

STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET ITEM: C-13	BOARD MEETING: October 30, 2018	EXEMPTION NUMBER: E-054-18		
EXEMPTION APPLICANT	XEMPTION APPLICANT(S): Dialyze Direct IL LLC and Dialyze Holdings LLC			
FACILITY NAME and LO	CATION: Shelbyville Commun	ity Dialysis, Shelbyville		

STATE BOARD STAFF REPORT CHANGE OF OWNERSHIP EXEMPTION REQUEST

I. The Exemption Application

The Applicants (Dialyze Direct IL LLC and Dialyze Holdings LLC) are proposing a change of ownership of a health care facility (#E-054-18) Shelbyville Community Dialysis a 9-station ESRD facility located at 410 S. Heinlein Drive, Shelbyville, Illinois. The operating entity is Dialyze Direct II., LLC and the owner of the site is John D. Hodel and Linda M. Hodel. This transaction is considered a purchase resulting in a change in the operating entity. The cost of this transaction is \$600,000. The anticipated project completion date is December 31, 2018.

Renal Therapies, LLC is currently the approved operating entity of Shelbyville Community Dialysis. Following the transaction, Dialyze Direct IL, LLC will be the operating entity for the facility. Dialyze Holdings, LLC has 100% ownership interest in Dialyze Direct IL, LLC.

This change of ownership is before the State Board because the Applicants are proposing a change in the operating entity of a health care facility.

II. Applicable Rules

The Illinois Health Facilities Planning Act defines a change of ownership as

"... a change in the person who has ownership or control of a health care facility's physical plant and capital assets. A change in ownership is indicated by the following transactions: sale, transfer, acquisition, lease, change of sponsorship or other means of transferring control."

The State Board's rule (77 IAC 1130.500 & 77 ILAC 1130.520) specifies the requirements necessary for a change of ownership exemption application to be filed with the State Board. The State Board may, by rule, delegate authority to the Chairman to grant permits or exemptions when applications meet all of the State Board's review criteria and are unopposed [20 ILCS 3960/5].

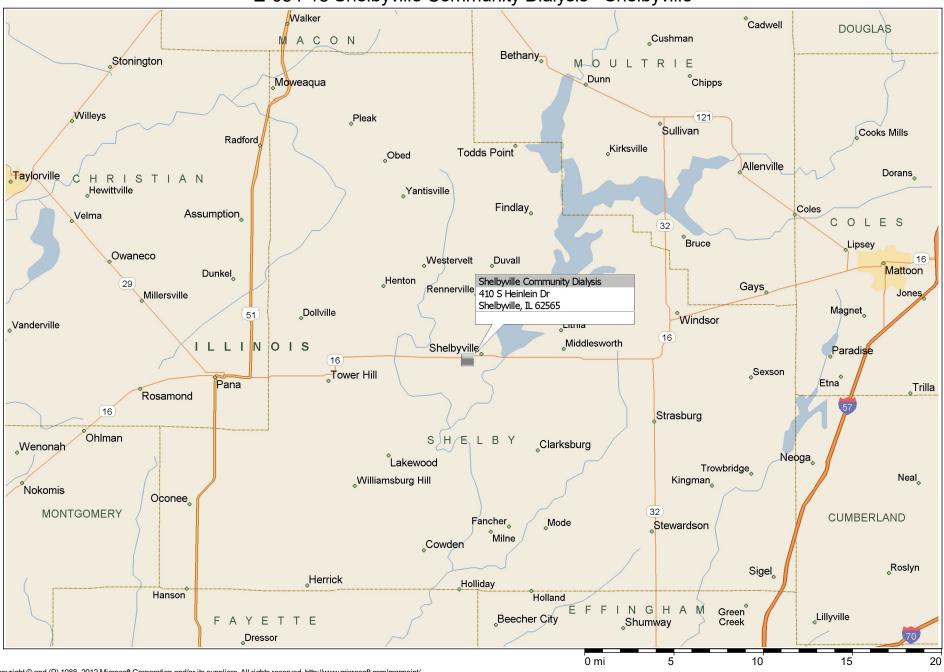
An exemption shall be approved when information required by the Board by rule is submitted [20 ILCS 3960/6].

<u>The State Board Staff Notes:</u> No support or opposition letters were submitted and there was no request for a public hearing. <u>All of the requirements</u> of the State Board have been met.

Shelbyville Community Dialysis				
	2014	2015	2016	
Medicare	\$1,016,942	\$721,969	\$494,498	
Medicaid	\$10,177	\$45,522	\$0	
Private Insurance	\$496,708	\$45,522	\$203,616	
Charity Care	\$0	\$0	\$0	
Total Revenue	\$1,523,827	\$813,013	\$698,114	
Information taken ESRD Profiles.				

STATE BOARD STAFF FINDS THE EXEMPTION FOR CHANGE OF OWNERSHIP IN CONFORMANCE WITH CRITERIA (77 ILAC 1130.500 & 77 ILAC 1130.520)

E-054-18 Shelbyville Community Dialysis - Shelbyville



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