

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

RECEIVED**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION****This Section must be completed for all projects.**

JUL 22 2019

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

Facility Name: Fresenius Medical Care Skokie*			
Street Address: 9330-9336 Skokie Blvd.			
City and Zip Code: Skokie 60077			
County: Cook	Health Service Area: 7	Health Planning Area:	

*The facility will be renamed Fresenius Kidney Care Skokie after the relocation.

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

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

Type of Ownership of 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.

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

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

Type of Ownership of Co-Applicant

- | | | |
|--|--|--------------------------------|
| ☐ 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.

Primary Contact [Person to receive ALL correspondence or inquiries]

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

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

Name:	Marybeth Wiekierak
Title:	Regional Vice President
Company Name:	Fresenius Medical Care North America
Address:	3500 Lacey Road, Downers Grove, IL
Telephone Number:	630-960-6770
E-mail Address:	marybeth.wiekierak@fmc-na.com
Fax Number:	630-960-6812

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**]

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

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: National Shopping Plazas, Inc.

Address of Site Owner: 200 W. Madison St., Suite 4200, Chicago, IL 60606

Street Address or Legal Description of the Site: 9330-9336 Skokie Blvd, Skokie. PIN #10-16-222-021

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: Dialysis Centers of America - Illinois, Inc. d/b/a Fresenius Medical Care Skokie

Address: 920 Winter Street, Waltham, MA 02451

- | | | |
|--|--|--------------------------------|
| ☐ 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

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.

Dialysis Centers of America – Illinois, Inc. proposes to relocate its 14-station Skokie dialysis facility from 9801 Woods Drive, Skokie to 9330-9336 Skokie Blvd., also in Skokie, part of Cook County, and HSA 7. This is an existing building that will be leased, and the interior will be built-out by Fresenius. This is simply a relocation and will have no impact on the State ESRD station inventory. This is a Federally Designated Medically Underserved Area.

This project is “substantive” under Planning Board rule 1110.40 as it entails the discontinuation and establishment (relocation) of facility that provides in-center hemodialysis services.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	1,160,900	601,600	1,762,500
Contingencies	111,150	57,600	168,750
Architectural/Engineering Fees	118,800	61,200	180,000
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	295,000	80,000	375,000
Bond Issuance Expense (project related)	N/A	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	3,802,304	1,854,690	5,656,994
Other Costs To Be Capitalized	N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)	N/A	N/A	N/A
TOTAL USES OF FUNDS	\$5,488,154	\$2,655,090	\$8,143,244
SOURCE OF FUNDS	CLINICAL	NON-CLINICAL	TOTAL
Cash and Securities	1,685,850	800,400	2,486,250
Pledges	N/A	N/A	N/A
Gifts and Bequests	N/A	N/A	N/A
Bond Issues (project related)	N/A	N/A	N/A
Mortgages	N/A	N/A	N/A
Leases (fair market value)	3,802,304	1,854,690	5,656,994
Governmental Appropriations	N/A	N/A	N/A
Grants	N/A	N/A	N/A
Other Funds and Sources	N/A	N/A	N/A
TOTAL SOURCES OF FUNDS	\$5,488,154	\$2,655,090	\$8,143,244
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 \$ <u>197,562</u> .

Project Status and Completion Schedules

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

Indicate the stage of the project's architectural drawings:

- ☒ None or not applicable ☐ Preliminary
☐ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): 09/30/2021

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
☐ APORS
☒ 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.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
In-Center Hemodialysis	5,488,154		6,175		6,175		
Total Clinical	\$5,488,154		6,175		6,175		
NON REVIEWABLE							
Non-Clinical (Mechanical, Staff, Waiting Room Areas)	2,655,090		3,200		3,200		
Total Non-clinical	\$2,655,090		3,200		3,200		
TOTAL	\$8,143,244		9,375		9,375		
APPEND DOCUMENTATION AS <u>ATTACHMENT 9</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

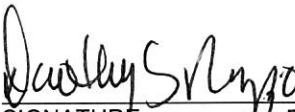
- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its 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 is filed on the behalf of Dialysis Centers of America - Illinois, 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 on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.


SIGNATURE
Bryan Mello
PRINTED NAME Treasurer

PRINTED TITLE

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


SIGNATURE
Dorothy Rizzo
Assistant Treasurer
PRINTED NAME

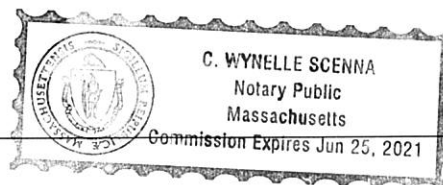
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 20 day of Feb 2019


Signature of Notary

Seal

Seal



*Insert the EXACT legal name of the applicant

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

Bryan Mello
SIGNATURE
Bryan Mello
PRINTED NAME
Assistant Treasurer

PRINTED TITLE

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

Dorothy Rizzo
SIGNATURE
Dorothy Rizzo
PRINTED NAME
Assistant Treasurer

PRINTED TITLE

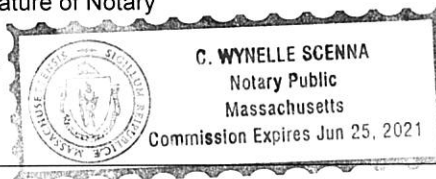
Notarization:
Subscribed and sworn to before me
this 20 day of Feb 2021 2019

C Wynelle Scenna
Signature of Notary

Seal

Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

SECTION II. DISCONTINUATION

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

NOTE: If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Criterion 1110.290 – Discontinuation (State-Owned Facilities and All Relocations)

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.290(b) for examples.

IMPACT ON ACCESS

1. Document whether or not the discontinuation of each service or of the entire facility will have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.

APPEND DOCUMENTATION AS ATTACHMENT 10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

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 **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.120 - 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:**NOT APPLICABLE – NO UNFINISHED 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: NOT APPLICABLE – NO UNFINISHED SPACE**

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 V. SERVICE SPECIFIC**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):

☒ In-Center Hemodialysis	14	14

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.230(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	
1110.230(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)

VI. 1120.120 - AVAILABILITY OF FUNDS

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

<u>2,486,250</u>	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;
<u>N/A</u>	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
<u>N/A</u>	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>5,656,994</u>	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;

	5) For any option to lease, a copy of the option, including all terms and conditions.
<u>N/A</u>	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
<u>N/A</u>	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
<u>N/A</u>	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
<u>\$8,143,244</u>	TOTAL FUNDS AVAILABLE
APPEND DOCUMENTATION AS <u>ATTACHMENT 34</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION VII. 1120.130 - FINANCIAL VIABILITY

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage	APPLICANT MEETS THE FINANCIAL VIABILITY WAIVER CRITERIA IN THAT ALL OF THE PROJECTS CAPITAL EXPENDITURES ARE COMPLETELY FUNDED THROUGH INTERNAL SOURCES, THEREFORE NO RATIOS ARE PROVIDED.			
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII.1120.140 - ECONOMIC FEASIBILITY

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD		188.00			6,175			1,160,900	1,160,900
Contingency		18.00			6175			111,150	111,150
Total Clinical		\$206.00			6,175			\$1,272,050	\$1,272,050
Non Clinical		188.00			3,200			601,600	601,600
Contingency		18.00			3,200			57,600	57,600
Total Non		\$206.00			3,200			\$659,200	\$659,200
TOTALS		\$206.00			9,375			\$1,931,250	\$1,931,250
* 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 IX. 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 (Self-Pay)			
Charity (# of patients)(Self-Pay)	2016	2017	2018
(Out-patient only)	233	280	294
Total Charity (cost in dollars)	\$3,269,127	\$4,598,897	\$5,295,686
MEDICAID			
Medicaid (# of patients)	2016	2017	2018
(Out-patient Only)	396	320	328
Medicaid (revenue)	\$7,310,484	\$4,383,383	\$6,630,014

* As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay Self-pay balances are written off to bad debt. Medicare may reimburse a portion of bad debt as part of cost reporting.

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

Note: Medicaid reported numbers are impacted by the large number of patients who switch from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2018 of our commercial patients we had 977 Medicaid Risk patients with Revenues of \$30,748,374.

SECTION X. 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			
	2016	2017	2018
Net Patient Revenue	\$450,657,245	\$461,658,707	\$436,811,409
Amount of Charity Care (self-pay charges)	\$3,269,127	\$4,598,897	\$5,295,686
Cost of Charity Care (Self-Pay)	\$3,269,127	\$4,598,897	\$5,295,686

*As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay Self-pay balances are written off to bad debt. Medicare may reimburse a portion of bad debt as part of cost reporting.

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

Note: Medicaid reported numbers are impacted by the large number of patients who switch from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2018 of our commercial patients we had 977 Medicaid Risk patients with Revenues of \$30,748,374.

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	25-26
2	Site Ownership	27-33
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	34
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	35
5	Flood Plain Requirements	36
6	Historic Preservation Act Requirements	37
7	Project and Sources of Funds Itemization	38
8	Financial Commitment Document if required	39
9	Cost Space Requirements	40
10	Discontinuation	41-43
11	Background of the Applicant	44-50
12	Purpose of the Project	51
13	Alternatives to the Project	52-53
14	Size of the Project	54
15	Project Service Utilization	55
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
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	56-77
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	34
35	Financial Waiver	35
36	Financial Viability	36
37	Economic Feasibility	37-90
38	Safety Net Impact Statement	91
39	Charity Care Information	92-93
	Appendix 1	94-97

Applicant Identification**Applicant**

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

Type of Ownership of Applicant

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

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

***Certificate of Good Standing for Dialysis Centers of America - Illinois, Inc. on following page.**

Co-Applicant

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

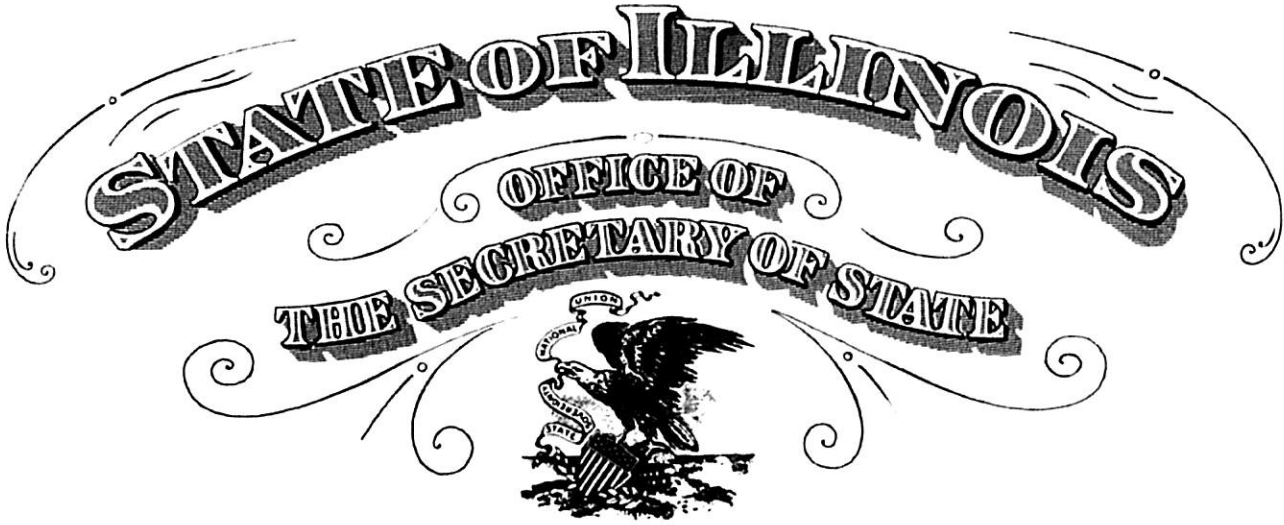
Type of Ownership of Co-Applicant

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

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

File Number

5829-168-4



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

DIALYSIS CENTERS OF AMERICA-ILLINOIS, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 11, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION 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 20TH
day of JUNE A.D. 2019 .

Jesse White

SECRETARY OF STATE

Authentication #: 1917102182 verifiable until 06/20/2020
Authenticate at: <http://www.cyberdriveillinois.com>

Site Ownership

Exact Legal Name of Site Owner: National Shopping Plazas, Inc.
Address of Site Owner: 200 W. Madison St., Suite 4200, Chicago, IL 60606
Street Address or Legal Description of the Site: 9330-9338 Skokie Blvd, Skokie. PIN #10-16-222-021
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.

**NATIONAL SHOPPING PLAZAS, INC.
200 W. MADISON STREET, SUITE 4200
CHICAGO, ILLINOIS 60606
312-332-4172 FAX#312-332-2119**

May 22, 2019

Fresenius Medical Use
Attention: Miles Gatland
Transaction Manager
1110 Island Drive
Commerce Township, MI 48382

**Re: Skokie Boulevard Plaza
9330-9336 Skokie Boulevard
Skokie, Illinois**

Dear Mr. Gatland:

This letter is provided to summarize certain parameters as a basis upon which we may negotiate an agreement, but it does not constitute a binding agreement.

Tenant: Dialysis Centers of America - Illinois, Inc., an Illinois corporation

Guarantor: Fresenius Medical Care Holdings, Inc., a New York corporation

Landlord: National Shopping Plazas, Inc., as Leasing Agent

Building: 9330-9336 Skokie Boulevard, Skokie, Illinois

Premises: Approximately 9,375 square feet per the site plan attached hereto as Exhibit "A"; area subject to verification.

Estimated Delivery: Within one hundred twenty (120) days from lease execution, CON approval, issuance of any necessary special use permits and Landlord's receipt of its building permit for Landlord's work.

Use: Tenant shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes. Tenant may operate on the Premises, at Tenant's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

Contractor for
1624973.v5

Tenant Improvements:	Tenant will hire a contractor and/or subcontractors of its choosing to complete its tenant improvements. Tenant shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any.
Term:	Fifteen (15) years from rental commencement.
CON Contingency:	All lease contingencies are waived upon Tenant receiving its CON approval. Tenant has until December 13 , 2019 to receive said approval. CON approval shall be deemed to have been obtained if Tenant does not terminate the Lease prior to such date.
Base Rent:	\$34.00 per square foot per annum with one and 75/100 percent (1.75%) annual increases.
Rent Commencement:	Rent shall commence on the earlier to occur of One Hundred Twenty (120) days after Landlord delivers the Premises to Tenant with Landlord's Work completed (except for punch list work) or the day Tenant opens for business at the Premises.
Options to Extend:	Three (3) five (5) year options to extend the initial term of the Lease with no less than 12 months written notice.
Option Rent:	Option periods will have one and 85/100 percent (1.85%) annual increases in Base Rent.
Landlord's Work and Condition of Premises:	Landlord shall provide the work and improvements described in Exhibit "B" attached to this letter.
Tenant Improvement Allowance:	Landlord shall furnish to Tenant a tenant improvement allowance for Tenant's improvement and fixturing work at the Premises in an amount equal to \$15/sf. Landlord shall pay the tenant improvement allowance to Tenant within 30 days after (a) Tenant has opened for business at the Premises, (b) Tenant has fully paid for all of its work and has furnished to Landlord final mechanic's lien releases from the general contractor and all subcontractors, (c) Tenant has furnished to Landlord a certificate from an officer of Tenant stating that all the aforesaid work has been paid for, and (d) Tenant has furnished to Landlord an

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estoppel certificate from Tenant relative to the Lease.

Common Charges:

Tenant shall be responsible for its pro rata share of specified costs and expenses for the operation of the common areas within the Center.

Tenant will be responsible for its pro rata share of the real estate taxes and assessments and insurance paid by Landlord with respect to the Center and the land on which it is situated.

Signage:

Tenant shall have the right to install its standard building signage to the full extent permitted by municipal codes. Building signage must be channel letters on a raceway.

Cross Access/Parking:

Cross access and parking, substantially as shown on the attached site plan, shall be provided by separate agreement. Also, Tenant shall have exclusive use of 2 parking spaces in front of the Premises as shown on the attached site plan.

Security Deposit:

N/A

Assignment and Subletting:

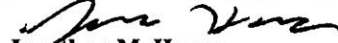
Tenant shall have the right to assign the Lease or sublease the Premises, subject to Landlord's approval. No assignment of the Lease or subletting shall result in a release of Tenant or any lease guarantor from any of their respective obligations under or relating to the Lease.

This letter is solely intended as a summary of the basic economic terms and conditions of the proposed agreement, and it is understood and agreed that neither party is under a binding obligation to the other until an agreement acceptable to Landlord and Tenant has been executed.

The parties agree that neither party will act in reliance on the terms contained in this letter and both parties acknowledge and agree that if a party incurs any expenses, all such expenses will not be reimbursed by the other party.

Sincerely,

NATIONAL SHOPPING PLAZAS, INC.



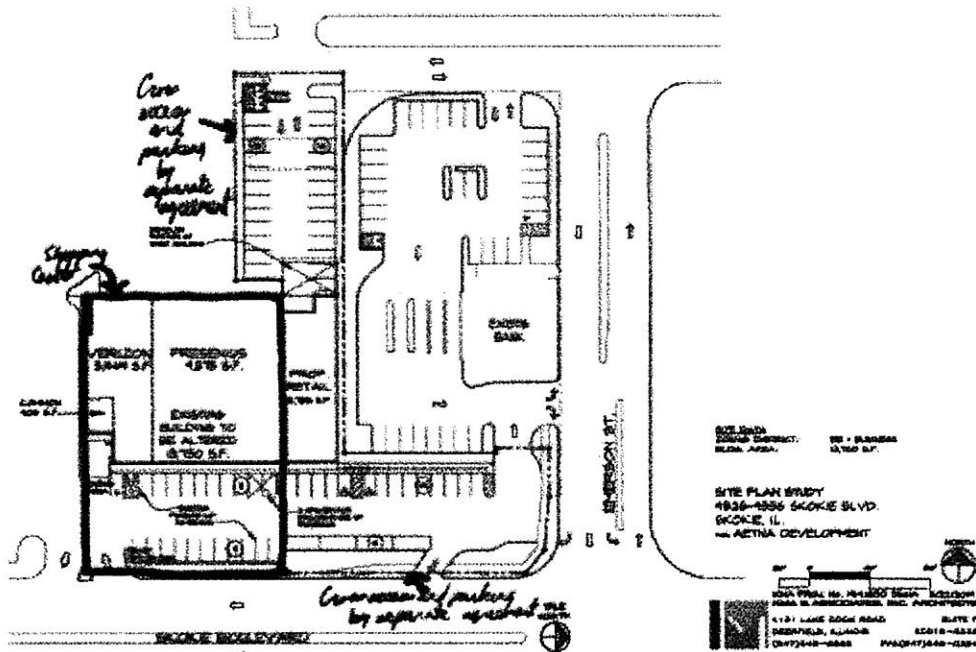
Jonathan M. Hanus
Vice President

JMH:lk

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EXHIBIT "A"

Site Plan



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EXHIBIT "B"**LANDLORD'S WORK**

SKOKIE Fresenius 004331-2-RL-W-BO-2019 utility requirements

Number patient stations: 20

Water:

Existing 6" fire line with 2" domestic tap on exterior of the building. Pressure of water is 35psi static.

We will create a larger tap with a sub-meter and backflow prevention devices per Skokie and Tenant requirements in the basement of the existing building that will meet current Illinois Plumbing code. Tenant will need to supply Landlord the water distribution design for the total water demand so a booster pump can be sized and ordered to meet volume and pressure requirement for Tenant.

Gas:

Existing gas service located in basement of existing building. Landlord will acquire upgrade 7" w.c. meter to meet the 1200 MBH demand and stub correctly sized gas pipe into space.

Sprinkler Riser:

Landlord has existing 6" sprinkler riser in basement at 35 PSI static pressure. Landlord will need to split and upgrade the sprinkler system for system zoning per current code requirements.

Electric:

Existing 1200 amp 3 phase 4 wire 120/208 electric service - disconnect located in basement. Landlord to re-work metering on rear of building to supply 800 amp service to Tenant.

Sanitary:

Existing 4" sanitary service.

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Low Voltage:

Landlord to stub 2 4" conduits into space for phone and cable.

Floor:

The floor structure is comprised of an 8 inch hollow core slab with 2 inch concrete topping supported on steel beams. The hollow core slab will comply with the building code live load requirement of 100 pounds/square foot or, if Landlord's structural engineer determines that the floor structure needs further reinforcement in order to support the equipment that Tenant initially plans to install at the Premises, Landlord shall further reinforce the floor structure, or parts thereof, as recommended by its structural engineer.

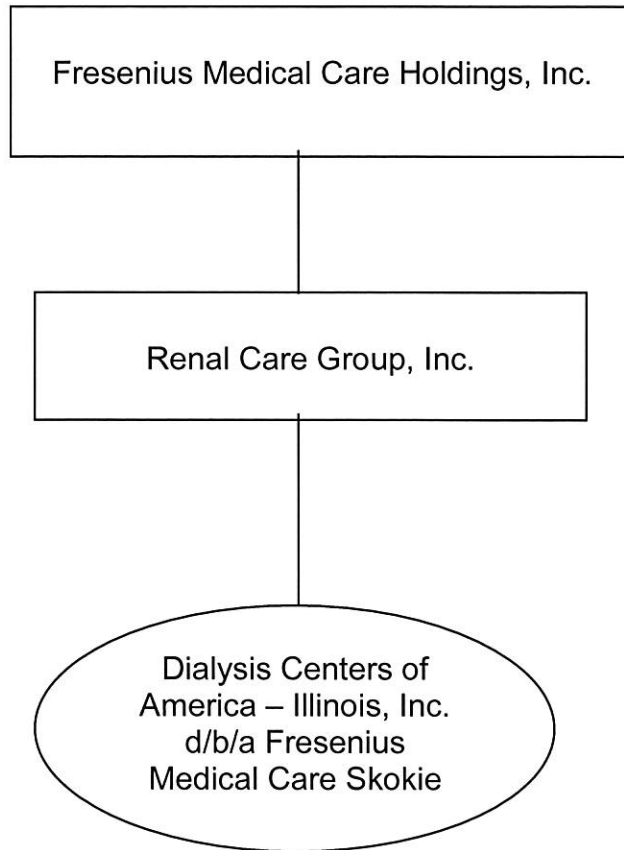
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Operating Identity/Licensee

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

Exact Legal Name: Dialysis Centers of America - Illinois, Inc. d/b/a Fresenius Medical Care Skokie*			
Address: 920 Winter Street, Waltham, MA 02451			
☐	Non-profit Corporation	☐	Partnership
☒	For-profit Corporation	☐	Governmental
☐	Limited Liability Company	☐	Sole Proprietorship
		☐	Other
- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.			

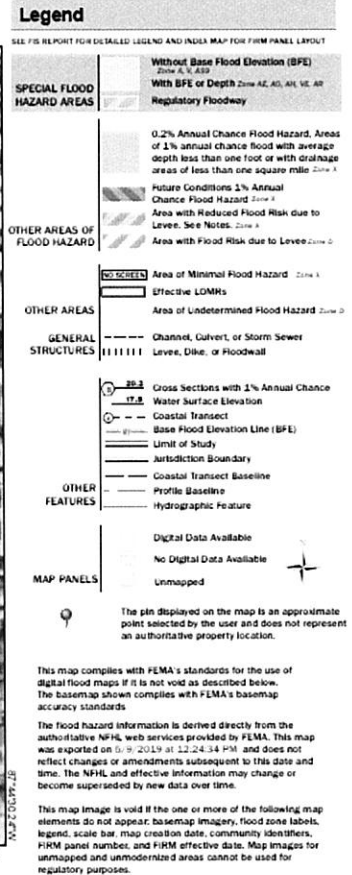
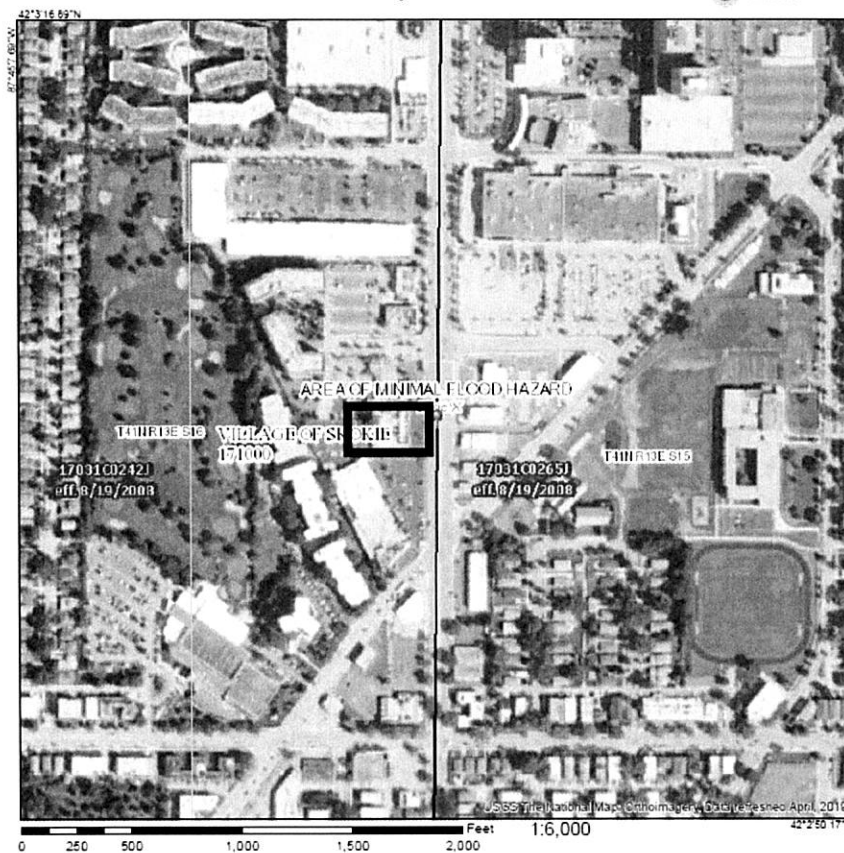
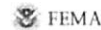
***Certificate of Good Standing at Attachment – 1.**



Flood Plain Requirements

The proposed relocation site for Fresenius Medical Care Skokie complies with the requirements of Illinois Executive Order #2005-5. The site, 9330-9336 Skokie Blvd, Skokie, is not located in a flood plain.

National Flood Hazard Layer FIRMette



Historic Resources Preservation Act Requirements

The following historical determination request was submitted to the State Historic Preservation Office and is currently pending. It will be forwarded as soon as it is received.



June 12, 2019

Rachel Leibowitz, Ph.D.
Deputy State Historic Preservation Officer
Preservation Services Division Manager
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, Illinois 62701

Dear Ms. Leibowitz:

Fresenius Medical Care is seeking a Certificate of Need permit to relocate its Skokie facility from 9801 Woods Drive, Skokie to 9330-9338 Skokie Blvd., Skokie. This is an existing building that is in an out-lot of a strip mall. The interior will be built-out by Fresenius.

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

Attached you will find the following:

- Aerial Map and Street View of 9330-9338 Skokie Blvd.
- Aerial Map and Street View of 9801 Woods Drive

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

Sincerely,

Lori Wright

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

SUMMARY OF PROJECT COSTS

Modernization	
General Conditions	88,125
Temp Facilities, Controls, Cleaning, Waste Management	4,400
Concrete	22,560
Masonry	26,790
Metal Fabrications	13,220
Carpentry	154,925
Thermal, Moisture & Fire Protection	31,370
Doors, Frames, Hardware, Glass & Glazing	120,730
Walls, Ceilings, Floors, Painting	284,650
Specialities	22,030
Casework, FI Mats & Window Treatments	10,575
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	564,000
Wiring, Fire Alarm System, Lighting	339,800
Miscellaneous Construction Costs	79,325
Total	1,762,500
Contingencies	\$168,750
Architecture/Engineering Fees	\$180,000
Moveable or Other Equipment	
Dialysis Chairs	35,000
Clinical Furniture & Equipment	35,000
Office Equipment & Other Furniture	35,000
Water Treatment	180,000
TVs & Accessories	25,000
Telephones	20,000
Generator	10,000
Facility Automation	20,000
Other miscellaneous	15,000
	\$375,000
Fair Market Value of Leased Space and Equipment	
FMV Leased Space (9,375 GSF)	5,413,794
FMV Leased Dialysis Machines	229,200
FMV Leased Office Equipment	14,000
	\$5,656,994
Grand Total	\$8,143,244

Itemized Costs
ATTACHMENT - 7

Current Fresenius CON Permits and Status

Project Number	Project Name	Project Type	Completion Date	Comment
#16-029	Fresenius Medical Care Ross Dialysis - Englewood	Relocation/ Expansion	09/30/2018	Anticipated opening August 2019
#16-042	Fresenius Kidney Care Paris Community	Establishment	03/31/2020	Permit Renewal/Financial Commitment Extension Request Approved 10/30/18
#17-056	Fresenius Medical Care Galesburg	Relocation	12/31/2019	Open March 2019, waiting for Certification
#17-065	Fresenius Kidney Care New Lenox	Establishment	12/31/2019	Shell construction beginning by July 2019
#18-006	Fresenius Kidney Care Madison County	Establishment	06/30/2020	Project obligated June 17, 2019
#18-039	Fresenius Kidney Care Grayslake	Establishment	03/31/2021	Permitting phase
#18-045	Fresenius Kidney Care West Belmont	Expansion	2/14/2020	Permitted January 15, 2019
#18-046	Fresenius Kidney Care Cicero	Expansion	12/31/2019	Stations in, waiting for CMS Certification

Cost Space Requirements

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

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
In-Center Hemodialysis	5,488,154		6,175		6,175		
Total Clinical	\$5,488,154		6,175		6,175		
NON REVIEWABLE							
Non-Clinical (Mechanical, Staff, Waiting Room Areas)	2,655,090		3,200		3,200		
Total Non-clinical	\$2,655,090		3,200		3,200		
TOTAL	\$8,143,244		9,375		9,375		

Comment on cost of project:

While the cost of this project may appear higher than average for a 14-station facility, it should be noted that 66%, or \$5,413,793, are costs related directly to the lease of the space which is for 15 years.

1110.130 – DISCONTINUATION**General Information Requirements**

Dialysis Centers of America - Illinois, Inc. proposes to discontinue its 14-station ESRD facility located at 9801 Wood Drive, Skokie, operating at 68% utilization with 57 patients as of June 30, 2019. It will then establish a replacement facility at 9330-9336 Skokie Blvd, Skokie. Both locations are in a Federally Designated Medically Underserved Area. All patients are expected to transfer to the new facility and therefore all medical records will be transferred also.

The discontinuation is expected to occur simultaneously with the opening of the new facility, on or before January 31, 2021. There will be no break in service to the patients involved. The evacuated leased space will be released back to the landlord.

Reasons for Discontinuation

The Skokie facility has been at its current location for 18 years and the lease is due to expire January 31, 2021 and a lease renewal is not an option.

Impact on Access

The “relocation” of the Skokie facility to an alternate site also in Skokie will not have any impact on any area ESRD providers. The location site is less than a mile away from the current facility location and is intended to serve the current patient population and identified pre-ESRD patients of Dr. Najafi residing in the Skokie area. No patients are being transferred from any other facility.

IMPACT ON ACCESS STATEMENT PER PART 1110.130

The proposed discontinuation of the Fresenius Medical Care Skokie 14-station end stage renal disease (ESRD) facility will not have an adverse effect upon access to care for the residents of the healthcare market area in which it is situated. Along with this discontinuation, a replacement 14-station ESRD facility will be established at 9330-9336 Skokie Blvd., Skokie. The Skokie facility is simply being relocated less than a mile away. All patients are expected to transfer to the replacement facility. There will be no break in service to patients and the facility will continue to serve this medically underserved area.

There will be no adverse impact to any facilities within a 45-minute travel time as this is a relocation only with existing patients and identified pre-ESRD patients who would be referred to the facility regardless.

Marybeth Wiekierak
Signature

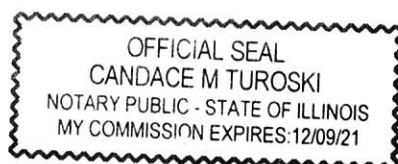
Marybeth Wiekierak
Printed Name

Regional Vice President
Title

SUBSCRIBED AND SWORN TO
BEFORE ME THIS 17th DAY
OF July, 2019.

Candace M. Turosski
NOTARY PUBLIC

Seal





About Us

Fresenius Kidney Care, a division of Fresenius Medical Care North America (FMCNA), provides dialysis treatment and services to over 190,000 people with kidney disease at more than 2,300 facilities nationwide. Fresenius Kidney Care patients have access to FMCNA's integrated network of kidney care services ranging from cardiology and vascular care to pharmacy and lab services as well as urgent care centers and the country's largest practice of hospitalist and post-acute providers. The scope and sophistication of this vertically integrated network provides us with seamless oversight of our patients' entire care continuum.

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

Bringing Our Mission to Life

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

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

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



Value Based Care Model

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

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

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

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

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



Five Star Quality Rated by CMS

Fresenius Kidney Care achieved the largest number of top-rated, Five Star dialysis centers in 2018, based on the Dialysis Facility Compare Five Star Quality Rating System issued by CMS. This focus on quality continues to drive Fresenius Kidney Care's success in Illinois.

Overview of Services



Treatment Settings and Options

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



Patient Support Services

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



Counseling and Guidance for Non-Dialysis Options

- ✓ Kidney transplant
- ✓ Supportive care without dialysis

Our Local Commitment



Fresenius Kidney Care is a predominant supporter of the National Kidney Foundation of Illinois (NKFI). The NKFI is an affiliate of the National Kidney Foundation, which funds medical research improving lives of those with kidney disease, prevention screenings and is a leading educator on kidney disease. Our Fresenius Kidney Care employees in the United States raised over \$800,000 for the NKF Kidney Walk with \$25,000 raised in Illinois through pledges and t-shirt sales. In addition, each year Fresenius Kidney Care donates \$30,000 to the NKFI.

Background

ATTACHMENT - 11

Thrive On

Fresenius Kidney Care In-center Clinics in Illinois

#19-033

Clinic	Provider #	Address	City	Zip
Aledo	14-2658	409 NW 9th Avenue	Aledo	61231
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002
Aurora	14-2515	455 Mercy Lane	Aurora	60506
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651
Belleville	14-2839	6525 W. Main Street	Belleville	62223
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406
Bolingbrook	14-2605	329 Remington	Bolingbrook	60440
Breese	14-2637	160 N. Main Street	Breese	62230
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609
Burbank	14-2641	4811 W. 77th Street	Burbank	60459
Carbondale	14-2514	1425 Main Street	Carbondale	62901
Centre West Springfield	14-2546	1112 Centre West Drive	Springfield	62704
Champaign	14-2588	1405 W. Park Street	Champaign	61801
Chatham	14-2744	333 W. 87th Street	Chicago	60620
Chicago Dialysis	14-2506	1806 W. Hubbard Street	Chicago	60622
Chicago Heights	14-2832	15 E. Independence Drive	Chicago Heights	60411
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608
Cicero	14-2754	3000 S. Cicero	Chicago	60804
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624
Crestwood	14-2538	4861W. Cal Sag Road	Crestwood	60445
Decatur East	14-2603	1830 S. 44th St.	Decatur	62521
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015
Des Plaines	14-2774	1625 Oakton Place	Des Plaines	60018
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185
DuQuoin	14-2595	825 Sunset Avenue	DuQuoin	62832
East Aurora	14-2837	840 N. Farnsworth Avenue	Aurora	60505
East Peoria	14-2562	3300 North Main Street	East Peoria	61611
Elgin	14-2726	2130 Point Boulevard	Elgin	60123
Elk Grove	14-2507	901 Biesterfeld Road, Ste. 400	Elk Grove	60007
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805
Galesburg	14-8628	765 N Kellogg St, Ste 101	Galesburg	61401
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609
Geneseo	14-2592	600 North College Ave, Suite 150	Geneseo	61254
Glendale Heights	14-2617	130 E. Army Trail Road	Glendale Heights	60139
Glenview	14-2551	4248 Commercial Way	Glenview	60025
Grayslake	-	Belvidere Road	Grayslake	60030
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619
Gurnee	14-2549	101 Greenleaf	Gurnee	60031
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429
Highland Park	14-2782	1657 Old Skokie Road	Highland Park	60035
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195
Humboldt Park	14-2821	3500 W. Grand Avenue	Chicago	60651
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649
Joliet	14-2739	721 E. Jackson Street	Joliet	60432
Kewanee	14-2578	230 W. South Street	Kewanee	61443
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613
Lemont	14-2798	16177 W. 127th Street	Lemont	60439
Logan Square	14-2766	2721 N. Spalding	Chicago	60647
Lombard	14-2722	1940 Springer Drive	Lombard	60148
Macomb	14-2591	523 E. Grant Street	Macomb	61455
Madison County	-	1938 -1946 Grand Ave.	Granite City	62040
Maple City	14-2790	1225 N. Main Street	Monmouth	61462
Marquette Park	14-2566	6515 S. Western	Chicago	60636
McHenry	14-2672	4312 W. Elm St.	McHenry	60050
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704
Melrose Park	14-2554	1111 Superior St., Ste. 204	Melrose Park	60160
Merrionette Park	14-2667	11630 S. Kedzie Ave.	Merrionette Park	60803
Metropolis	14-2705	20 Hospital Drive	Metropolis	62960
Midway	14-2713	6201 W. 63rd Street	Chicago	60638
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448
Moline	14-2526	400 John Deere Road	Moline	61265
Mount Prospect	14-2843	1710-1790 W. Golf Road	Mount Prospect	60056
Mundelein	14-2731	1400 Townline Road	Mundelein	60060

Clinic	Provider #	Address	City	Zip
Naperbrook	14-2765	2451 S Washington	Naperville	60565
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563
New City	14-2815	4622 S. Bishop Street	Chicago	60609
New Lenox	-	Cedar Crossing Development	New Lenox	60451
Niles	14-2559	7332 N. Milwaukee Ave	Niles	60714
Normal	14-2778	1531 E. College Avenue	Normal	61761
Norridge	14-2521	4701 N. Cumberland	Norridge	60656
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630
Northcenter	14-2531	2620 W. Addison	Chicago	60618
Northfield	14-2771	480 Central Avenue	Northfield	60093
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611
Oak Forest	14-2764	5340A West 159th Street	Oak Forest	60452
Oak Park	14-2504	773 W. Madison Street	Oak Park	60302
Orland Park	14-2550	9160 W. 159th St.	Orland Park	60462
Oswego	14-2677	1051 Station Drive	Oswego	60543
Ottawa	14-2576	1601 Mercury Circle Drive, Ste. 3	Ottawa	61350
Palatine	14-2723	691 E. Dundee Road	Palatine	60074
Pekin	14-2571	3521 Veteran's Drive	Pekin	61554
Paris	-	721 E Court Street	Paris	61944
Peoria Downtown	14-2574	410 W Romeo B. Garrett Ave.	Peoria	61605
Peoria North	14-2613	10405 N. Juliet Court	Peoria	61615
Plainfield	14-2707	2320 Michas Drive	Plainfield	60544
Plainfield North	14-2596	24024 W. Riverwalk Court	Plainfield	60544
Polk	14-2502	557 W. Polk St.	Chicago	60607
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764
Prairie	14-2569	1717 S. Wabash	Chicago	60616
Randolph County	14-2589	102 Memorial Drive	Chester	62233
Regency Park	14-2558	124 Regency Park Dr., Suite 1	O'Fallon	62269
River Forest	14-2735	103 Forest Avenue	River Forest	60305
Rock Island	14-2703	2623 17th Street	Rock Island	61201
Rock River - Dixon	14-2645	101 W. Second Street	Dixon	61021
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008
Roseland	14-2690	135 W. 111th Street	Chicago	60628
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621
Round Lake	14-2616	401 Nippersink	Round Lake	60073
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946
Sandwich	14-2700	1310 Main Street	Sandwich	60548
Schaumburg	14-2802	815 Wise Road	Schaumburg	60193
Silvis	14-2658	880 Crosstown Avenue	Silvis	61282
Skokie	14-2618	9801 Wood Dr.	Skokie	60077
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617
South Elgin	14-2856	770 N. McLean Blvd.	South Elgin	60177
South Deering	14-2756	10559 S. Torrence Ave.	Chicago	60617
South Holland	14-2542	17225 S. Paxton	South Holland	60473
South Shore	14-2572	2420 E. 79th Street	Chicago	60649
Southside	14-2508	3134 W. 76th St.	Chicago	60652
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461
Southwestern Illinois	14-2535	7 Professional Drive	Alton	62002
Spoon River	14-2565	340 S. Avenue B	Canton	61520
Springfield East	14-2853	1800 E. Washington Street	Springfield	62703
Spring Valley	14-2564	12 Wolfer Industrial Drive	Spring Valley	61362
Steger	14-2725	219 E. 34th Street	Steger	60475
Streator	14-2695	2356 N. Bloomington Street	Streator	61364
Summit	14-2802	7319-7322 Archer Avenue	Summit	60501
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640
Waterloo	14-2789	624 Voris-Jost Drive	Waterloo	62298
Waukegan Harbor	14-2727	101 North West Street	Waukegan	60085
West Batavia	14-2729	2580 W. Fabyan Parkway	Batavia	60510
West Belmont	14-2523	4943 W. Belmont	Chicago	60641
West Chicago	14-2702	1859 N. Neltor	West Chicago	60185
West Metro	14-2536	1044 North Mozart Street	Chicago	60622
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302
West Willow	14-2730	1444 W. Willow	Chicago	60620
Westchester	14-2520	2400 Wolf Road, Ste. 101A	Westchester	60154
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959
Willowbrook	14-2632	6300 S. Kingery Hwy, Ste. 408	Willowbrook	60527
Woodridge	14-2845	7550 Janes Avenue	Woodridge	60517
Zion	14-2841	1920-1920 N. Sheridan Road	Zion	60099

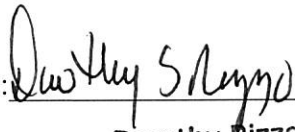
Certification & Authorization

Dialysis Centers of America - Illinois, Inc.

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

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

By: 
 ITS: Bryan Mello
Assistant Treasurer

By: 
 ITS: Dorothy Rizzo
Assistant Treasurer

Notarization:
 Subscribed and sworn to before me
 this _____ day of _____, 2019

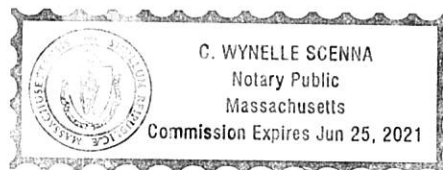
Signature of Notary



Notarization:
 Subscribed and sworn to before me
 this 20 day of Feb, 2019

Signature of Notary

Seal



Seal

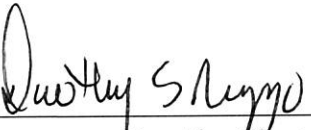
Certification & Authorization

Fresenius Medical Care Holdings, Inc.

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

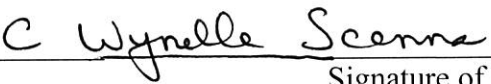
In regard to section III, A (3) of the Illinois Health Facilities & Services Review Board Application for Certificate of Need; I do hereby authorize the State Board and Agency access to information in order to verify any documentation or information submitted in response to the requirements of this subsection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

By: 
ITS: Bryan Mello
Assistant Treasurer

By: 
ITS: Dorothy Rizzo
Assistant Treasurer

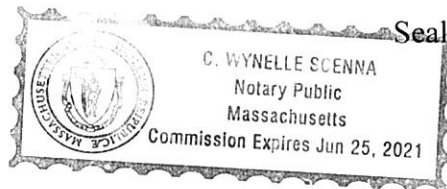
Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2019

Notarization:
Subscribed and sworn to before me
this 28 day of Feb, 2019


Signature of Notary

Signature of Notary

Seal



Seal

Criterion 1110.230 – Purpose of Project

1. After 18 years at its current site and with an unrenewable lease expiring on January 31, 2021, Fresenius Medical Care proposes to relocate the Skokie facility from 9801 Wood Drive, Skokie to 9330-9336 Skokie Blvd., Skokie in order to maintain access in this medically underserved area. Not only will access be continued, but the patients will be able to treat in a more efficient and modern facility.
2. The facility's current location and the relocation site are both in Skokie, in HSA 7. The facility currently serves 57 ESRD patients.
3. The physical structure of the Skokie facility is aging, however the urgent need to relocate is due to the facility's lease expiration with no option for renewal. In order to maintain access to this medically underserved area Fresenius Medical Care is willing to invest in the relocation.
4. Not Applicable
5. Relocating the 14-station Skokie facility is necessary to maintain access to dialysis services in Skokie, not only for the current facility patients but for pre-ESRD patients Dr. Najafi has who reside in the Skokie area. There will be no interruption in service to the current patients of the Skokie clinic since the "relocation" of the facility will occur on a Sunday when there are no patient treatments scheduled and will occur prior to lease expiration.
6. The goal of Fresenius Medical Care is to keep dialysis access available to this underserved patient population. There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. It is expected that this facility would continue to have similar quality outcomes after the relocation. The Skokie facility patients have the quality values below:
 - 94% of patients had a URR $\geq$ 65%
 - 98% of patients had a Kt/V $\geq$ 1.2

(Demographic data contained in the application was taken from <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml> and Clinic utilization from HFSRB.

Alternatives**1) All Alternatives****A. Proposing a project of greater or lesser scope and cost.**

The alternative of doing nothing is not an option. The lease is expiring January 31, 2021 and is not renewable. Doing nothing would cause an eventual eviction and patients would lose access to treatment, which is not reasonable in a medically underserved area. There is no cost to this alternative.

B. Pursuing a joint venture or similar arrangement

This facility is not currently a joint venture and there is no desire for any parties to form a joint venture. There is no cost to this alternative.

C. Utilizing other health care resources

There are no other dialysis facilities in Skokie to serve this disadvantaged patient population, however the Lakeside Nephrologists who support this application admit to other clinics in the area. There is no cost to this alternative.

- The most reasonable alternative to address the imminent end of the lease for the Skokie clinic is to relocate it to another Skokie location and maintain access to dialysis in this medically underserved area. The cost of this project is \$8,143,244.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Do Nothing	\$0	This alternative would eventually cause the clinic to close abruptly as an eventual eviction would occur.	Patient quality would decline with loss of access to treatment.	There would be no cost except to the patients who would be left without access to dialysis services.
Joint Venture	\$8,143,244	The facility is not currently a joint venture and there is no interest currently for investment into the clinic.		
Utilize Area Providers	\$0	Fresenius Skokie is currently the only clinic in Skokie, which is a medically underserved area. The physicians also refer patients to other area clinics.	Quality at the Fresenius Skokie clinic would remain the same.	There is no financial cost to Fresenius Kidney Care
Relocate the 14-station Fresenius Skokie ESRD facility.	\$8,143,244	Access to dialysis services in will be maintained in this medically underserved area and patients and staff will enjoy a more efficient and modernized facility	Patient clinic quality would remain above standards. Patient satisfaction will improve with a more modern health care clinic to dialyze in three times a week.	The cost is to Fresenius Kidney Care only whose desire is to invest in this market to provide ongoing access.

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

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. Patients at Fresenius Skokie have achieved average adequacy outcomes of:

- 94% of patients had a URR $\geq$ 65%
- 98% of patients had a Kt/V $\geq$ 1.2

and the same is expected after relocation.

Criterion 1110.234, Size of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD 450-650 BGSF Per Station	DIFFERENCE	MET STANDARD?
ESRD IN-CENTER HEMODIALYSIS	6,175 (14 Stations)	6,300 – 9,100 BGSF	None	Yes
Non-clinical	3,200	N/A	N/A	N/A

The State Standard for ESRD is between 450 - 650 BGSF per station or 6,300 – 9,100 BGSF. The proposed 6,175 BGSF for the in-center hemodialysis space meets the State standard.

Criterion 1110.234, Project Services Utilization

UTILIZATION					
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	IN-CENTER HEMODIALYSIS	68% June 2019		80%	No
YEAR 1	IN-CENTER HEMODIALYSIS		78%	80%	No
YEAR 2	IN-CENTER HEMODIALYSIS		81%	80%	Yes

There are currently 57 patients at the Skokie facility that are expected to transfer to the new location upon opening and another 22 who are expected to be referred to the facility prior to the relocation. Dr. Najafi has identified 39 pre-ESRD patients that are expected to be referred to the facility in the first two years after the relocation.

Planning Area Need – Formula Need Calculation:

The proposed relocation site for the Fresenius Medical Care Skokie dialysis facility is in Skokie in HSA 7. HSA 7 is comprised of the Cook County suburbs and DuPage County. According to the June 2019 Inventory Update there is an excess of 56 stations in this HSA, however this is a relocation only and will have no effect on the station inventory.

Planning Area Need – Service To Planning Area Residents:

- A. The primary purpose of this project is to maintain in-center hemodialysis services for the residents of Skokie in HSA 7. 90% of the current patients and 100% of the pre-ESRD patients reside in HSA 7.

County	HSA	Pre-ESRD Patients Expected to be Referred to Fresenius Medical Care Skokie Prior to Relocation
Suburban Cook Co	7	22 - 100%

County	HSA	Pre-ESRD Patients Expected to be referred to Fresenius Medical Care Skokie in first two years after Relocation
Suburban Cook Co	7	39 - 100%

County	HSA	Current Patients of Fresenius Medical Care Skokie
Chicago/Cook Co	6	3 - 5%
Suburban Cook Co	7	51 - 90%
Lake	8	2 - 4%
McHenry	8	1 - 1%



LAKESIDE NEPHROLOGY

Arnold S. Berns, M.D., F.A.S.N.
Sheldon Hirsch, M.D.
Neil E. Soifer, M.D., F.A.S.N.
Chris C. Najafi, M.D.
Paru P. Kathpalia, M.D., F.A.S.N.

July 9, 2019

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

Dear Ms. Avery:

I am a nephrologist practicing in the Skokie area with Lakeside Nephrology and I serve as the Medical Director of the Fresenius Medical Care Skokie dialysis center. I am writing to lend my support for the proposed relocation of this facility. I have been made aware that the lease for the premises is expiring soon and that Fresenius Medical Care does not have the option of renewal. It is imperative that the Skokie facility be allowed to relocate to another location a short distance away for me to keep serving my patients who receive treatment at this clinic.

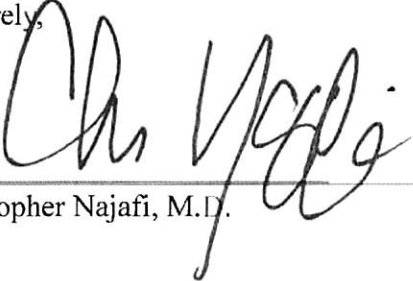
The area around the clinic is medically underserved and many of my patients suffer economic hardships and difficulty accessing proper healthcare. If the Skokie clinic is not allowed to continue to treat these patients by relocating, they will face even greater hardship trying to find access to dialysis services elsewhere, outside of their community. Transportation options and cost would become a greater hurdle for them. My patients would also lose the continuity of care they now have.

At the Skokie clinic I was treating 61 in-center hemodialysis patients at the end of 2016, 53 at the end of 2017, 51 at the end of 2018, and 57 as of June 2019. In the most recent 12-month period I have referred 15 new ESRD patients for dialysis services to Fresenius Medical Care Skokie. Lakeside Nephrology has 444 pre-ESRD patients in various stages of kidney disease that reside in the immediate Skokie area. Of these I expect approximately 22 will be referred to the Skokie clinic prior to the relocation. I then expect approximately 39 to be referred to the facility in the first two years the relocation. This does not account for those patients who present in the emergency room in kidney failure who have had no prior medical care for their condition.

I respectfully ask for approval of the relocation of Fresenius Medical Care Skokie to provide ongoing access to services for dialysis patients of this Federally Designated Medically Underserved Area. Thank you for your consideration.

I attest that to the best of my knowledge, all the information contained in this letter is true and correct and that the projected patient referrals listed in this document have not been used to support any other pending or approved CON application.

Sincerely,


_____, M.D.
Christopher Najafi, M.D.

Notarization:

Subscribed and sworn to before me

this 18th day of July, 2019



Signature of Notary

Seal



**CURRENT ESRD PATIENTS AT
FRESENIUS SKOKIE**

Zip Code	Jun-19 Patients
60076	11
60077	18
60053	9
60091	1
60645	2
60093	1
60068	1
60025	2
60202	1
60142	1
60203	1
60204	1
60062	2
60016	1
60056	1
60646	1
60659	1
60634	1
60712	1
Total	57

**PRE-ESRD PATIENTS IDENTIFIED
FOR FRESENIUS SKOKIE**

Zip Code	New ESRD Referrals	
	Before Relocation	2 Years After Relocation
60025	1	1
60053	3	6
60076	7	14
60077	6	10
60091	0	3
60201	1	2
60203	2	1
60714	2	3
Totals	22	39

**NEW ESRD REFERRALS OF LAKESIDE NEPHROLOGY AT
FRESENIUS SKOKIE FOR THE PAST 12 MONTHS**

Zip Code	New ESRD
60076	2
60077	7
60053	2
60654	1
60091	1
60202	1
60712	1
Total	15

**IN-CENTER HEMODIALYSIS PATIENTS OF LAKESIDE NEPHROLOGY AT
FRESENIUS MEDICAL CARE SKOKIE**

Zip Code	December			June 2019
	2016	2017	2018	
60016			1	1
60025	1	2	1	2
60035	1			
60053	8	8	7	9
60056		1	1	1
60062	3	1	1	2
60068			2	1
60073	1			
60076	11	10	10	11
60077	8	13	17	18
60091	2	2	1	1
60093	2	1	1	1
60142				1
60202	3	2	1	1
60203	1	2	1	1
60204	1	1	1	1
60625	2			
60626	2	2		
60631	1	1		
60634			1	1
60639	1	1		
60645	5	1	2	2
60646	3	2	1	1
60656	1			
60659	1	1	1	1
60712				1
60714	3	2	1	
Total	61	53	51	57

Service Accessibility – Service Restrictions

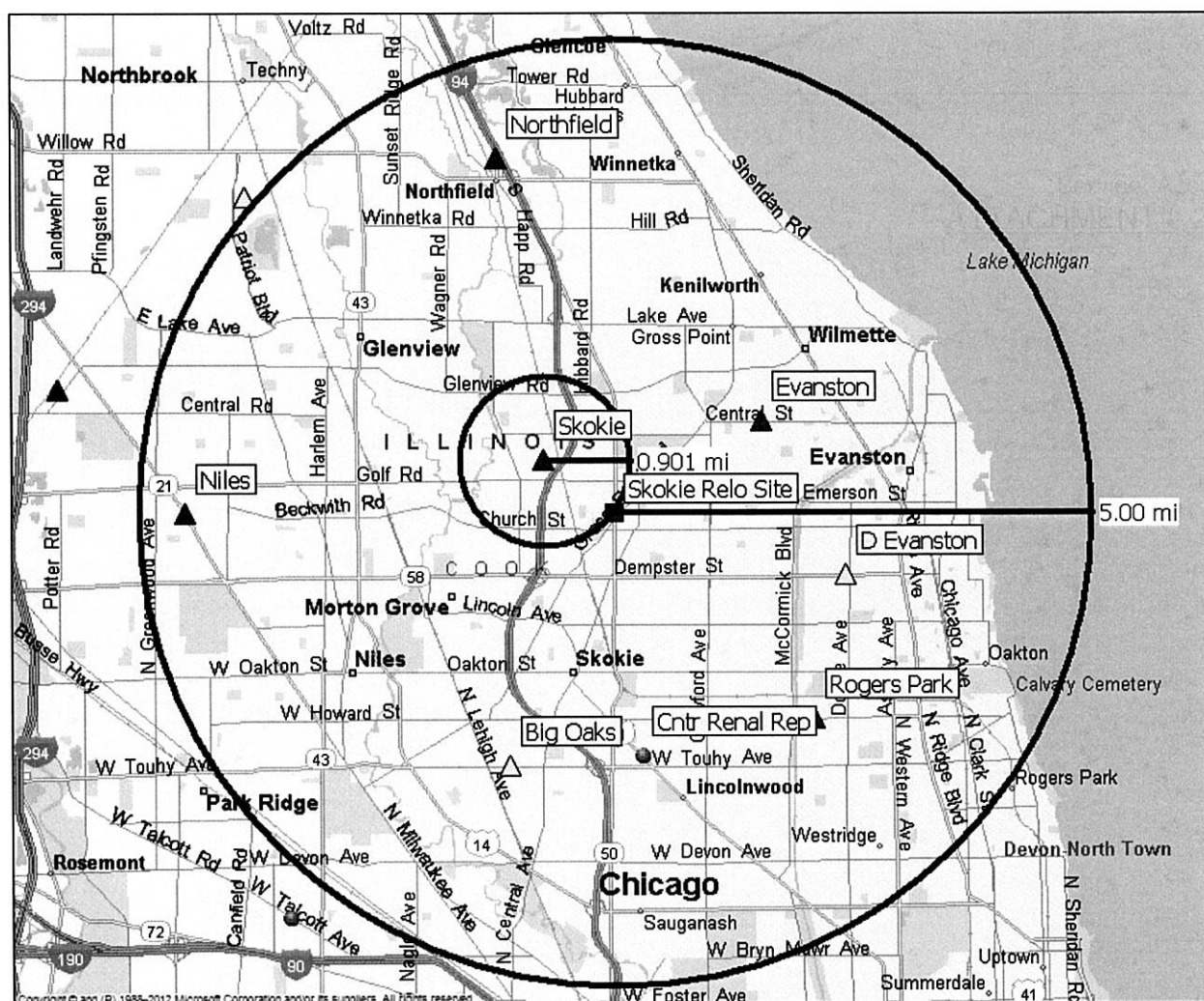
The proposed relocation site for Fresenius Medical Care Skokie dialysis facility will remain in Skokie, Cook County and in HSA 7, which is a medically underserved area. According to the June 2019 station inventory there is an excess of 56 stations in this HSA, however, this project is for the relocation of the Skokie facility to another location less than a mile away. It will not have any effect on the inventory or distribution of services.



The Skokie facility has been at its current site for 18 years and the lease is ending January 31, 2021 with no option for renewal. If the facility is not relocated there will be no access to dialysis services in Skokie. It is imperative to maintain access for the current 57 patients and pre-ESRD patients identified who are expected to be referred to the facility.

Facilities within 5 Miles of Fresenius Medical Care Skokie

Name	Address	City	Zip Code	Distance	March 2019		
					Stations	Patients	Utilization
Fresenius Evanston	2953 Central St	Evanston	60201	1.9	14	51	60.71%
Cntr Renal Rep	7301 N Lincoln Ave	Lincolnwood	60712	2.61	16	55	57.29%
DaVita Evanston	1922 Dempster Street	Evanston	60201	2.61	20	109	90.83%
DaVita Big Oaks	5623 W Touhy	Niles	60714	2.94	12	42	58.33%
Fresenius Rogers Park	2277 Howard St	Chicago	60645	3.07	20	91	75.83%
Fresenius Northfield	480 Central Avenue	Northfield	60093	3.93	12	6	8.33%
Fresenius Niles	9371 N Milwaukee Ave	Niles	60714	4.51	32	124	64.58%
					126	478	59.42%



Demographics of Patients Identified for the Skokie Facility

In addition to the 57 patients currently dialyzing at the Skokie facility, Dr. Najafi has identified another 22 pre-ESRD patients who live in the vicinity of the facility that he expects to refer there prior to the relocation. He also has another 39 patients who he expects will be referred to the new site in the first two years of its operation.

Current Skokie Facility Patients

Zip Code	Jun-19 Patients
60076	11
60077	18
60053	9
60091	1
60645	2
60093	1
60068	1
60025	2
60202	1
60142	1
60203	1
60204	1
60062	2
60016	1
60056	1
60646	1
60659	1
60634	1
60712	1
Total	57

Pre-ESRD Patients

Zip Code	New ESRD Referrals	
	Before Relocation	2 Years After Relocation
60025	1	1
60053	3	6
60076	7	14
60077	6	10
60091	0	3
60201	1	2
60203	2	1
60714	2	3
Totals	22	39

Medically Underserved Area

Input address: 9330 skokie blvd., skokie, IL

Geocoded address: 9330 Skokie Blvd, Skokie, Illinois, 60077

Start Over

HPSA Data as of 05/09/2019

MUA Data as of 05/09/2019

[+] More about this address

In a Dental Health HPSA: No**In a Mental Health HPSA: No****In a Primary Care HPSA: No****In a MUA/P: Yes**

Service Area Name: Low Inc-Skokie

ID: 07886

Designation Type: Medically Underserved Population

Designation Date: 09/24/2012

Last Update Date: 09/24/2012



Click on the image to see an expanded map view.

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



Unnecessary Duplication/Maldistribution**Population Within a 5-mile Radius**

Zip Code	Population
60025	41,054
60026	14,297
60029	482
60043	521
60053	14,297
60068	37,810
60076	32,093
60077	28,470
60091	27,335
60093	19,404
60201	42,880
60202	32,677
60203	4,199
60626	49,416
60631	29,566
60645	48,269
60646	27,865
60659	40,442
60712	12,637
60714	29,911
Total	533,625

- 1-2. The ratio of ESRD stations to population in the zip codes within a 5-mile distance radius of Fresenius Medical Care Skokie is 1 station per 4,325 residents according to the 2017 U.S Census Bureau Community Survey zip code population. The State ratio is 1 station per 2,620 residents (based on 2015 US Census projections and the March 2019 Board station inventory).

The ratio of stations to population exhibits a need for additional stations, however, this project is for a relocation only and there will be no impact on the State station inventory.

The facility currently serves 57 patients and another 22 pre-ESRD patients are expected to be referred to the facility prior to its relocation. Dr. Najafi, from Lakeside Nephrology, has also identified another 39 pre-ESRD patients in his practice who he expects will be referred to the facility in the first two years after the relocation.

There ample patients to bring the facility to the 80% State utilization target within 2 years of the opening of the new site, therefore, maldistribution will not occur. Fresenius Kidney Care Skokie will be serving the same population as it has for the past 18 years and the current distribution of services will remain the same.

- 3a-b. The average utilization of clinics operating more than 2 years within the 5-mile radius of Fresenius Medical Care Skokie is 59%. This project is for a relocation only to serve current patients of the Skokie clinic. All pre-ESRD patients identified that are expected to be referred to the Skokie facility are pre-ESRD patients of Lakeside Nephrology.

Facilities within 5-Mile Distance Radius of Fresenius Skokie

Name	Address	City	Zip Code	Distance	March 2019		
					Stations	Patients	Utilization
Fresenius Evanston	2953 Central St	Evanston	60201	1.9	14	51	60.71%
Cntr Renal Rep	7301 N Lincoln Ave	Lincolnwood	60712	2.61	16	55	57.29%
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Fresenius Niles	9371 N Milwaukee Ave	Niles	60714	4.51	32	124	64.58%
					126	478	59.42%

The applicant is not a hospital; however, the utilization will not be lowered at any other ESRD facility due to the relocation of the Skokie facility. No patients have been identified to transfer to the new facility other than the current Skokie patients. The Lakeside nephrologists will continue to refer patients to a location near their homes and per the patient's choice.

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Chris C. Najafi is currently the Medical Director for Fresenius Medical Care Skokie and will continue to be the Medical Director after the relocation. Attached is his curriculum vitae.

B. All Other Personnel

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

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

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

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

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

Curriculum Vitae

Christopher C. Najafi, M.D.

HOME ADDRESS:OFFICE ADDRESS:

9801 Woods Drive
Skokie, Illinois 60077
847-581-0110

BIRTH DATE:

May 12, 1968

BIRTHPLACE:

Chicago, Illinois

EDUCATION:**1986-1990:**

University of Colorado, Boulder, CO

B.A. Degree in Economics

- Graduated Omicron Delta Epsilon Honor Society in Economics.
- Spent January 1989 through May 1989 on Semester at Sea - Institute for Shipboard Education. Visited and studied the culture of 12 developing nations.

1991-1995:

Rush Medical College, Chicago, IL

M.D. Degree

- Graduated in top 25% of the class

1995-1998:

Rush Presbyterian St. Luke's Medical Center, Chicago, IL

Residency in Internal Medicine

- Chosen for Chief Resident position 1998 - 1999. Deferred secondary to Fellowship.
- Recognized for excellence in teaching Medical Students and Junior Residents.

1998-2000:

Rush Presbyterian St. Luke's Medical Center, Chicago, IL

Fellowship in Nephrology

- Clinical research selected for poster presentation at the 1999 American Society of Nephrology annual meeting.
- Clinical research presented at the third annual Chicago Nephrology Day - University of Illinois - Chicago Medical Center, June 2000.

POSITIONS HELD:

10/2003-Present
Rush University
Chicago, IL
Assistant Professor of Medicine

8/2001-Present
Fresenius Medical Care
Skokie, IL
Medical Director, Skokie Dialysis Unit

7/2000-Present
Lakeside Nephrology, Ltd.
Private Practice

9/6/2000-12/31/2009
Rush North Shore Medical Center
Skokie, IL
Director, Section of Nephrology, Department of Internal Medicine

2/1/2010 – Present
North Shore University Skokie Hospital
Skokie, IL
Medical Director, Acute Dialysis, Department of Internal Medicine
Section of Nephrology, monthly resident noon conference
Section of Nephrology, daily resident teaching rounds

1998 - 2000:
Rush Emergency Services
Adjunct Attending, Rush Presbyterian St. Luke's Medical Center,
Chicago, IL

1996 - 1998:
Cardiomyopathy and Transplant Unit
Rush Presbyterian St. Luke's Medical Center, Chicago, IL

- House physician for moonlighting calls week nights and weekends.
- Responsible for the care of cardiomyopathy and pre and post cardiac transplant patients.

1996 - 1998:
Johnston R. Bowman Health Center for the Elderly
Rush Presbyterian St. Luke's Medical Center, Chicago, IL

- House physician during weeknights and weekends.
- Covered the medical needs for the skilled nursing, geriatric, psychiatric and rehabilitation floors.

1990 - 1991:
Surgical Assistant
Rush Presbyterian St. Luke's Medical Center, Chicago, IL
Cardiovascular Surgical Associates, P.C.

MEDICAL LICENSURE:

Illinois - 36-097354

SOCIETY MEMBERSHIPS:

Member, American Society of Nephrology
 Member, National Kidney Foundation
 Renal Physicians Association

CERTIFICATIONS:

American Board of Nephrology, Certified, 2000
 Re-certified, 2010

American Board of Internal Medicine, Certified, 1998
 Re-certified, 2008

REFERENCES:

Furnished upon request

ABSTRACTS:

Najafi C.C., Korbet S.M., Lewis E.J., et al: *The Long-term Outcome of Severe Lupus Nephritis Based on Histologic Categorization*. The 32nd annual meeting of The American Society of Nephrology. September 1999: A0571 (Program and Abstracts).

PRESENTATIONS:

Mortality and Morbidity Conference, Invited Lecturer, St. Francis Hospital. *Rapidly Progressive Glomerulonephritis*. September 2000.

Clinicopathologic Conference, Rush North Shore Medical Center, Skokie, IL. *Nephrotic Syndrome*. December 6, 2000.

Clinicopathological Conference. Invited lecturer, Rush North Shore Medical Center. *Chronic Kidney Disease*. September 2003.

PUBLICATIONS:

Najafi, C. C., et al., *Fomepizole in Ethylene Glycol Intoxication*. Letter to the Editor. *Annals of Emergency Medicine*. March 2001. Vol 37 no.3, pp 358-359.

Najafi H., Guynn T., Najafi C.C., et al: *Declining Risk of Reoperative Valvular Surgery*. *Journal of Cardiac Surgery*. 1995; 10, No. 3: 185-197.

Najafi C.C., Korbet S.M., Lewis E.J., et al: *The Significance of Histologic Patterns of Glomerular Injury Upon Long-term Prognosis in Severe Lupus Nephritis*. *Kidney International*. June 2001. Volume 59, No. 6: 2156-2163.

Criterion 1110.1430 (e)(5) Medical Staff

I am the Regional Vice President at Fresenius Medical Care who oversees the Skokie facility and in accordance with 77 Il. Admin Code 1110.230, I certify the following:

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

Marybeth Wiekierak
Signature

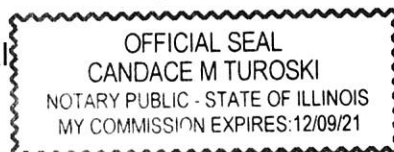
Marybeth Wiekierak
Printed Name

Regional Vice President
Title

Subscribed and sworn to before me
this 20th day of May, 2019

Candace M. Turosski
Signature of Notary

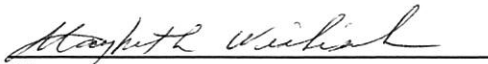
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Criterion 1110.1430 (f) – Support Services

I am the Regional Vice President of the Chicago Region of the West Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, I certify to the following:

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


Signature

Marybeth Wiekierak/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 20th day of May, 2019


Signature of Notary



Criterion 1110.1430 (g) – Minimum Number of Stations

Fresenius Medical Care Skokie is in the Chicago-Naperville-Joliet-Gary, IL-IN-WI Metropolitan Statistical Area (MSA). A minimum of eight dialysis stations is required to establish an in-center hemodialysis center in an MSA. Fresenius Medical Care Skokie has 14 dialysis stations thereby meeting this requirement.

Criterion 1110.230(h) – Continuity of Care

A patient transfer agreement letter is currently in for signage at NorthShore University Evanston Hospital that will be in effect for the Skokie facility. It will be forwarded as soon as it is executed.

RELOCATION OF FACILITIES

- 1) Fresenius Medical Care Skokie was operating at 68% utilization serving 57 patients as of June 30, 2019. Clinic utilization in year's past was often above 80% however has been at an average of 65% for the past 12 months and 66% for the past two years. Dr. Najafi, however, has identified ample pre-ESRD patients in the area to bring the clinic back above 80% utilization.
- 2) The Skokie facility has been located at its current site for 18 years and we must vacate the space at lease end, January 31, 2021. Relocating the 14-station Skokie facility will maintain access to dialysis services in this medically underserved area while allowing patients to remain in their own community for treatment in a more modern and pleasant facility.

Criterion 1110.1430 (j) – Assurances

I am the Regional Vice President at Fresenius Medical Care who oversees the Skokie facility. In accordance with 77 II. Admin Code 1110.1430, and with regards to Fresenius Medical Care Skokie, I certify the following:

1. As supported in this application through existing patients and expected referrals to Fresenius Medical Care Skokie in the first two years of operation after the relocation, the facility is expected to achieve and maintain the utilization standard, specified in 77 III. Adm. Code 1100, of 80% and;
2. Fresenius Medical Care Skokie hemodialysis patients have achieved adequacy outcomes of:
 - o 94% of patients had a URR $\geq$ 65%
 - o 98% of patients had a Kt/V $\geq$ 1.2

and similar outcomes are expected after the relocation.

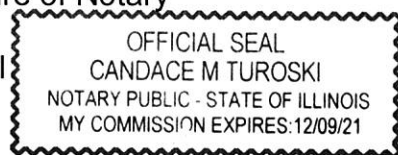
Marybeth Wiekierak
Signature

Marybeth Wiekierak/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 20th day of May, 2019

Candace M. Turoski
Signature of Notary

Seal



**NATIONAL SHOPPING PLAZAS, INC.
200 W. MADISON STREET, SUITE 4200
CHICAGO, ILLINOIS 60606
312-332-4172 FAX#312-332-2119**

May 22, 2019

Fresenius Medical Use
Attention: Miles Gatland
Transaction Manager
1110 Island Drive
Commerce Township, MI 48382

**Re: Skokie Boulevard Plaza
9330-9336 Skokie Boulevard
Skokie, Illinois**

Dear Mr. Gatland:

This letter is provided to summarize certain parameters as a basis upon which we may negotiate an agreement, but it does not constitute a binding agreement.

Tenant: Dialysis Centers of America - Illinois, Inc., an Illinois corporation

Guarantor: Fresenius Medical Care Holdings, Inc., a New York corporation

Landlord: National Shopping Plazas, Inc., as Leasing Agent

Building: 9330-9336 Skokie Boulevard, Skokie, Illinois

Premises: Approximately 9,375 square feet per the site plan attached hereto as Exhibit "A"; area subject to verification.

Estimated Delivery: Within one hundred twenty (120) days from lease execution, CON approval, issuance of any necessary special use permits and Landlord's receipt of its building permit for Landlord's work.

Use: Tenant shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes. Tenant may operate on the Premises, at Tenant's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

Contractor for
1624973.v5

Tenant Improvements:	Tenant will hire a contractor and/or subcontractors of its choosing to complete its tenant improvements. Tenant shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any.
Term:	Fifteen (15) years from rental commencement.
CON Contingency:	All lease contingencies are waived upon Tenant receiving its CON approval. Tenant has until December 13 , 2019 to receive said approval. CON approval shall be deemed to have been obtained if Tenant does not terminate the Lease prior to such date.
Base Rent:	\$34.00 per square foot per annum with one and 75/100 percent (1.75%) annual increases.
Rent Commencement:	Rent shall commence on the earlier to occur of One Hundred Twenty (120) days after Landlord delivers the Premises to Tenant with Landlord's Work completed (except for punch list work) or the day Tenant opens for business at the Premises.
Options to Extend:	Three (3) five (5) year options to extend the initial term of the Lease with no less than 12 months written notice.
Option Rent:	Option periods will have one and 85/100 percent (1.85%) annual increases in Base Rent.
Landlord's Work and Condition of Premises:	Landlord shall provide the work and improvements described in Exhibit "B" attached to this letter.
Tenant Improvement Allowance:	Landlord shall furnish to Tenant a tenant improvement allowance for Tenant's improvement and fixturing work at the Premises in an amount equal to \$15/sf. Landlord shall pay the tenant improvement allowance to Tenant within 30 days after (a) Tenant has opened for business at the Premises, (b) Tenant has fully paid for all of its work and has furnished to Landlord final mechanic's lien releases from the general contractor and all subcontractors, (c) Tenant has furnished to Landlord a certificate from an officer of Tenant stating that all the aforesaid work has been paid for, and (d) Tenant has furnished to Landlord an

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estoppel certificate from Tenant relative to the Lease.

Common Charges:

Tenant shall be responsible for its pro rata share of specified costs and expenses for the operation of the common areas within the Center.

Tenant will be responsible for its pro rata share of the real estate taxes and assessments and insurance paid by Landlord with respect to the Center and the land on which it is situated.

Signage:

Tenant shall have the right to install its standard building signage to the full extent permitted by municipal codes. Building signage must be channel letters on a raceway.

Cross Access/Parking:

Cross access and parking, substantially as shown on the attached site plan, shall be provided by separate agreement. Also, Tenant shall have exclusive use of 2 parking spaces in front of the Premises as shown on the attached site plan.

Security Deposit:

N/A

Assignment and Subletting:

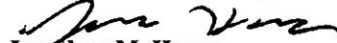
Tenant shall have the right to assign the Lease or sublease the Premises, subject to Landlord's approval. No assignment of the Lease or subletting shall result in a release of Tenant or any lease guarantor from any of their respective obligations under or relating to the Lease.

This letter is solely intended as a summary of the basic economic terms and conditions of the proposed agreement, and it is understood and agreed that neither party is under a binding obligation to the other until an agreement acceptable to Landlord and Tenant has been executed.

The parties agree that neither party will act in reliance on the terms contained in this letter and both parties acknowledge and agree that if a party incurs any expenses, all such expenses will not be reimbursed by the other party.

Sincerely,

NATIONAL SHOPPING PLAZAS, INC.


Jonathan M. Hanus
Vice President

JMH:lk

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EXHIBIT "B"**LANDLORD'S WORK**

SKOKIE Fresenius 004331-2-RL-W-BO-2019 utility requirements

Number patient stations: 20

Water:

Existing 6" fire line with 2" domestic tap on exterior of the building. Pressure of water is 35psi static.

We will create a larger tap with a sub-meter and backflow prevention devices per Skokie and Tenant requirements in the basement of the existing building that will meet current Illinois Plumbing code. Tenant will need to supply Landlord the water distribution design for the total water demand so a booster pump can be sized and ordered to meet volume and pressure requirement for Tenant.

Gas:

Existing gas service located in basement of existing building. Landlord will acquire upgrade 7" w.c. meter to meet the 1200 MBH demand and stub correctly sized gas pipe into space.

Sprinkler Riser:

Landlord has existing 6" sprinkler riser in basement at 35 PSI static pressure. Landlord will need to split and upgrade the sprinkler system for system zoning per current code requirements.

Electric:

Existing 1200 amp 3 phase 4 wire 120/208 electric service - disconnect located in basement. Landlord to re-work metering on rear of building to supply 800 amp service to Tenant.

Sanitary:

Existing 4" sanitary service.

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Low Voltage:

Landlord to stub 2 4" conduits into space for phone and cable.

Floor:

The floor structure is comprised of an 8 inch hollow core slab with 2 inch concrete topping supported on steel beams. The hollow core slab will comply with the building code live load requirement of 100 pounds/square foot or, if Landlord's structural engineer determines that the floor structure needs further reinforcement in order to support the equipment that Tenant initially plans to install at the Premises, Landlord shall further reinforce the floor structure, or parts thereof, as recommended by its structural engineer.

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Criterion 1120.310 Financial Viability

Financial Viability Waiver

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

2017 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted to the Board via email on August 14, 2018.

2018 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted to the Board via email on May 15, 2019.

Criterion 1120.310 (c) Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD		188.00			6,175			1,160,900	1,160,900
Contingency		18.00			6175			111,150	111,150
Total Clinical		\$206.00			6,175			\$1,272,050	\$1,272,050
Non Clinical		188.00			3,200			601,600	601,600
Contingency		18.00			3,200			57,600	57,600
Total Non		\$206.00			3,200			\$659,200	\$659,200
TOTALS		\$206.00			9,375			\$1,931,250	\$1,931,250

* Include the percentage (%) of space for circulation

Criterion 1120.310 (d) – Projected Operating Costs**Year 2021**

Estimated Personnel Expense:	\$1,040,435
Estimated Medical Supplies:	\$415,068
Estimated Other Supplies (Exc. Dep/Amort):	\$910,959
	<u>\$2,366,462</u>

Estimated Annual Treatments:	8,986
------------------------------	-------

Cost Per Treatment:	\$263.36
---------------------	----------

Criterion 1120.310 (e) – Total Effect of the Project on Capital Costs**Year 2021**

Depreciation/Amortization:	\$120,627
Interest	<u>\$0</u>
Capital Costs:	\$120,627

Treatments:	8,986
-------------	-------

Capital Cost per Treatment	\$13.42
----------------------------	---------

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Dialysis Centers of America – Illinois, Inc.

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

By: *Bryan Mello*
 Title: Bryan Mello
Assistant Treasurer

By: *Dorothy S. Rizzo*
 Title: Dorothy Rizzo
Assistant Treasurer

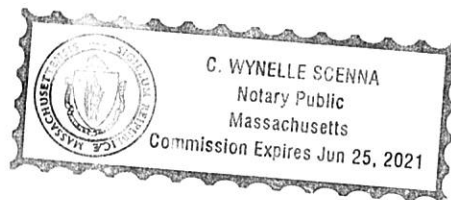
Notarization:
 Subscribed and sworn to before me
 this _____ day of _____, 2019

Notarization:
 Subscribed and sworn to before me
 this 20 day of Feb, 2019

Signature of Notary *C. Wynelle Scenna* Signature of Notary

Seal

Seal



Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Holdings, Inc.

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

By: Bryan Mello
 Title: Assistant Treasurer

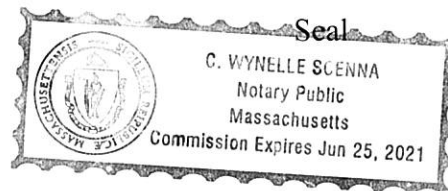
By: Dorothy S. Rizzo
 Title: Assistant Treasurer

Notarization:
 Subscribed and sworn to before me
 this _____ day of _____, 2019

Notarization:
 Subscribed and sworn to before me
 this 20 day of Feb, 2019

C Wynelle Scenna
 Signature of Notary Signature of Notary

Seal



Seal

Criterion 1120.310(b) Conditions of Debt Financing

Dialysis Centers of America - Illinois, Inc.

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

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

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

By: *[Signature]*
 ITS: Bryan Mello
 Assistant Treasurer

By: *[Signature]*
 ITS: Dorothy Rizzo
 Assistant Treasurer

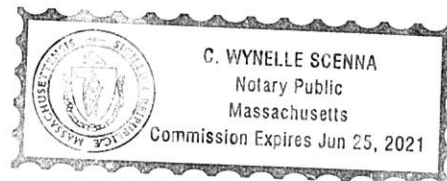
Notarization:
 Subscribed and sworn to before me
 this _____ day of _____, 2019

Notarization:
 Subscribed and sworn to before me
 this 20 day of Feb, 2019

Signature of Notary *C Wynelle Scenna* Signature of Notary

Seal

Seal



Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Holdings, Inc.

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

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

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

By: Bryan Mello
ITS: Bryan Mello
Assistant Treasurer

By: Dorothy Rizzo
ITS: Dorothy Rizzo
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2019

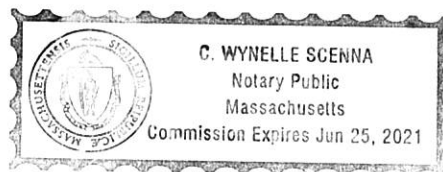
Notarization:
Subscribed and sworn to before me
this 20 day of Feb, 2019

C Wynelle Scenna
Signature of Notary

Signature of Notary

Seal

Seal



The relocation of Fresenius Medical Care Skokie will not have any impact on safety net services in the Skokie area of Cook County, HSA 7. Outpatient dialysis services are not typically considered "safety net" services, however, we do provide care for patients in the community who are economically challenged and/or who are undocumented aliens, who do not qualify for Medicare/Medicaid, and who qualify for FMCNA Indigent Waiver policy. We assist patients who do not have insurance in enrolling when possible in Medicare, Medicaid for ESRD or insurance on the Healthcare Marketplace. Also, our social services department assists patients who have issues regarding transportation and/or who are wheelchair bound or have other disabilities which require assistance with respect to dialysis services and transport to and from the unit.

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

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

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

CHARITY CARE			
	2016	2017	2018
Net Patient Revenue	\$450,657,245	\$461,658,707	\$436,811,409
Amount of Charity Care (self-pay charges)	\$3,269,127	\$4,598,897	\$5,295,686
Cost of Charity Care (Self-Pay)	\$3,269,127	\$4,598,897	\$5,295,686

*As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay Self-pay balances are written off to bad debt. Medicare may reimburse a portion of bad debt as part of cost reporting.

Note: Medicaid reported numbers are impacted by the large number of patients who switch from Medicaid to a Medicaid Risk insurance (managed care plan) which pays similar to Medicaid. These patients are reported under commercial insurance however, in 2018 of our commercial patients we had 977 Medicaid Risk patients with Revenues of \$30,748,374.

Fresenius Medical Care North America - Community Care/Charity Care

Fresenius Medical Care North America is a for-profit publicly traded company and is not required to provide charity care, nor does it do so according to the CON Board's definition. However, Fresenius Kidney Care provides care to patients who do not qualify for any type of coverage for dialysis services. The following will document all the programs available to FMCNA patients to assist with any financial need for the provision of dialysis care.

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

Indigent Waiver Program

FMCNA has established an indigent waiver program to assist patients who are unable to obtain insurance coverage or who lack the financial resources to pay for medical services. This program is not advertised to patients, but is discussed with patients who have indicated a financial hardship and a need for Indigent Waiver consideration and have not qualified for any other available programs

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

Annual Income: A patient (including immediate family members who reside with, or are legally responsible for, the patient) may not have an annual income in excess of four (4) times the Federal Poverty Standard in effect at the time. Patients whose annual income is greater than two (4) times the Federal Poverty Standard may qualify for a partial indigent waiver based upon a sliding scale schedule approved by the Office of Business Practices and Corporate Compliance.

Net Worth: A patient (including immediate family members who reside with, or are legally responsible for, the patient) may not have a net worth in excess of an amount of thirteen (13) times the Federal Poverty Standard (or such other amount as may be established by the Office of Business Practices and Corporate Compliance based on changes in the Consumer Price Index

The Company recognizes the financial burdens associated with ESRD and wishes to ensure that patients are not denied access to medically necessary care for financial reasons. At the same time, the Company also recognizes the limitations imposed by federal law on offering "free" or "discounted" medical items or services to Medicare and other government supported patients for the purpose of inducing such patients to receive ESRD-related items and services from FMCNA. An indigent waiver excuses a patient's obligation to pay for items and services furnished by FMCNA (or excuses a portion of the charges if patient qualifies for sliding scale discount when annual income is between 5 and 13 times the Federal Poverty Guideline). Patients may have dual coverage of AKF assistance (or other insurance coverage) and an Indigent Waiver if their financial status qualifies them for multiple programs.

IL Medicaid and Undocumented patients

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

The Regional Insurance Coordinator will petition Medicaid if patients are denied and assist undocumented patients through the application process to get them Illinois Medicaid coverage. This role is actively involved with the Medicaid offices and attends appeals to help patients secure and maintain their Medicaid coverage for all their healthcare needs, including transportation to their appointments. Patients who are not found to qualify may apply for the Indigent Waiver Program.

FMCNA Collection policy

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

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

Patient Accounts are reviewed periodically for consideration of patient liability and to determine if the account meets criteria to be written off as bad debt (uncollected revenue).

Medicare and Medicaid Eligibility

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

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

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

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

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

Self-Pay

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

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

Patients who are self-pay are eligible to apply for the Indigent Waiver Program or any other insurance assistance. Self-pay patient accounts are reviewed on a periodic basis for consideration of patient liability and to determine if the account meets the criteria to be written off to bad debt (uncollected revenue).

CHARITY CARE			
	2016	2017	2018
Net Patient Revenue	\$450,657,245	\$461,658,707	\$436,811,409
Amount of Charity Care (self-pay charges)	\$3,269,127	\$4,598,897	\$5,295,686
Cost of Charity Care (Self-Pay)	\$3,269,127	\$4,598,897	\$5,295,686

*As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay Self-pay balances are written off to bad debt. Medicare may reimburse a portion of bad debt as part of cost reporting.



Arnold S. Berns, M.D., F.A.S.N.
 Sheldon Hirsch, M.D.
 Neil E. Soifer, M.D., F.A.S.N.
 Chris C. Najafi, M.D.
 Paru P. Kathpalia, M.D., F.A.S.N.

July 9, 2019

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

Dear Ms. Avery:

I am a nephrologist practicing in the Skokie area with Lakeside Nephrology and I serve as the Medical Director of the Fresenius Medical Care Skokie dialysis center. I am writing to lend my support for the proposed relocation of this facility. I have been made aware that the lease for the premises is expiring soon and that Fresenius Medical Care does not have the option of renewal. It is imperative that the Skokie facility be allowed to relocate to another location a short distance away for me to keep serving my patients who receive treatment at this clinic.

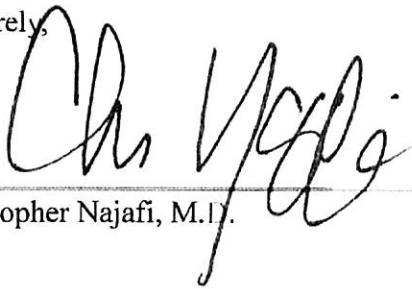
The area around the clinic is medically underserved and many of my patients suffer economic hardships and difficulty accessing proper healthcare. If the Skokie clinic is not allowed to continue to treat these patients by relocating, they will face even greater hardship trying to find access to dialysis services elsewhere, outside of their community. Transportation options and cost would become a greater hurdle for them. My patients would also lose the continuity of care they now have.

At the Skokie clinic I was treating 61 in-center hemodialysis patients at the end of 2016, 53 at the end of 2017, 51 at the end of 2018, and 57 as of June 2019. In the most recent 12-month period I have referred 15 new ESRD patients for dialysis services to Fresenius Medical Care Skokie. Lakeside Nephrology has 444 pre-ESRD patients in various stages of kidney disease that reside in the immediate Skokie area. Of these I expect approximately 22 will be referred to the Skokie clinic prior to the relocation. I then expect approximately 39 to be referred to the facility in the first two years the relocation. This does not account for those patients who present in the emergency room in kidney failure who have had no prior medical care for their condition.

I respectfully ask for approval of the relocation of Fresenius Medical Care Skokie to provide ongoing access to services for dialysis patients of this Federally Designated Medically Underserved Area. Thank you for your consideration.

I attest that to the best of my knowledge, all the information contained in this letter is true and correct and that the projected patient referrals listed in this document have not been used to support any other pending or approved CON application.

Sincerely,



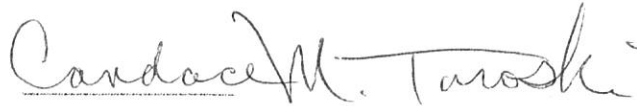
, M.D.

Christopher Najafi, M.D.

Notarization:

Subscribed and sworn to before me

this 18th day of July, 2019



Signature of Notary

Seal



**CURRENT ESRD PATIENTS AT
FRESENIUS SKOKIE**

Zip Code	Jun-19 Patients
60076	11
60077	18
60053	9
60091	1
60645	2
60093	1
60068	1
60025	2
60202	1
60142	1
60203	1
60204	1
60062	2
60016	1
60056	1
60646	1
60659	1
60634	1
60712	1
Total	57

**PRE-ESRD PATIENTS IDENTIFIED
FOR FRESENIUS SKOKIE**

Zip Code	New ESRD Referrals	
	Before Relocation	2 Years After Relocation
60025	1	1
60053	3	6
60076	7	14
60077	6	10
60091	0	3
60201	1	2
60203	2	1
60714	2	3
Totals	22	39

**NEW ESRD REFERRALS OF LAKESIDE NEPHROLOGY AT
FRESENIUS SKOKIE FOR THE PAST 12 MONTHS**

Zip Code	New ESRD
60076	2
60077	7
60053	2
60654	1
60091	1
60202	1
60712	1
Total	15

**IN-CENTER HEMODIALYSIS PATIENTS OF LAKESIDE NEPHROLOGY AT
FRESENIUS MEDICAL CARE SKOKIE**

Zip Code	December			June 2019
	2016	2017	2018	
60016			1	1
60025	1	2	1	2
60035	1			
60053	8	8	7	9
60056		1	1	1
60062	3	1	1	2
60068			2	1
60073	1			
60076	11	10	10	11
60077	8	13	17	18
60091	2	2	1	1
60093	2	1	1	1
60142				1
60202	3	2	1	1
60203	1	2	1	1
60204	1	1	1	1
60625	2			
60626	2	2		
60631	1	1		
60634			1	1
60639	1	1		
60645	5	1	2	2
60646	3	2	1	1
60656	1			
60659	1	1	1	1
60712				1
60714	3	2	1	
Total	61	53	51	57



**FRESENIUS
KIDNEY CARE**

Fresenius Kidney Care

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

July 19, 2019

RECEIVED

JUL 22 2019

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

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

Re: Fresenius Medical Care Skokie

Dear Ms. Avery,

I am submitting the attached application for consideration by the Illinois Health Facilities and Services Review Board. A filing fee of \$2500.00 payable to the Illinois Department of Public Health was submitted via overnight delivery arriving July 22nd.

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

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

Sincerely,

Lori Wright
Senior CON Specialist