clinic and this number is expected to grow. As noted above, additional stations recently came online; however, these stations are dedicated to different patient bases. The proposed Cicero Dialysis is needed to ensure ESRD patients in southwestern Cook County have adequate access to dialysis services that are essential to their well-being.

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[32] Claudia M. Lora, M.D. et al, *Chronic Kidney Disease in United States Hispanics: A Growing Public Health Problem,* Ethnicity Dis. 19(4), 466-72 (2009) *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3587111/ (last visited Sep. 29, 2017).

[33] U.S. Census Bureau, Census 2016, American Factfinder *available at* https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml (last visited Aug. 6, 2018).

[34] Id.

[35] Makeda Newell, PhD, Loyola University of Chicago, Cicero Neighborhood Network (CNN) Needs Assessment Final Report 77 (Dec. 2016) *available at* http://www.youthcrossroads.org/newsite/wp-content/uploads/2017/04/CNN-Needs-Assessment-Report_Final_1-8-17-2.pdf (last visited Aug. 6, 2018).

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.230(c), Unnecessary Duplication/Maldistribution

1. Unnecessary Duplication of Services

   a. The proposed dialysis clinic will be located at 6001 Ogden Avenue, Cicero, Illinois 60804. A map of the proposed clinic's market area is attached at Attachment – 24A. A list of all zip codes located, in total or in part, within 5 miles of the site of the proposed dialysis clinic as well as 2016 population estimates from the U.S. Census Bureau for each zip code is provided in Table 1110.230(c)(1)(A).

Table 1110.230(c)(1)(A) Population of Zip Codes within a 5 mile radius of Proposed Clinic		
Zip Code	**City**	**Population**
60130	Forest Park	14,137
60141	Hines	192
60155	Broadview	7,915
60301	Oak Park	2,329
60302	Oak Park	32,258
60304	Oak Park	17,402
60305	River Forest	11,217
60402	Berwyn	63,938
60501	Summit Argo	11,990
60513	Brookfield	18,966
60526	La Grange Park	13,565
60534	Lyons	10,571
60546	Riverside	15,837
60623	Chicago	88,137
60624	Chicago	38,134
60632	Chicago	91,668
60638	Chicago	57,746
60644	Chicago	49,645
60804	Cicero	83,972
Total		**629,619**

Source: U.S. Census Bureau, Census 2016, American Factfinder *available at* https:// factfinder.census.gov/faces/nav/jsf/pages/ index.xhtml (last visited Aug. 6, 2018).

   b. A list of existing and approved dialysis clinics located within a 5 mile radius of the proposed dialysis clinic is provided at Attachment – 24B.

2. Maldistribution of Services

The proposed dialysis clinic will not result in a maldistribution of services. A maldistribution exists when an identified area has an excess supply of clinics, stations, and services characterized by such factors as, but not limited to: (1) ratio of stations to population exceeds one and one-half times the

State Average; (2) historical utilization for existing clinics and services is below the HFSRB's utilization standard; or (3) insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above utilization standards.

a. Ratio of Stations to Population

As shown in Table 1110.230(c)(2)(A), the ratio of stations to population is 136% of the State Average.

Table 1110.230(c)(2)(A) Ratio of Stations to Population				
	Population	**Stations**	**Stations to Population**	**Standard Met**
Cicero GSA	629,619	323	1:1,949	Yes
Illinois	12,851,684	4,847	1:2,651	

b. Historic Utilization of Existing Facilities

There are 16 existing or approved dialysis clinics within the Cicero GSA. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trend. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational. The proposed Cicero Dialysis is needed to ensure there are sufficient dialysis stations to accommodate Shifa Nephrology Associates' projected patients.

c. Sufficient Population to Achieve Target Utilization

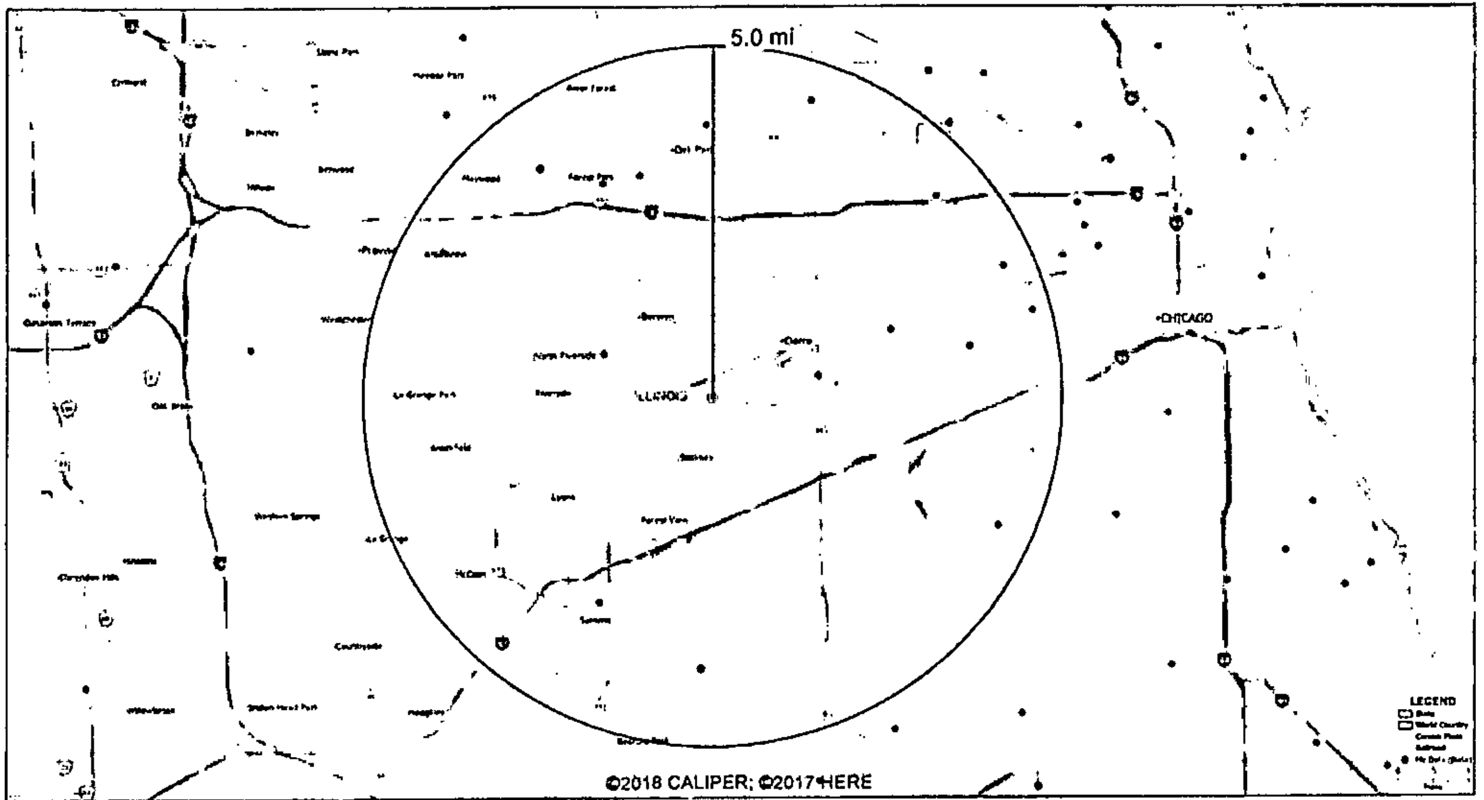
The Applicants propose to establish a 12-station dialysis clinic. To achieve the HFSRB's 80% utilization standard within the first two years after project completion, the Applicants would need 58 patient referrals. Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion. Accordingly, there is sufficient population to achieve target utilization.

3. Impact to Other Providers

a. The proposed dialysis clinic will not have an adverse impact on existing clinics in the Cicero Dialysis GSA. Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion. No patients are expected to transfer from existing dialysis clinics.

b. The proposed dialysis clinic will not lower the utilization of other area clinics that are currently operating below HFSRB standards. As noted above, there are 16 dialysis clinics within the Cicero Dialysis GSA. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trends. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational.

   Further, Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion. No patients are expected to transfer from existing dialysis clinics.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Cicero Dialysis

Facility	Ownership	Address	City	State	HSA	Straight-Line Distance to Center	Number of Stations 4/18/2018	Number of Patients 6/30/18	Utilization % 6/30/18
Fresenius Medical Care Cicero	Fresenius	3000 South Cicero Avenue	Cicero	IL	7	1.5	16	89	92.7%
FMC Berwyn	Fresenius	2601 South Harlem Avenue	Berwyn	IL	7	1.7	30	140	77.8%
Davita Lawndale	Davita	3934 West 24th Street	Chicago	IL	6	2.7	16	98	102.1%
Fresenius Medical Care Summit[1]	Fresenius	7319 Archer Avenue	Summit	IL	7	3.3	12	37	51.4%
Oak Park Dialysis Center	Fresenius	733 West Madison Street	Oak Park	IL	7	3.3	12	67	93.1%
Maple Avenue Kidney Center[2]		610 South Maple Avenue	Oak Park	IL	7	3.4	18	-	0.0%
SAH Dialysis at 26th Street	Saint Anthony	3059 West 26th Street	Chicago	IL	6	3.7	15	51	56.7%
Fresenius Medical Care - Midway	Fresenius	6201 W. 63rd Street	Chicago	IL	6	3.9	12	57	79.2%
West Suburban Hosp. Dialysis Unit	Fresenius	518 North Austin Ave	Oak Park	IL	7	3.9	46	241	87.3%
Fresenius Medical Care River Forest	Fresenius	103 Forest Avenue	River Forest	IL	7	4.1	22	99	75.0%
FMC Dialysis Services of Congress Parkway	Fresenius	3410 West Van Buren Street	Chicago	IL	6	4.3	30	116	64.4%
Loyola Dialysis Center	Loyola	1201 West Roosevelt Road	Maywood	IL	7	4.4	30	141	78.3%
Austin Community Kidney Center	Fresenius	4800 W Chicago Ave	Chicago	IL	6	4.4	16	64	66.7%
Brighton Park[2]	Davita	4729 South California Avenue	Chicago	IL	6	4.5	16	-	0.0%
Mt. Sinai Hospital Med Ctr[2]		2700 W 15th Street	Chicago	IL	6	4.6	16	-	0.0%
Little Village Dialysis	Davita	2335 W. Cermack Road	Chicago	IL	6	4.7	16	93	96.9%
Total							**323**	**1,293**	**66.7%**
Total Less Non-Reporting and Clinics Operational < 2 Years							**261**	**1,256**	**80.2%**

[1]Medicare Certified November 2, 2016

[2]Non-Reporting Clinic

[3]Approved October 25, 2016

64715181.1

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

1. The proposed clinic will be staffed in accordance with all State and Medicare staffing requirements.

    a. Medical Director: Farheen M. Shah-Kahn, M.D. will serve as the Medical Director for the proposed clinic. A copy of Dr. Shah-Khan's curriculum vitae is attached at Attachment – 24C.

    b. Other Clinical Staff: Staffing for the proposed clinic will be as follows:

    Administrator (1.06 FTE)
    Registered Nurse (4.57 FTE)
    Patient Care Technician (4.58 FTE)
    Biomedical Technician (.34 FTE)
    Social Worker (.59 FTE)
    Registered Dietitian (.59 FTE)
    Administrative Assistant (.86 FTE)
    Other/Training (.13 FTE)

    As patient volume increases, nursing and patient care technician staffing will increase accordingly to maintain a ratio of at least one direct patient care provider for every 4 ESRD patients. At least one registered nurse will be on duty while the clinic is in operation.

    c. All staff will be training under the direction of the proposed clinic's Governing Body, utilizing DaVita's comprehensive training program. DaVita's training program meets all State and Medicare requirements. The training program includes introduction to the dialysis machine, components of the hemodialysis system, infection control, anticoagulation, patient assessment/data collection, vascular access, kidney failure, documentation, complications of dialysis, laboratory draws, and miscellaneous testing devices used. In addition, it includes in-depth theory on the structure and function of the kidneys; including, homeostasis, renal failure, ARF/CRF, uremia, osteodystrophy and anemia, principles of dialysis; components of hemodialysis system; water treatment; dialyzer reprocessing; hemodialysis treatment; fluid management; nutrition; laboratory; adequacy; pharmacology; patient education, and service excellence. A summary of the training program is attached at Attachment – 24D.

    d. As set forth in the letter from Arturo Sida, Assistant Corporate Secretary of DaVita Inc. and Hopkinton Dialysis, LLC, attached at Attachment – 24E, Cicero Dialysis will maintain an open medical staff.

Farheen M. Shah-Khan, M.D.

1540 W. Chicago Ave,
Chicago, IL 60642
Cell: 773-559-2501
Office: 773-423-6400
Fax: 773-423-8440
kidney313@gmail.com

Experience

Nephrologist

November 2010-Present, Shifa Nephrology Associates LLC, Chicago, IL

General Nephrology Practice

Chairman of Medicine

March 2015-Present, Norwegian American Hospital, Chicago, IL

Fellow, Nephrology

July 2008-July 2010, Northwestern Memorial Hospital, Chicago, IL

- Extensive experience with Hemodialysis, Peritoneal dialysis, CVVH and CVVHD
- Manage Outpatients with chronic kidney disease
- Comprehensive involvement in the care given to renal transplant patients
- Perform ultrasound guided renal biopsy of native and transplanted kidneys
- Perform ultrasound guided placement of temporary Dialysis catheter
- Participant in Journal Club, vascular access conference and case conferences
- Exposed to all areas of Nephrology through participation in an active consult service
- Conduct research: Health literacy in dialysis patients associated with Higher Incidence of Catheter Related Bacteremia.
- Vancomycin causing Nephrotoxicity in the ERA of high target AUC/MIC~400

Fellow, Transfusion Medicine & Blood Banking

July 2007-July 2008, University of Michigan Hospital, Ann Arbor, MI

- Extensive experience managing Therapeutic Plasma Exchange, LDL Pheresis, and Mobilization and Collection of Peripheral Blood Progenitor Cell.
- Management of Special Therapeutic Apheresis Patient Population

Resident, Internal Medicine

June 2004-June 2007, Southern Illinois University Hospitals, Springfield, IL

- Qualified in all areas of Internal Medicine

Education

NTR University, Deccan College of Medical Sciences, Hyderabad, India
Oct 1995-Jan 2003
- MBBS

Board Certifications

Board Eligible in Nephrology, (July 2010)
Board Eligible in Transfusion Medicine and Blood Banking
Board Certified in Internal Medicine (ABIM 2007)
Illinois State Medical License

Review Articles

Reversible Posterior Leukoencephalopathy Syndrome and Anti Neoplastic Agents. Review. Shah-Khan F, Pinedo D, Shah PC. Oncol Rev (2007) 1:94-103. Review Article.

Gemcitabine- Associated Thrombotic Thrombocytopenic Purpura. Zupancic M, Shah PC, M.D., Shah-Khan F M.D. Lancet Oncol. 2007 Jul; 8(7):634-41. Review Article.

Antithrombotics and Thrombolytics in Pregnancy; by: Farheen M. Shah-Khan, M.D., Nasar Nallamothu, M.D.; Submitted Review Article in eMedicine (On-line Journal)

Case Reports

Successful Splenectomy in a Patient with Cancer & TTP; by: Melanie Zupancic, Farheen M. Shah-Khan, M.D., & Prabodh Shah, M.D.
American Journal of Hematology 2007 Mar; 82(3):250-1.

A Reversible Posterior Leukoencephalopathy Syndrome Associated with Oxaliplatin. By: Daryl Pinedo M.D., Farheen M. Shah-Khan, M.D., & Prabodh Shah, M.D . Journal of Clinical Oncology, vol 25, no 33 (November 20), 2007

Loss of Bladder Sensation with Taxane Therapy; by Farheen Shah-Khan, M.D.,

Prabodh Shah, M.D. *Chemotherapy* 2008;54:425-426

Biopsy proven case of Acute Tubular Necrosis Secondary to Vancomycin Toxicity. Farheen Shah-Khan M.D, Cybele Ghossein M.D: Northwestern University, Chicago Illinois. Submitted to Journal of Clinical Infectious Disease.

Poster Presentations

A Case of Vanishing Duct Syndrome: Presenting as Cryptogenic Cirrhosis, Farheen Shah-Khan M.D., Raymond L. Farrell M.D., Southern Illinois University,
Poster Presentation at ACP Regional Meeting, Chicago, IL; November 2005.

Diffuse Aspiration Bronchiolitis Caused by Chronic Occult Aspiration. By: Farheen Shah-Khan M.D, PGY3. Joseph Henkle M.D, Poster Presentation at ACP Downstate meeting, Peoria, Ill Oct 2006.

Four and a Half Years of Successful Therapy of Evans Syndrome with Rituximab. By: Farheen M. Shah-Khan, M.D., O.H. Wesley, M.D.; Springfield clinic, Springfield, IL.
Poster Presentation at Annual ACP meeting, 2007.

DT-PACE is Equivalent or Superior to Cytoxan + GCSF or GCSF Alone for the Collection of CD34 Cells in Multiple Myeloma
Farheen Shah-Khan MD, Laura Cooling MD, MS, Sandra Hoffmann MT(ASCP)SBB, Shin Mineishi MD, Michelle Herrst MT(ASCP), Robertson Davenport MD.
University of Michigan Health System, Ann Arbor, Michigan.

Research Presentation

Survival analysis and Determination of factors predicting Malignant Pleural Effusion among Women with Recurrent Breast Cancer., by: Farheen M. Shah-Khan, M.D. & Victor Lanzotti, M.D.
It is a prospective study involving over 1,000 cases, taken from the tumor registry at St. John's Hospital, from 1992-2003.

Personal

Date of Birth:	December 27, 1977
Home town:	Chicago, Illinois
Family Status:	Married
Visa Status:	U.S. Citizen
Hobbies:	Painting & Cooking

Association:

American Society of Nephrology
National Kidney Foundation

TITLE: BASIC TRAINING FOR IN-CENTER HEMODIALYSIS PROGRAM DESCRIPTION

Introduction to Program

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

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

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

A **non-experienced teammate** is defined as:

- A newly hired patient care teammate without prior in-center hemodialysis experience.
- A rehired patient care teammate who left prior to completing the initial training.
- A newly hired or rehired patient care teammate with previous incenter hemodialysis experience who has not provided at least 3 months of hands on dialysis care to patients within the past 12 months.
- A DaVita patient care teammate with experience in a different treatment modality who transfers to in-center hemodialysis. Examples of different treatment modalities include acute dialysis, home hemodialysis, peritoneal dialysis, and pediatric dialysis.

An **experienced teammate** is defined as:

- A newly hired or rehired teammate who is either certified in hemodialysis under a State certification program or a national commercially available certification program, or can show proof of completing an in-center hemodialysis training program,
- And has provided at least 3 months of hands on in-center hemodialysis care to patients within the past 12 months.

Note:

Experienced teammates who are rehired outside of a 90 day window must complete the required training as outlined in this policy.

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

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

Program Description

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

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

Within the clinic setting this training includes

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

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

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

- Acute Kidney Injury vs. Chronic Renal Failure
- Adequacy of Hemodialysis
- Complications of Hemodialysis
- Conflict Resolution
- Data Collection and Assessment
- Documentation & Flow Sheet Review
- Fluid Management
- Importance of P&P
- Infection Control
- Laboratory
- Manifestations of Chronic Renal Failure
- Motivational Interviewing
- Normal Kidney Function vs. Hemodialysis
- Patient Self-management
- Pharmacology
- Renal Nutrition
- Role of the Renal Social Worker
- Survey Savvy for Teammates
- The DaVita Quality Index
- The Hemodialysis Delivery System
- Vascular Access
- Water Treatment

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

Theory class concludes with the *DaVita Basic Training Final Exam.* A comprehensive examination score of 80% (unless state requires a higher score) must be obtained to successfully complete this portion of the didactic phase.

The *DaVita Basic Training Final Exam* can be administered as a paper-based exam by the instructor in a classroom setting, or be completed online (DVU2069-EXAM) either in the classroom or in the facility. If the exam is completed in the facility, the new teammate's preceptor will proctor the online exam.

If a score of less than 80% is attained, the teammate will receive additional appropriate remediation and a second exam will be given. The second exam may be administered by the instructor in the classroom setting, or be completed online.

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Only the new teammate's manager will be able to enroll the new teammate in the online exam. The CSS or RN Trainer responsible for teaching Basic Training Class will communicate to the teammate's FA to enroll the teammate in DVU2069-EXAM. To protect the integrity of the online exam, the FA must enroll the teammate the same day he/she sits for the test and the exam must be proctored

Note:

- FA teammate enrollment in DVU2069-EXAM is limited to one time.

If the new teammate receives a score of less than 80% on the second attempt, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate. If it is decided that the teammate should be allowed a third attempt to pass the exam, the teammate should receive appropriate remediation prior to enrollment in the online exam. The enrollment will be done by the Clinical Education and Training Team after submission of the completed form TR1-01-02C DVU2069-EXAM Enrollment Request. Enrollment will be communicated to the FA and the teammate should sit for the exam on the same day he/she is enrolled. The facility preceptor must proctor the exam.

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

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

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

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

The education program for the newly hired patient care provider teammate **with previous dialysis experience** is individually tailored based on the identified learning needs. The initial orientation to the *Health Prevention and Safety Training* will be successfully completed prior to the new teammate working/receiving training in the clinical area. The new teammate will utilize the Basic

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Training Workbook for In-center Hemodialysis and progress at his/her own pace under the guidance of the facility's preceptor. This workbook should be completed within a timely manner as to also demonstrate acceptable skill-level.

As with new teammates without previous experience, the **clinical practicum phase** consists of supervised clinical instruction provided by the facility preceptor, and/or a registered nurse. During this phase the teammate will demonstrate the skills required to perform the in-center hemodialysis procedures in a safe and effective manner and a *Procedural Skills Verification Checklist* will be completed to the satisfaction of the preceptor, and a registered nurse overseeing the training.

Ideally teammates with previous experience will also attend Basic Training Class, however, they may opt-out of class by successfully passing the *DaVita Basic Training Final Exam* with a score of 80% or higher. The new experienced teammate should complete all segments of the workbook including the recommended resources reading assignments to prepare for taking the *DaVita Basic Training Final Exam* as questions not only assess common knowledge related to the in-center hemodialysis treatment but also knowledge related to specific DaVita P&P, treatment outcome goals based on clinical initiatives and patient involvement in their care.

After the new teammate with experience has sufficiently prepared for the *DaVita Basic Training Final Exam,* the teammate's manager will enroll him/her in the online exam. To protect the integrity of the exam, the FA must enroll the teammate the same day he/she sits for the test and the exam must be proctored by the preceptor.

If the new teammate with experience receives a score of less than 80% on the *DaVita Basic Training Final Exam*, this teammate will be required to attend Basic Training Class. After conclusion of class, the teammate will then receive a second attempt to pass the Final Exam either as a paper-based exam or online as chosen by the Basic Training instructor and outlined in the section for inexperienced teammates of this policy.

If the new teammate receives a score of less than 80% on the second attempt, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate. If it is decided that the teammate should be allowed a third attempt to pass the exam, the teammate should receive appropriate remediation prior to enrollment in the online exam. This enrollment will be done by the Clinical Education and Training Team after submission of the completed form TR1-01-02C DVU2069-EXAM Enrollment Request. Enrollment will be communicated to the FA and the teammate should sit for the exam on the same day he/she is enrolled. The facility preceptor must proctor the exam.

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

- Nephrology Nursing, Scope of Practice, Delegation and Supervision, Practicing according to P&P

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

Independent Care Assignments
Prior to the new teammate receiving an independent patient-care assignment, the Procedural Skills Verification Checklist must be completed and signed and a passing score of the DaVita Basic Training Final Exam must be achieved.
Note:
Completion of the skills checklist is indicated by the new teammate in the LMS
(RN: SKLINV1000, PCT: SKLINV2000) and then verified by the FA.

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

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

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Process of Program Evaluation

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

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

Attached at Attachment – 24E is a letter from Arturo Sida, Assistant Corporate Secretary of DaVita Inc. and Hopkinton Dialysis, LLC attesting that the proposed clinic will participate in a dialysis data system, will make support services available to patients, and will provide training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training.

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Certification of Support Services

Dear Vice Chair Sewell:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1110.230(e) that Cicero Dialysis will maintain an open medical staff.

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

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

Sincerely,

Print Name: Arturo Sida
Its: Assistant Corporate Secretary, DaVita Inc.
Secretary, Total Renal Care, Inc., Managing Member
of Hopkinton Dialysis, LLC

Subscribed and sworn to me
This ___ day of ____________, 2018

See Attached

____
Notary Public

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

State of California

County of Los Angeles

On August 22, 2018 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

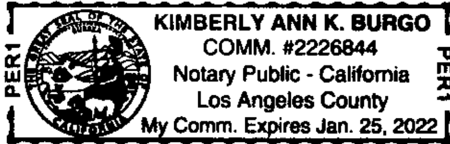
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: IL CON Application (DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC)

Document Date: August 22, 2018 Number of Pages: 1 (one)

Signer(s) if Different Than Above: ____

Other Information: ____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

- ☐ Individual
- ☒ Corporate Officer Assistant Corporate Secretary / Secretary
  (Title(s))
- ☐ Partner
- ☐ Attorney-in-Fact
- ☐ Trustee
- ☐ Guardian/Conservator
- ☐ Other: ____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(g), Minimum Number of Stations

The proposed dialysis clinic will be located in the Chicago metropolitan statistical area ("MSA"). A dialysis clinic located within an MSA must have a minimum of eight dialysis stations. The Applicants propose to establish a 12-station dialysis clinic. Accordingly, this criterion is met.

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

DaVita Inc. has an agreement with Saint Anthony Hospital to provide inpatient care and other hospital services. Attached at Attachment – 24F is a copy of the service agreement with this area hospital.

FOR COMPANY USE ONLY:
Center #11870

PATIENT TRANSFER AGREEMENT

This **PATIENT TRANSFER AGREEMENT** (the "Agreement") is made as of the last date of signature hereto (the "Effective Date"), by and between **Saint Anthony Hospital,** an Illinois non-profit corporation (hereinafter "Hospital") and **Total Renal Care, Inc.**, a California corporation and subsidiary of DaVita Inc. (hereinafter "Company").

RECITALS

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

Cicero Dialysis (Facility #11870)
6001 Ogden Avenue
Cicero, IL 60804

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

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

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

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

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

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

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

2. **COMPANY OBLIGATIONS.**

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

i. That it shall transfer any needed personal effects of the patient, and information relating to the same, and shall be responsible therefore until signed for by a representative of Hospital;

ii. Original medical records kept by each of the parties shall remain the property of that institution; and

iii. That transfer procedures shall be made known to the patient care personnel of each of the parties.

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

i. current medical findings;

ii. diagnosis;

iii. rehabilitation potential;

iv. discharge summary;

v. a brief summary of the course of treatment followed;

vi. nursing and dietary information;

vii. ambulating status; and

viii. administrative and pertinent social information.

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

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

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

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

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

7. **INDEMNIFICATION.**

(a) Hospital Indemnity. Hospital hereby agrees to defend, indemnify and hold harmless Company and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense, directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Hospital and its staff. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Company.

(b) Company Indemnity. Company hereby agrees to defend, indemnify and hold harmless Hospital and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense, directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Company and its staff. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Hospital.

(c) Survival. The indemnification obligations of the parties shall continue in full force and effect notwithstanding the expiration or termination of this Agreement with respect to

any such expenses, costs, damages, claims and liabilities which arise out of or are attributable to the performance of this Agreement prior to its expiration or termination.

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

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

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

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

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

11. **ENFORCEABILITY/SEVERABILITY.** The provisions of this Agreement are severable. The invalidity or unenforceability of any term or provisions hereto in any jurisdiction

shall in no way affect the validity or enforceability of any other terms or provisions in that jurisdiction, or of this entire Agreement in any other jurisdiction.

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

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

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

If to Hospital:
St. Anthony Hospital
2875 West 19th Street
Chicago, IL 60623
Attention: Administrator
cc: VP/General Counsel

If to Company:
Cicero Dialysis
6001 Ogden Avenue
Chicago, IL 60804
Attention: Administrator

With copies to:
Total Renal Care, Inc.
c/o: DaVita Inc.
5200 Virginia Way
Brentwood, TN 37027
Attention: Group General Counsel

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

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

15. **ASSIGNMENT.** This Agreement shall not be assigned in whole or in part by either party hereto without the express written consent of the other party.

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

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

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

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

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

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

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

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

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

Hospital:	**Company:**
SAINT ANTHONY HOSPITAL	**TOTAL RENAL CARE, INC.**
By: DocuSigned by: Christine A. Raguso 1BED1283807F403...	By: DocuSigned by: Dawn Thomas 82A8029CF2A6407...
Name: Christine A. Raguso	Name: Dawn Thomas
Its: Senior Vice President, Professional Services	Its: Regional Operations Director
Date: October 5, 2018	Date: October 5, 2018

APPROVED AS TO FORM ONLY:

By: DocuSigned by: Kanika M. Rankin 3556987010484B4...

Name: Kanika M. Rankin

Its: Senior Corporate Counsel - Operations

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

The Applicants propose the establishment of a 12-station dialysis clinic. Thus, this criterion is not applicable.

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

Attached at Attachment – 24G is a letter from Arturo Sida, Assistant Corporate Secretary, DaVita Inc. certifying that the proposed clinic will achieve target utilization by the second year of operation.

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: In-Center Hemodialysis Assurances

Dear Vice Chair Sewell:

Pursuant to 77 Ill. Admin. Code § 1110.230(j), I hereby certify the following:

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

Sincerely,

Print Name: Arturo Sida
Its: Assistant Corporate Secretary, DaVita Inc.
Secretary, Total Renal Care, Inc., Managing Member
of Hopkinton Dialysis, LLC

Subscribed and sworn to me
This ___ day of ___________, 2018

See Attached

____
Notary Public

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

State of California

County of Los Angeles

On August 22, 2018 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

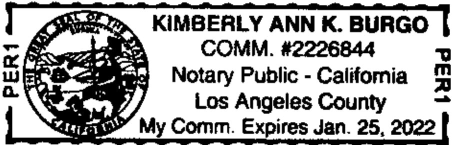
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: IL CON Application (DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC)

Document Date: August 22, 2018 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer

Assistant Corporate Secretary / Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: _____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC

Section VIII, Financial Feasibility
Criterion 1120.120 Availability of Funds

The project will be funded entirely with cash and cash equivalents. A copy of DaVita's 2017 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted on March 6, 2018. A real estate letter of intent to lease the clinic is attached at Attachment – 34.

CUSHMAN & WAKEFIELD
225 West Wacker Drive, Suite 3000
Chicago, IL 60606
Web: www.cushmanwakefield.com

July 11, 2018

Jonathan Hanus
National Shopping Plazas, Inc.
200 West Madison Street, Suite 4200
Chicago, IL 60606

RE: LOI – 6001 W Ogden Ave, Cicero, IL 60804

Mr. Hanus:

Cushman & Wakefield ("C&W") has been authorized by Total Renal Care, Inc. a subsidiary of DaVita Inc. to assist in securing a lease requirement. DaVita Inc. is a Fortune 200 company with revenues of approximately $13 billion. They operate 2,278 outpatient dialysis centers across the US and 124 in 10 countries outside the US. Below is the proposal outlining the terms and conditions wherein the Tenant is willing to lease the subject premises:

PREMISES: To be constructed single tenant building located at 6001 W Ogden Ave, Cicero, IL 60804

Please verify address of premises and provide a legal site description

TENANT: Total Renal Care, Inc. or related entity to be named with DaVita Inc. as lease guarantor

LANDLORD: National Shopping Plazas, Inc., an Illinois corporation, as leasing agent

SPACE REQUIREMENTS: Requirement is for approximately 6,776 SF of contiguous rentable square feet. Tenant shall have the right to measure space based on the most recent BOMA standards. Final premises rentable square footage to be confirmed prior to lease execution with approved floor plan and attached to lease as an exhibit.

PRIMARY TERM: 15 years

BASE RENT:
$33.75 per square foot NNN Years 1-5;
$37.13 per square foot NNN Years 6-10;
$40.84 per square foot NNN Years 11-15.

ADDITIONAL EXPENSES: If the cumulative pass-through costs for CAM, insurance and real estate taxes exceed $6.50 psf per annum for the period from rent commencement through December 31, 2019, Landlord, not Tenant, shall bear such excess for such period. Tenant's reimbursement obligation relative to Controllable CAM costs (e.g., not including snow and ice removal costs, utility charges, insurance premiums and other uncontrollable CAM costs) shall be capped at $1.50 psf per annum through December 31, 2019, and such cap shall increase on a cumulative

basis at 5% per annum, rounded to the nearest penny, each year thereafter (i.e., $1.50 psf per annum through 2019, $1.58 psf per annum for 2020, $1.66 psf per annum for 2021, etc.).

Tenant will be responsible for paying for all utilities from use of the Premises (although water may be billed under a submeter or as part of CAM if there is no separate meter or submeter).

LANDLORD'S MAINTENANCE: Landlord, at its sole cost and expense, shall be responsible for the structural components, roof and foundations of the Premises.

POSSESSION AND RENT COMMENCEMENT: Subject to force majeure, Landlord shall deliver Possession of the Premises to Tenant with Landlord's Work complete (except for punch list work) within 250 days from the latest of lease execution, waiver of CON contingency or Landlord's receipt of its building permits for Landlord's Work. Rent Commencement shall be the earlier of Tenant's opening for business at the Premises or 90 days from Possession. Landlord and Tenant shall work together to save time while Landlord is constructing the building shell and will consider any and all time saving methods for faster completion and delivery of the space to Tenant, subject to such working together and methods not impairing or interfering with Landlord's prosecution and completion of Landlord's Work.

LEASE FORM: The lease shall be based on the lease between Landlord's affiliate and Tenant for property in Woodridge, IL with changes thereto per the terms of this letter.

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

Landlord shall diligently seek any approvals or variances that may be necessary to permit Tenant's use within the Premises.

PARKING: Parking shall be provided in compliance with applicable law (including by variance, if applicable). If Tenant requests:

a) Handicapped stalls shall be located near the front door to the Premises; and
b) A patient drop off area shall be provided.

Landlord shall diligently pursue any necessary variances with the town of Cicero to satisfy Tenant's parking requirements described above.

BUILDING SYSTEMS: Landlord shall warrant that the portions of the building's mechanical, electrical, plumbing, HVAC systems, roof, and foundation that are constructed or installed as part of Landlord's Work shall be in good order and repair for one year after lease commencement. Furthermore, Landlord will remain responsible for ensuring the parking and common areas are ADA compliant.

LANDLORD'S WORK: Landlord shall deliver to the Premises the Minimum Base Building Improvements pursuant to the attached Exhibit B.

Landlord's Work includes pouring the floor slab of the Premises and work related thereto (the "Floor Slab Work"), but the parties agree that Landlord's Work shall be considered completed, for purposes of delivery of the Premises to Tenant, calculation of the rent commencement date and all other purposes of the Lease, when Landlord's Work (except for punch list work and excluding the Floor Slab Work) has been completed, and Landlord agrees to perform the Floor Slab Work promptly following receipt of written notice from Tenant that Tenant has completed all of the underground plumbing and other work that it intends to perform and desires that Landlord perform the Floor Slab Work.

Prior to construction start, Landlord and Tenant shall coordinate schedules to allow for underground work to not impact floor slab work timing and turnover.

Landlord will provide early access for tenant improvements with Tenant's construction team once the building slab is poured, under roof, and exterior walls are up, subject to such early access not impairing or interfering with Landlord's prosecution and completion of Landlord's Work.

In addition, Landlord shall deliver the building structure and main utility lines serving the building in good working order and shape. If any defects in Landlord's Work are found, prior to or during Tenant construction (which are not the fault of Tenant), repairs will be made by Landlord at its sole cost and expense. Any repairs shall meet all applicable federal, state and local laws, ordinances and regulations and approved a Structural Engineer and Tenant.

TENANT IMPROVEMENTS: Landlord will provide Tenant with a $10.00/psf Tenant Improvement Allowance ("TIA") in lieu of Landlord Work installation of HVAC units. Tenant shall have the TIA paid directly to Tenant's general contractor. TIA to be Tenant's sole discretion and the right to select architectural and engineering firms, no supervision fees associated with construction, and no charges may be imposed by Landlord.

OPTION TO RENEW: Tenant desires three, five-year options to renew the lease. Option rent shall be increased by 10% after Year 15 of the initial term and at the commencement of each successive five-year option period.

FAILURE TO DELIVER PREMISES: If Landlord has not delivered the Premises to Tenant with Landlord's Work substantially completed (except for punch list work) by 320 days from the latest of lease execution, Tenant's waiver of CON contingency or Landlord's receipt of building permits for Landlord's Work (such 320 days date, as extended for any delays caused by force majeure, the "Penalty Delivery Date"), Tenant shall be entitled to receive one day of rent abatement for every day of delay beyond the Penalty Delivery Date that the Premises are not so delivered to Tenant.

HOLDING OVER: Tenant shall be obligated to pay 150% of the then current rate.

TENANT SIGNAGE: Tenant shall have the right to install building signage at the Premises, and a pylon or monument sign at the Shopping Center, in each case subject to Landlord approval, which shall not be unreasonably withheld, and compliance with all applicable laws and regulations.

BUILDING HOURS: If permitted by applicable laws and codes, Tenant requires building hours of 24 hours a day, seven days a week.

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

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

NON COMPETE: None.

HVAC: In lieu of delivering HVAC units that meet Tenant's specifications, Landlord will provide a TIA as described above.

GOVERNMENTAL COMPLIANCE: Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause Landlord's Work to be performed in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and that, to the best of Landlord's knowledge, no environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, that violate applicable law exist with respect to the Premises and Landlord shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s).

CERTIFICATE OF NEED: Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need (CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to December 7, 2018. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises on or prior to December 7, 2018, neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE: Landlord recognizes C&W as the Tenant's sole representative and shall pay a brokerage fee per separate agreement. Tenant shall retain the right to offset rent for failure to pay the brokerage fee.

CONTINGENCIES: This proposal is subject to Landlord securing and closing on the property and aforementioned premises. In the event Landlord or Tenant is not successful in obtaining all necessary zoning, parking, and use approvals for Tenant's intended initial use prior to Landlord's aforesaid closing on the property, Tenant shall have the right, but not the obligation, to terminate the lease by notice to Landlord delivered prior to Landlord's closing on the property.

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

Sincerely,

Matthew Gramlich

CC: DaVita Regional Operational Leadership

CUSHMAN & WAKEFIELD

SIGNATURE PAGE

LETTER OF INTENT: 6001 W Ogden Ave, Cicero, IL 60804

AGREED TO AND ACCEPTED THIS 13 DAY OF ~~JULY~~ August 2018

By: ______________________

On behalf of Total Renal Care, Inc., a subsidiary of DaVita, Inc. ("Tenant")

AGREED TO AND ACCEPTED THIS 11th DAY OF JULY 2018

NATIONAL SHOPPING PLAZAS, INC., AS LEASING AGENT

By: ______________________

Jonathan Harris

("Landlord")

CUSHMAN & WAKEFIELD

EXHIBIT A

NON-BINDING NOTICE

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

EXHIBIT B

[OPTION 1: MBBI - FOR GROUND UP DEVELOPMENT (NEW BUILDING)]
[SUBJECT TO MODIFICATION BASED ON INPUT FROM TENANT'S PROJECT MANAGER WITH RESPECT TO EACH PROJECT]

LANDLORD'S WORK

A. GENERAL INFORMATION: All Landlord's Work (as defined below) shall be coordinated and approved by Tenant and Tenant's consultants ("Consultants") prior to any work being started, including shop drawings and submittals reviews. The plans and specifications for Landlord's Work (including, without limitation, Mechanical, Electrical, Plumbing, Structural, Civil and Environmental) shall be prepared by a licensed architect or engineer (as applicable) and shall be approved by applicable governmental authorities having jurisdiction thereof ("GAHJ"). Landlord shall provide to Tenant (i) any and all existing civil, architectural and engineering drawings of the Building and Premises, (ii) a construction schedule and weekly updates, and (iii) if needed, reasonable access to other tenant spaces in order for Tenant to complete Tenant's improvements in the Premises.

B. WORKMANSHIP & CODES: All Landlord's Work shall conform to the best industry standards and shall be constructed in accordance with all applicable utility provider requirements and federal, state, county, local and other GAHJ laws, codes, rules, regulations, ordinances, and orders, including, without limitation, related amendments, building and safety codes, fire and life safety codes, barrier-free regulations, energy codes, State Department of Public Health regulations, and other applicable laws, codes, rules, regulations, ordinances, and orders (collectively, "Applicable Code"). All materials shall be new, first quality and installed in strict accordance with manufacturer's instructions and recommendations. Building design will follow DaVita shell prototype design package ("DaVita Shell Prototype") provided to Landlord by Tenant.

C. LANDLORD'S WORK: Landlord, at its sole cost and expense, shall complete the following work (collectively, "Landlord's Work"):

1.0 **Zoning & Permitting:** Building and Premises must be zoned, certified and approved by GAHJ to perform services as an outpatient medical dialysis clinic. Landlord shall provide all zoning information related to the base building. Any zoning, certifications and land use approvals or changes/variances necessary for use of the Premises as an outpatient medical dialysis clinic shall be the responsibility of the Landlord. Landlord to provide all permitting related to the base building and site improvements. All permits and fees associated with Landlord's Work shall be the responsibility of the Landlord.

2.0 **Foundation and Floor:** The foundation and floor of the building shall be in accordance with Applicable Code requirements. The foundation and concrete slab shall be designed by the Landlord's engineer to accommodate site-specific climate and soil conditions and recommendations per Landlord's soil engineering and exploration report, which design and report shall be reviewed and approved by Tenant's

Consultants. Foundation to consist of formed concrete spread footing with horizontal reinforcing sized per geotechnical engineering report. Foundation wall, sized according to exterior wall systems used and to consist of formed and poured concrete with reinforcing bars or a running bond masonry block with proper horizontal and vertical reinforcing within courses and cells. Internal masonry cells to be concrete filled full depth entire building perimeter up to finish floor at a minimum. Foundation wall to receive poly board R-10 insulation on interior side of wall on entire building perimeter (if required by Applicable Code). Provide proper foundation drainage. The floor shall be concrete slab on grade and shall be a minimum of four-inch (4") (five-inch (5") at Water treatment room) thick with minimum concrete strength of 3,000-psi to achieve not more than 90% relative humidity, wire or fiber mesh, and/or rebar reinforcement, over 10mil vapor barrier and granular fill per Landlord's soils and/or structural engineering team based on soil conditions and report from Landlord's soils engineer. Finish floor elevation to be a minimum of 8" above finish grade. Where not achievable, provide positive water flow away from the building and use appropriate waterproofing measures. Include proper expansion control joints. Floor shall be level (1/8" with 10' of run), smooth, broom clean with no adhesive residues, in a condition that is acceptable to install floor coverings in accordance with the flooring manufacturer's specifications. Concrete slab shall be tested by Landlord and shall not have more than 90% relative humidity as emitted per ASTM F2170 checklist. Means and methods to achieve this condition shall be responsibility of the Landlord. Under slab plumbing shall be installed by Tenant's General Contractor in coordination with Landlord's General Contractor, inspected by municipality and Tenant for approval prior to pouring the building slab.

3.0 **Structural:** Structural systems shall be designed to provide a minimum 13'-0" clearance (for 10'-0" finished ceiling height) to the underside of the lowest structural member from finished slab. Structure shall meet building steel (Type II construction or better) erection requirements, standards and Applicable Codes. Alternate building structures must be approved by Tenant. Structural design to allow for ceiling heights (as indicated above) while accommodating all mechanical, plumbing, and electrical above ceiling. Structure to include all necessary members including, but not limited to, columns, beams, joists, load bearing walls, and demising walls. Landlord shall coordinate column spacing and locations with Tenant's Architect. Treatment room shall be column free. The structure of the roof must be able to accommodate all of Tenant's rooftop equipment (including, without limitation, HVAC RTUs (x5) typically on average 1,000 lbs. each, roof hatch (x1) and exhaust fans (x4)). Landlord shall provide necessary bridging, bracing, and reinforcing supports to accommodate all mechanical systems (Typical for flat roofs - minimum of five (5) HVAC roof top openings, one (1) roof hatch opening, and four (4) exhaust fans openings). The structural steel, roof structure, elevated floor (if any) and bearing walls shall be fireproofed to achieve fire ratings as required by Applicable Code (including, without limitation, NFPA 101). A roof hatch shall be provided and equipped with ladders meeting all Applicable Code requirements and shall be accessible by Tenant. In a multi-tenant building, the roof hatch shall not be located in the Premises.

4.0 **Exterior Walls:** Exterior walls to be fire rated if required by Applicable Code requirements. Interior of walls shall be left as exposed until Tenant completes any and all work within walls on the interior side of the exterior walls. Landlord shall be responsible for interior metal stud furring/framing, mold- and moisture-resistant glass mat board, mold- and moisture-resistant gypsum board, taping and finishing on the interior side of all exterior walls. Exterior walls are to receive moisture resistant drywall with a minimum 3-inch of mineral wool insulation (or such additional insulation that is needed to meet Applicable Code requirements) from floor to underside of roof deck. Exterior walls are to be finished, sanded and ready to receive Tenant finishes from roof deck to 8' above slab after Tenant completes any and all work within said walls. [NOTE: Tenant may elect to take a credit

5.0 Demising Walls (for multi-tenant building only): Furnish and install 1hr or 2hr fire rated demising wall(s) as stipulated by Applicable Code (including, without limitation, NFPA 101), whichever is more stringent. Tenant shall be responsible for final finish preparation of gypsum board walls on Tenant side only. At Tenant's option, the interior drywall finish of demising walls shall not be installed until after Tenant's improvements are complete in the wall. Walls to be fire caulked in accordance with UL standards from floor to roof deck. Demising walls to have moisture resistant drywall with a minimum 3-inch thick mineral wool sound attenuation batts from floor to underside of roof deck. Demising walls are to be finished, taped, sanded and ready to receive Tenant finishes.

6.0 Roof Covering: The roof system shall have a minimum of a twenty (20) year life span with full (no dollar limit - NDL) manufacturer's warrantee against leakage due to ordinary wear and tear. Roof system to include a minimum of R-30 insulation. Ice control measures mechanically or electrically controlled to be considered in climates subject to these conditions. Downspouts and roof drains to be connected into underground storm water discharge system piping for the site or daylighted to surface drainage system extended beyond attached sidewalks. Storm water will be discharged away from the building, sidewalks, and pavement. Landlord to provide Tenant copy of material and labor roof warranty for record.

7.0 Parapet: Landlord to provide a parapet wall based on building designed/type and wall height should be from the highest roof line. HVAC rooftop units should be concealed from public view by Landlord if required by Applicable Code or private requirements.

8.0 Façade: Landlord to provide specifications for building façade for Tenant review and approval. Such specifications must be approved by Tenant and Tenant's Architect. Wall system options include, but are not limited to:

1. Minimum 3-inch drainable exterior insulating fenestration system (EIFS) on water-vapor barrier on ¾-inch thick glass matt sheathing, AND (where indicated by Tenant's Architect) Aluminum Composite Panel (ACM) system on metal furring on continuous insulation/weather-barrier, system on 6" 16- or 18-ga metal stud framing; or
2. Minimum 3-inch drainable exterior insulating fenestration system (EIFS), AND (where indicated by Tenant's Architect) Aluminum Composite Panel (ACM) system on metal furring on continuous insulation/weather-barrier system, on water-vapor barrier on 8-inch or 12-inch thick concrete masonry wall construction with 3½-inch 20-ga metal stud furring; or
3. Brick or split face block Veneer on engineered 6" 16 or 18ga metal studs, R- 19 or higher batt wall insulation, on Tyvek (commercial grade) over 5/8"exterior grade gypsum board or Dens-Glass Sheathing.

All wall system to be signed off by a Landlord's Structural Engineer. Wall system "R" value must meet current Applicable Code requirements.

9.0 Canopy: Canopy design per DaVita Shell Prototype. Approximate size to be based on building and site plan. Canopy to accommodate patient arrival with a level grade with barrier-free transition to the finish floor elevation. Steel bollards at column locations where needed.

10.0 Waterproofing and Weatherproofing: Provide a complete water tight building shell inclusive of, but not limited to, flashing and/or sealant around windows, doors, parapet walls, roof and MEP penetrations. Landlord shall properly seal the building's exterior walls, footings, and slabs. Landlord shall be

responsible for replacing any damaged items and repairing any deficiencies discovered during or after construction of tenant improvements. Landlord shall also properly control and discharge storm water away from the building, sidewalks, and pavement by installing, including without limitation, scuppers and/or downspouts drainage to landscape areas or connected to site storm sewer system as required or such other means necessary to properly control and discharge storm water.

11.0 **Windows:** Landlord to provide Applicable Code compliant energy efficient windows and storefront systems to be 1" tinted insulated Low–E glass with thermally broken insulated aluminum mullions/frames. Window size and locations to be determined by Tenant's architectural floor plan and shall be coordinated with Landlord's Architect. Landlord shall allow Tenant, at Tenant's discretion, to apply a translucent and/or blackout film to the windows (in accordance with manufacturer's recommendations) per Tenant's plans and specifications.

12.0 **Thermal Insulation:** All exterior walls to have a vapor barrier and insulation that meets or exceeds Applicable Code requirements. The R-value to be determined by the size of the stud cavity, if installed on the interior of the wall and should extend from finish floor to bottom of roof deck (or floor deck in multi-story buildings). Should the insulation be installed on the exterior side of the wall sheathing, insulation shall extend from finish floor to the top of the parapet. Roof deck to have a minimum R-30 insulation mechanically fastened to the underside of roof deck. No spray foam insulation.

13.0 **Doors:** All doors to have weather-stripping and commercial grade hardware (equal to Yale 8800 Series, Grade 1 mortise lockset or better). Doors shall meet all Applicable Code, including without limitation, the American Disability Act (ADA) and State Department of Health requirements. Landlord shall change the keys (reset tumblers) on all doors with locks after construction, but prior to commencement of the Lease, and shall provide Tenant with a minimum of three (3) sets of keys. Final location of doors to be determined by Tenant's architectural floor plan and shall be coordinated with Tenant's Architect. At a minimum, the following doors, frames and hardware shall be provided by the Landlord:

- **Patient Entry Doors**: Provide storefront with insulated glass doors and aluminum framing to be 42" width (or such larger width if required by Applicable Code) including proper weather stripping, push paddle/panic hardware (if required by Applicable Code), power assist opener, continuous hinge and lock mechanism, heavy duty aluminum threshold, continuous hinge on each leaf.

- **Service Doors**: Provide a 60" or 72"-inch wide double doors (with 1 - 24" and 1 - 36" leaf or 2- 36" leafs)] with proper weather stripping and painted with rust inhibited paint, flush bolts, T astragal, heavy duty aluminum threshold, continuous hinge on each leaf, door viewer (peep), panic bar hardware (if required by Applicable Code) and push button programmable lockset.

- **Teammate Entry Doors**: Provide a minimum 36-inch wide, 20-ga, insulated, hollow metal door and thermally-broken, welded, 20-ga hollow-metal frame (both finished with rust-inhibiting paint) with programmable keypad lockset, heavy-duty hinges, aluminum threshold, surface closer, and concealed-overhead stop.

- **Emergency Egress Doors**: Provide minimum 36" wide door with 20 gauge insulated hollow metal door both painted with rust-inhibiting paint (AND/OR where indicated by Tenant's Architect a minimum 42" wide aluminum/glass door) and aluminum storefront frame, with exit-only panic bar locking hardware, hinges, surface-closer and concealed-overhead stop.

Landlord shall provide to Tenant, prior to door fabrication, submittals containing specification information, hardware and shop drawings for review and acceptance by Tenant and Tenant's Consultants. Any missing weather stripping or damage to doors or frames will be repaired and/or replaced by Landlord as necessary.

14.0 Utilities: All utilities shall be provided by Landlord at designated utility entrance points into the Premises at locations coordinated with Tenant. Any utility fees, including without limitation, tap fees, impact fees, system development fees, EDU fees, meter fees, fixture fees, sewer, water or other connection fees, or other similar fees relating to the utilities to be used at the Premises for an outpatient medical dialysis clinic shall be paid by the Landlord, and Tenant shall have no responsibility therefor. Landlord shall have contained within the building a common main room to accommodate the utility services which include, but are not limited to, electrical, fire alarm, security alarm and fire riser if in a multi-tenant building.

15.0 Plumbing:

A. Water Service: Furnish and install a separately metered dedicated minimum 2" domestic potable water line stubbed to the Premises per location coordinated with Tenant to support 30 GPM with a constant flow of 50 PSI water pressure, or greater as determined by Tenant based on Tenant's water demand. Maximum water pressure to the Premises shall not exceed 80 PSI, and where it does a pressure reducing valve (PRV) shall be provided and installed by Landlord. If minimum pressure is below 50 psi a booster pump to be provided and installed by Landlord. Water flow and pressure to Tenant's space shall be unaffected by any other building or site water requirements such as other tenant water requirements or irrigation systems. Landlord to bring water to the Premises terminating with a capped valve. Potable water supply to be provided with water meter and 2 identical reduced pressure zone (RPZ) backflow devices arranged in parallel for uninterrupted service and sized to support required GPM demand (with floor drain or open site drain under RPZs). Backflow devices to be provided with adequate drainage. RPZs and meter to be sized to the incoming line per municipality or water provider standards. Provide exterior (anti-freeze when required) hose bibs (minimum of 2) in locations approved by Tenant.

B. Sanitary Line: Sanitary drain/line size will be determined by Tenant based on total combined drainage fixture units (DFU's) for entire building, but not less than 4" diameter. New sanitary building drain/line shall be PVC material or as mandated or approved by municipality and properly sloped to accommodate Tenant's sanitary system design per Tenant's plans and specifications (at a minimum invert level of 48 inches below finished slab) and per Applicable Code. Landlord to coordinate actual depth and location with Tenant's Architect and Engineer. Provide cleanout at Premises entry point. Lift station/sewage ejectors will not be permitted, unless it is the only available option and approved by Tenant in writing. Any drain/line, sanitary or storm water systems serving the Premises in disrepair or with improper pitch shall be corrected by Landlord. Landlord to provide a plumbing vent system no less than 4" in diameter stubbed to the Premises in locations and at an elevation to be coordinated with Tenant. All plumbing vents shall have a minimum separation of 15 feet, or more if required by Applicable Code, from any mechanical rooftop equipment with fresh air intake. Sanitary sampling manhole to be installed by Landlord if required by GAHJ.

16.0 Fire Suppression: If applicable and/or subject to municipal mandate, Landlord shall design and install turnkey Automatic Fire Sprinkler System per Applicable Code inclusive of all necessary testing and certification. This system shall be on a dedicated fire protection water line independent of Tenant's potable water line subject to municipal approval. Landlord to include all municipal approved shop drawings, service drops and sprinkler heads at heights per Tenant's reflective ceiling plan, flow control switches wired and tested, alarms including wiring and an electrically/telephonically controlled fire alarm control panel connected to a monitoring systems for emergency dispatch. In a multi-tenant building, if the sprinkler room/riser is located within, or accessible through, Tenant's Premises, Landlord shall relocate said sprinkler room/riser to another part of the building, or alternatively, Landlord may provide a door from the sprinkler/riser room to the exterior of the building or into an adjacent premises.

17.0 Fire Alarm: Furnish and install an addressable Fire Alarm system in good working order capable of accommodating Tenant's Fire Alarm system within the Premises. Landlord to provide all information on Fire Alarm systems (including, without limitation, fire alarm control panel (FACP), vendor and monitoring company) for Tenant's design. The FACP provided by Landlord shall include supervision of fire suppression system(s) and connections to emergency dispatch or third party monitoring service in accordance with GAHJ. If the Premises is located in a multi-tenant building, then Landlord shall provide an empty conduit stubbed into the Premises from the building's FACP. Fire Alarm system equipment shall be equipped for double detection activation if required.

18.0 Electrical: Furnish and install a separately metered underground 120/208 volt, 3 phase, 4 wire electrical service (sized as noted below) derived from a single metered source and consisting of dedicated CT cabinet per utility company standards feeding a distribution panel board to be provided by Landlord in the Tenant's utility room (location to be per National Electrical Code (NEC) and coordinated with Tenant) for Tenant's exclusive use. Service size to be determined by Tenant's engineer dependent on facility size and gas availability For general reference, anticipated capacity of electrical service is provided in chart below; however, final capacity of electrical service to the Premises that is to be furnished and installed by Landlord shall be determined by Tenant's engineer and provided to Landlord. Tenant will not accept multiple services to obtain the necessary capacity, nor will Tenant accept possession of the Premises until permanent power is provided.

Square Foot	With Gas	Without Gas
6,500 or less	600 amps	800 amps
6,501 to 12,000	800 amps	1,000 amps
12,001 or more	1,000 amps	1,200 amps

Landlord shall provide separately metered electrical service with WYE configuration. The electrical service provided by Landlord shall include transformer coordination with utility company, available fault current from the utility company, transformer, transformer pad and grounding, as well as underground conduit and wire sized for service inclusive of excavation, trenching and restoration, utility metering, distribution panel board with main and branch circuit breakers, and electrical service and building grounding per NEC. If only 480 volt power is available, Landlord shall provide a step down transformer to meet Tenant's requirements above. If only combined service meters are available, Landlord shall provide written verification from utility supplier stating multiple meters are permitted for use by the Building/Premises. If Premises is located in a multi-tenant building, Landlord shall provide meter center with service disconnecting means, service grounding per NEC, dedicated combination CT cabinet with disconnect for Tenant and distribution panel board per above. Existing electrical raceway, wire, and cable

extending through the Premises but serving areas outside the Tenant's space shall be re-routed outside the Premises.

19.0 **Gas Service**: Furnish and install natural gas service with a minimum of between 7" to 11" water column pressure capable of supplying 800,000-BTU's. Natural gas line shall be brought to a location within the Premises as specified by Tenant and shall be individually metered. Landlord shall coordinate this work with local or other GAHJ.

20.0 **Mechanical /Heating Ventilation Air Conditioning:** Landlord shall provide Tenant with an allowance in the amount of $10.00/psf for the cost of all work related to the purchase and installation of the HVAC units/systems by Tenant for the Premises per Tenant's then current design criteria and Applicable Code ("HVAC Allowance"). The HVAC Allowance shall be paid to Tenant, or to Tenant's contractor at Tenant's direction, as more fully set forth in the Lease. Landlord to furnish steel framing members for Tenant's RTU's. Roofing and roof flashings to be installed by Landlord after Tenant RTU installation. Exhaust fans to be located by Tenant's Architect.

21.0 **Telephone:** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as chase way for new telephone service. Entrance conduit location shall be coordinated with Tenant per Tenant's plans and specifications.

22.0 **Cable TV/Internet:** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant utility room to serve as chase way for new cable television or internet service. Landlord shall also provide a single 2" PVC conduit from roof to inside of Premises for new satellite television service. Entrance conduit locations shall be coordinated with Tenant per Tenant's plans and specifications.

23.0 **Site Lighting:** Provide adequate lighting per Applicable Code and to illuminate all parking and pathways for building and site access points. Parking lot lighting to be on a timer (and be programmed per Tenant business hours of operation) or photocell. Parking lot lighting shall be connected to and powered by Landlord house panel and equipped with battery backup per Applicable Code at all access points.

24.0 **Building Lighting:** Landlord shall provide at the main entrance, rear and other entrance/exit doors, landings, and related sidewalks safety lights, exterior service lights, exit signs and emergency lights with battery backup signs per doorway/access point, in accordance with Applicable Code. The exiting shall encompass all routes from access points terminating at public right of way. Lighting shall be connected to and powered by Landlord house panel and equipped with battery backup per Applicable Code at all access points.

25.0 **Common Areas/Parking Lot:** Furnish and install a parking lot with adequate amount of Applicable Code compliant (including, without limitation, ADA and all other federal, state and local jurisdictions' handicap requirements) curb cuts and handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to be striped and parking lot to receive traffic directional arrows and concrete parking bumpers to be anchored in place per stall layout. Handicapped parking stalls shall be signed with current Applicable Code provisions for handicap parking. All common areas must be compliant with Applicable Code. Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway/aisle. Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into and out of new patient drop off canopy and

provide positive drainage to in place storm catch basins leaving surface free of standing water, bird baths or ice buildup potential.

26.0 **Handicap Accessibility:** Landlord shall comply with all Applicable Code related to handicap requirements, including, without limitation, ADA and all other federal, state and local jurisdictions' handicap requirements affecting the building and entrance to the Premises, including, but not limited to, patient drop off area, the elevator, exterior and interior doors, curb cuts, ramps and walk approaches to/from the parking lot, detectable warnings, delivery areas and walkways. Landlord shall provide pavement marking, curb ramp and accessible path of travel for a dedicated delivery access in the rear of the building. The delivery access shall link the path from the driveway paving to the designated Tenant delivery door. If required, Landlord to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide a gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition according to accessible standards.

27.0 **Refuse Enclosure:** Furnish and install a refuse area for Tenant's waste and recycling dumpsters. When required by Applicable Code or Tenant, Landlord to provide: (i) a minimum 6" thick reinforced concrete pad with 6" of gravel under refuse enclosure, approximately 19'-4" W x 8'- 8" D; and (ii) a minimum 6" thick reinforced concrete enclosure access apron with 6" of gravel, approximately 19' W x 10' D, designed to sufficiently accommodate dumpster(s) and vehicle weight.

28.0 **Generator:** Landlord to provide a dedicated generator pad for Tenant, as well as a conduits from said pad to the Premises, in the locations shown on Tenant's plans and specifications; if Tenant or Applicable Code does not require a generator, Landlord to provide dedicated area for a future optional generator pad.

29.0 **Signage:** Landlord to provide and install electrical service and conduit only for Tenant provided and installed (a) exterior façade building signage and (b) a monument or pylon sign with base. Landlord to provide the electrical service and conduit to the monument or pylon sign. Tenant to provide Landlord with the location of monument or pylon sign prior to parking lot installation.

30.0 **Site Development Scope of Requirements:** Landlord to provide Tenant with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Tenant's Architect for coordination purposes. Site development is to include, without limitation, the following:

- Utility extensions, service entrance locations, inspection manholes;
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with Storm water management control measures (detention / retention / restrictions);
- Refuse enclosure location and construction details for trash and recycling;
- Generator pad and conduit locations (or dedicated area for a future optional generator pad);
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Tenant building and monument/pylon signage;
- Site and parking to accommodate tractor trailer 18 wheel truck delivery access to service entrance;

- Ramps and curb depressions;
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Landlord so desires and will be designed by landscape architect and approved by planning department;
- Construction details, specifications / standards of installation and legends; and
- Final grade will be sloped away from building.

Section IX, Financial Feasibility
Criterion 1120.130 – Financial Viability Waiver

The project will be funded entirely with cash. A copy of DaVita's 2017 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted on March 6, 2018.

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

Attached at Attachment – 37A is a letter from Arturo Sida, Assistant Corporate Secretary of DaVita Inc. attesting that the total estimated project costs will be funded entirely with cash.

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Reasonableness of Financing Arrangements

Dear Vice Chair Sewell:

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

Further, the project involves the leasing of a facility. The expenses incurred with leasing the facility are less costly than constructing a new facility.

Sincerely,

Print Name: Arturo Sida
Its: Assistant Corporate Secretary, DaVita Inc.
Secretary, Total Renal Care, Inc., Managing Member
of Hopkinton Dialysis, LLC

Subscribed and sworn to me
This ___ day of See Attached, 2018

____
Notary Public

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

State of California

County of Los Angeles

On August 22, 2018 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

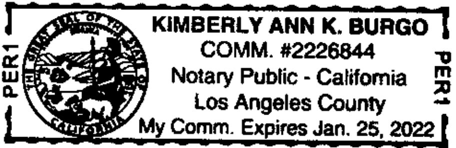
personally appeared *** Arturo Sida ***

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

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

WITNESS my hand and official seal.

Signature



OPTIONAL INFORMATION

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

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: IL CON Application (DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC)

Document Date: August 22, 2018 Number of Pages: 1 (one)

Signer(s) if Different Than Above: ______

Other Information: ______

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer Assistant Corporate Secretary / Secretary

(Title(s))

☐ Partner

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian/Conservator

☐ Other: ______

SIGNER IS REPRESENTING: Name of Person or Entity DaVita Inc. / Total Renal Care, Inc. / Hopkinton Dialysis, LLC

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

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

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(c), Reasonableness of Project and Related Costs

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below) CLINICAL	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)	
CLINICAL									
ESRD	$226.94		6,776				$1,537,758		$1,537,758
Contingency	$22.70		6,776				$153,775		$153,775
TOTAL CLINICAL	**$249.64**		**6,776**				**$1,691,533**		**$1,691,533**
NON-CLINICAL									
Admin									
Contingency									
TOTAL NON-CLINICAL									
TOTAL	**$249.64**		**6,776**				**$1,691,533**		**$1,691,533**

* Include the percentage (%) of space for circulation

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

Table 1120.310(c)			
	Proposed Project	**State Standard**	**Above/Below State Standard**
New Construction Contracts & Contingencies	$1,691,534	$286.54 x 6,776 GSF = $1,974,595	Below State Standard
Contingencies	$153,775	10% New Construction Contracts 10% x $1,537,776 = $153,775.80	Meets State Standard
Architectural/Engineering Fees	$84,750	6.53% - 9.81% of New Construction Contracts + Contingencies) = 6.53% - 9.81% x ($1,537,758 + $153,775)= 6.53% - 9.81% x $1,691,534 =	Below State Standard

Table 1120.310(c)			
	Proposed Project	**State Standard**	**Above/Below State Standard**
		$110,457.17 - $165,939.49	
Consulting and Other Fees	$55,907	No State Standard	No State Standard
Moveable Equipment	$580,853	$55,293.22 per station x 12 stations $55,293.22 x 12 = $663,519	Below State Standard
Fair Market Value of Leased Space or Equipment	$2,277,230	No State Standard	No State Standard

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

Operating Expenses: $1,518,506

Treatments: 9,984

Operating Expense per Treatment: $152.09

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

Capital Costs:

Depreciation:	$197,620
Amortization:	$9,358
Total Capital Costs:	$206,978

Treatments: 9,984

Capital Costs per Treatment: $20.73

Section XI, Safety Net Impact Statement

1. This criterion is required for all substantive and discontinuation projects. DaVita Inc. and its affiliates are safety net providers of dialysis services to residents of the State of Illinois. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and Kidney Smarting patients, and community outreach. A copy of DaVita's 2017 Community Care report, which details DaVita's commitment to quality, patient centric focus and community outreach, was included as part of its Marshall Square CON application (Proj. No. 18-017). As referenced in the report, DaVita led the industry in quality, with twice as many Four- and Five-Star centers than other major dialysis providers. DaVita also led the industry in Medicare's Quality Incentive Program, ranking No. 1 in three out of four clinical measures and receiving the fewest penalties. DaVita has taken on many initiatives to improve the lives of patients suffering from CKD and ESRD. These programs include Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Furthermore, DaVita is an industry leader in the rate of fistula use and has the lowest day-90 catheter rates among large dialysis providers. During 2000 - 2014, DaVita improved its fistula adoption rate by 103 percent. Its commitment to improving clinical outcomes directly translated into 7% reduction in hospitalizations among DaVita patients.

   DaVita accepts and dialyzes Illinois patients with renal failure needing a regular course of hemodialysis without regard to race, color, national origin, gender, sexual orientation, age, religion, disability or payor source. Because of the life sustaining nature of dialysis, federal government guidelines define renal failure as a condition that qualifies an individual for Medicare benefits eligibility regardless of their age and subject to having met certain minimum eligibility requirements including having earned the necessary number of work credits. Indigent ESRD patients who are not eligible for Medicare and who are not covered by commercial insurance are typically eligible for Medicaid benefits. If there are gaps in coverage under these programs during coordination of benefits periods or prior to having qualified for program benefits, grants are available to these patients from both the American Kidney Foundation and the National Kidney Foundation. If none of these reimbursement mechanisms are available for a period of dialysis, financially needy patients who meet certain objective criteria for financial assistance and otherwise cooperate with DaVita to fulfill documentation requirements may qualify for assistance from DaVita in the form of free care.

   A table showing the charity care and Medicaid care provided by the Applicants for the most recent three calendar years is provided on the following page.

2. The proposed Cicero Dialysis will not impact the ability of other health care providers or health care systems to cross-subsidize safety net services. Excluding Fresenius Medical Care Summit, which is in its two year ramp up; Brighton Park Dialysis, which is not yet operational, and two non-reporting clinics (Maple Avenue Kidney Center and Mount Sinai Hospital Medical Center), average utilization of area dialysis clinics is 80.2%. Over the past three years, patient census at the existing clinics has increased 5.2% annually and is anticipated to increase for the foreseeable future due to the demographics of the community and disease incidence and prevalence trends. Accordingly, average utilization of the existing clinics is expected to exceed 80% by the time the proposed Cicero Dialysis becomes operational.

   Shifa Nephrology Associates is currently treating 111 CKD patients within 5 miles of the proposed Cicero Dialysis. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, stable disease, or relocation away from the area and in consideration of other treatment modalities (HHD and peritoneal dialysis), Dr. Shah-Kahn anticipates that at least 64 of these 111 patients will initiate in-center hemodialysis within 12 to 24 months following project completion.. Based upon historical utilization trends, the existing clinics will not have sufficient capacity to accommodate Shifa Nephrology Associates' projected ESRD patients. Further, no patients are expected to transfer from existing clinics within the Cicero Dialysis GSA. The proposed Cicero Dialysis clinic will not impact other general health care providers' ability to cross-subsidize safety net services.

3. The proposed project is for the establishment of Cicero Dialysis. As such, this criterion is not applicable.

4. A table showing the charity care and Medicaid care provided by the Applicants for the most recent three calendar years is provided below.

Safety Net Information per PA 96-0031			
CHARITY CARE			
	2015	**2016**	**2017**
Charity (# of patients)	109	110	98
Charity (cost in dollars)	$2,791,566	$2,400,299	$2,818,603
MEDICAID			
	2015	**2016**	**2017**
Medicaid (# of patients)	422	297	407
Medicaid (revenue)	$7,381,390	$4,692,716	$9,493,634

Section XII, Charity Care Information

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

CHARITY CARE			
	2015	2016	2017
Net Patient Revenue	**$311,351,089**	**$353,226,322**	**$357,821,315**
Amount of Charity Care (charges)	$2,791,566	$2,400,299	$2,818,603
Cost of Charity Care	$2,791,566	$2,400,299	$2,818,603

Appendix I – Physician Referral Letter

Attached as Appendix 1 is the physician referral letter from Dr. Farheen M. Shah-Kahn projecting 64 pre-ESRD patients will initiate dialysis within 12 to 24 months of project completion.

August 9, 2018

Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery:

I am a nephrologist in practice with Shifa Nephrology Associates LLC. I am writing in support of the establishment of Cicero Dialysis, to be located at 6001 Ogden Avenue, Cicero, Illinois, for which I will be the medical director. The proposed 12-station chronic renal dialysis facility will directly benefit our patients.

The proposed dialysis clinic will improve access to necessary dialysis services in southwestern Cook County. DaVita is well-positioned to provide these services, as it delivers life sustaining dialysis for residents of similar communities throughout the country and abroad. It has also invested in many quality initiatives to improve patients' health and outcomes.

I have identified 111 patients from my practice who are suffering from chronic kidney disease ("CKD") and reside within 5 miles of the proposed Cicero Dialysis. Conservatively, I predict at least 64 of the 111 CKD patients will progress to dialysis within 12 to 24 months of completion of Cicero Dialysis. My large patient base demonstrates considerable demand for this clinic.

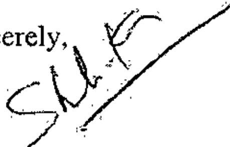
A list of patients who have received care at existing clinics in the area over the past 3 years and most recent quarter is provided at Attachment – 1. A list of new patients we have referred for in-center hemodialysis in the past year is provided at Attachment – 2. The zip codes for the 111 CKD patients previously referenced is provided at Attachment – 3.

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

I respectfully request the Illinois Health Facilities and Services Review Board approve the Cicero Dialysis application for permit, so the clinic may provide in-center hemodialysis services for the end-stage renal disease population in southwestern Cook County.

Thank you for your consideration.

Sincerely,



Farheen M. Shah-Khan, M.D.
Nephrologist

Shifa Nephrology Associates LLC
1540 West Chicago Avenue
Chicago, Illinois 60642

OFFICIAL SEAL
MAZHER M. SHAH-KHAN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES AUGUST 15, 2018

Subscribed and sworn to me
This 10 day of August, 2018

Notary Public ________________

64710799.1

Appendix - 1

Attachment 1
Historical Patient Utilization

Garfield Kidney Center							
2015		2016		2017		Q2 2018	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
LB	60622	EP	60624	MB	60651	MB	60651
IJ	60612	LW	60613	NG	60612	CG	60642
EP	60624			EP	60624	NG	60612
FW	60610			LW	60613	EP	60624
LW	60613					LW	60613
Total	5		2		4		5

Attachment 1

Historical Patient Utilization

Logan Square Dialysis							
2015		2016		2017		2018 Q2	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
		J.B.	6.639	J.B.	6.639	J.B.	6.639
		K.M.	60647	K.M.	60647	K.M.	60647
		C.R.P.	60639	C.R.P.	60639	C.R.P.	60639
		A.G..	60639	A.G.	60639	A.G.	60639
		R.M.	60639	R.M.	60639	R.M.	60639
		Y.F.	60651	Y.F.	60651	Y.F.	60651
		J.R.	60618	J.R.	60618	J.R.	60618
		F.G.	60647	F.G.	60647	F.G.	60647
				L.H.	60618	L.H.	60618
				M.D.	60639	M.D.	60639
				R.N.	60618	R.N.	60618
				A.C.	60642	A.C.	60642
				N.B.	60647	N.B.	60647
Total			**8**		**13**		**13**

Appendix - 1

Attachment 2
New Patients

Garfield Kidney Center	
2017	
Initials	Zip Code
MB	60651
NG	60612
Total	**2**

Appendix - 1

Attachment 2

New Patients

Logan Square Dialysis			
2016		2017	
Initials	Zip Code	Initials	Zip Code
Y.F.	60651	L.H.	60618
A.G.	60639	M.D.	60639
F.G.	60647	R.N.	60618
R.M.	60651	A.C.	60642
J.R.	60618	N.B.	60647
Total	5		5

Attachment - 3

Zip Code	Patients
60623	18
60624	36
60644	2
60651	55
Total	**111**

Appendix - 1

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

INDEX OF ATTACHMENTS

ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	27-29
2	Site Ownership	30-47
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	48-49
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	50-51
5	Flood Plain Requirements	52-53
6	Historic Preservation Act Requirements	54-60
7	Project and Sources of Funds Itemization	61
8	Financial Commitment Document if required	62
9	Cost Space Requirements	64
10	Discontinuation	
11	Background of the Applicant	65-79
12	Purpose of the Project	80-85
13	Alternatives to the Project	86-89
14	Size of the Project	90
15	Project Service Utilization	91
16	Unfinished or Shell Space	92
17	Assurances for Unfinished/Shell Space	93
18	Master Design Project	
	Service Specific:	
19	Medical Surgical Pediatrics, Obstetrics, ICU	
20	Comprehensive Physical Rehabilitation	
21	Acute Mental Illness	
22	Open Heart Surgery	
23	Cardiac Catheterization	
24	In-Center Hemodialysis	94-129
25	Non-Hospital Based Ambulatory Surgery	
26	Selected Organ Transplantation	
27	Kidney Transplantation	
28	Subacute Care Hospital Model	
29	Community-Based Residential Rehabilitation Center	
30	Long Term Acute Care Hospital	
31	Clinical Service Areas Other than Categories of Service	
32	Freestanding Emergency Center Medical Services	
33	Birth Center	
	Financial and Economic Feasibility:	
34	Availability of Funds	130-146
35	Financial Waiver	147
36	Financial Viability	
37	Economic Feasibility	148-155
38	Safety Net Impact Statement	156-157
39	Charity Care Information	158
Appendix 1	Physician Referral Letter	159-166