



STATE OF ILLINOIS  
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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<b>DOCKET NO:</b> <b>H-06</b>	<b>BOARD MEETING:</b> June 30, 2020	<b>PROJECT NO:</b> 20-016	<b>PROJECT COST:</b>  Original: \$1,357,700
<b>FACILITY NAME:</b> DaVita Illini Renal Dialysis		<b>CITY:</b> Champaign	
<b>TYPE OF PROJECT:</b> Non-Substantive			<b>HSA: IV</b>

**PROJECT DESCRIPTION:** The Applicants (DVA Renal Healthcare Inc. and DaVita, Inc.) propose to add 6 stations to its existing 18-station facility located at 1004 West Anthony Drive, Champaign, Illinois. The cost of the project is \$1,357,700. The expected completion date is August 31, 2021.

## **EXECUTIVE SUMMARY**

### **PROJECT DESCRIPTION:**

- The Applicants (DVA Renal Healthcare, Inc. and DaVita, Inc.) propose to add 6 stations to its existing 18-station facility located at 1004 West Anthony Drive, Champaign, Illinois. The cost of the project is \$1,357,700. The expected completion date is August 31, 2021.
- The facility was initially established per project #17-032, and received its permit on November 17, 2017, to relocate an existing 12-station ESRD facility and add six stations, resulting in an 18-station ESRD facility.
- The Applicants propose to introduce 6 additional ESRD stations under the existing footprint of 8,364 GSF of existing leased space to accommodate a total of 24 ESRD stations. No new construction will occur.
- The purpose of the project is to address a need for 6 additional stations in Champaign-Urbana and the surrounding area, a Health Resource and Service Administration (HSRA), designated health professional shortage area.

### **WHY THE PROJECT IS BEFORE THE STATE BOARD:**

- The project is before the State Board because the project proposes substantial change in scope of a health care facility as defined at 77 ILAC 1130.140.
- One of the objectives of the Health Facilities Planning Act is *“to assess the financial burden to patients caused by unnecessary health care construction and modification. Evidence-based assessments, projections and decisions will be applied regarding **capacity, quality, value and equity** in the delivery of health care services in Illinois. Cost containment and support for safety net services must continue to be central tenets of the Certificate of Need process.”* [20 ILCS 3960/2]

### **PURPOSE OF THE PROJECT:**

- The purpose of the project is to address a need for 6 additional stations in Champaign-Urbana and the surrounding area, a Health Resource and Service Administration (HSRA), designated health professional shortage area.

### **PUBLIC HEARING/COMMENT:**

- A public hearing was offered but was not requested. The project file contains no letters of support and no letters of opposition.

### **SUMMARY:**

- To add stations to an existing facility the State Board does not consider the need or excess of the stations in the ESRD Planning Area or the number of existing ESRD facilities and their utilization.
- The State Board requires a facility that is proposing to add stations to be at target utilization or above for the past 24-months and have a sufficient number of pre-ESRD patients that reside in the ESRD Planning Area that will require dialysis within 12-24 months after the additional stations are added. The Applicant facility (Illini Renal Dialysis) is one of two (2) ESRD facilities in the Champaign-Urbana metropolitan area (30-mile radius). Historically, the Applicant facility has not operated in excess of the State standard (80%) for the last 8 quarters/24 months (See Table Three).
- The Applicants supplied a referral letter from Dr. Abdel-Moneim Mohamad, M.D., from Carle Physicians Group. In the letter Dr. Mohamad attests to treating 57 Stage 5 pre-ESRD patients, with a conservative estimate that 30 of these patients will progress to needing dialysis within 12-24 months after project completion (August 2023).

- **State Board Staff Notes:** On May 7, 2020 the Applicants were given approval by the State Board, IDPH and CMS to operate these six stations temporarily to provide dialysis for Persons Under Investigation for COVID19. This was done under the CMS 1135 Waiver to address COVID19 patient needs. The 24-station facility (the current 18 stations and the 6 temporary stations) would operate 3 shifts a day MWF and two shifts TTHS with the third shift on TTHS reserved for Persons Under Investigation either asymptomatic or symptomatic patients. Every other station would be utilized during this third shift providing for proper distancing. This use is only temporary and approval by the State Board is required to make these stations permanent.
- The Applicants have addressed a total 10 criteria and have not met the following:

State Board Standards Not Met	
Criteria	Reasons for Non-Compliance
Criterion 1110.120 – Projected Utilization	The applicants provided projected utilization data that did not exceed the State Board standard for ESRD facilities (80%).
Criterion 1110.230(b)(4) Service Demand Expansion of In-Center Hemodialysis	The Applicants provided insufficient projected referral data to exceed the State Board standard for ESRD facilities (80%).

**STATE BOARD STAFF REPORT**  
**Project #20-016**  
**DaVita Illini Renal Dialysis, Champaign**

<b>APPLICATION/CHRONOLOGY/SUMMARY</b>	
Applicants(s)	DVA Renal Healthcare, Inc., DaVita, Inc.
Facility Name	Illini Renal Dialysis
Location	1004 West Anthony Drive, Champaign, Illinois
Permit Holder	DVA Renal Healthcare, Inc., DaVita, Inc.
Operating Entity	DVA Renal Healthcare, Inc.
Owner of Site	Realty Income Corporation
Description	Addition of 6-ESRD Stations
Total GSF	8,364 GSF
Application Received	April 13, 2020
Application Deemed Complete	April 13, 2020
Review Period Ends	June 12, 2020
Financial Commitment Date	June 30, 2021
Project Completion Date	August 31, 2021
Review Period Extended by the State Board Staff?	No
Can the Applicants request a deferral?	Yes
Expedited Review?	No

**I. Project Description**

The Applicants (DVA Renal Healthcare Inc. and DaVita, Inc.) propose to add 6 stations to its existing 18-station ESRD facility located at 1004 West Anthony Drive, Champaign, Illinois. The cost of the project is \$1,357,700. The expected completion date is August 31, 2021.

**II. Summary of Findings**

- A. State Board Staff finds the proposed project **does not** appear to be in conformance with the provisions of Part 1110.
- B. State Board Staff finds the proposed project appears to be in conformance with the provisions of Part 1120.

**III. General Information**

The Applicants are DaVita Inc. and DVA Renal Healthcare Inc., DaVita Inc., a Fortune 500 company, is the parent company of DVA Renal Healthcare Inc. DaVita Inc. is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. DaVita operates in 45 states and the District of Columbia. The five states where DaVita is not located are: Alaska, Delaware, Mississippi, Vermont, and Wyoming. DaVita serves patients with low incomes, racial and ethnic minorities, women, handicapped persons, elderly, and other underserved persons in its facilities in the State of Illinois. The operating entity will be DVA Renal Healthcare Inc. and the owner of the site is Realty Income Corporation. This project is subject to a Part

1110 and Part 1120 review. Financial commitment will occur within 12-months after permit approval. This is a non-substantive project subject to an 1110 and 1120 review. Financial commitment will occur after permit issuance.

#### IV. Project Uses and Sources of Funds

The Applicants are funding the project with cash in the amount of \$136,113 and the FMV of leased space of \$1,221,587.

<b>TABLE ONE</b>				
<b>Project Uses and Sources of Funds <sup>(1)</sup></b>				
<b>Uses of Funds</b>	<b>Reviewable</b>	<b>Non Reviewable</b>	<b>Total</b>	<b>% of Total</b>
Modernization Contracts	\$25,438	\$0	\$25,438	1.9%
Consulting/Other Fees	\$4,500	\$0	\$4,500	.3%
Movable or Other Equipment (not in construction contracts)	\$106,175	\$0	\$106,175	7.8%
Fair Market Value of Leased Space or Equipment	\$1,221,587	\$0	\$1,221,587	90%
<b>TOTAL USES OF FUNDS</b>	<b>\$1,357,700</b>	<b>\$0</b>	<b>\$1,357,700</b>	<b>100.00%</b>
<b>SOURCE OF FUNDS</b>	<b>Reviewable</b>	<b>Non Reviewable</b>	<b>Total</b>	<b>% of Total</b>
Cash and Securities	\$136,113	\$0	\$136,113	10%
Leases (fair market value)	\$1,221,587	\$0	\$1,221,587	90%
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$1,357,700</b>	<b>\$0</b>	<b>\$1,357,700</b>	<b>100.00%</b>
1. Itemization of Project Costs can be found at Page 6 of the Application for Permit				

#### V. Health Planning Area

The proposed facility will be located in the HSA IV ESRD Planning Area. HSAIV includes Champaign, Clark, Coles, Cumberland DeWitt, Douglas, Edgar, Ford, Iroquois, Livingston, Macon, McLean, Moultrie, Piatt, Shelby, and Vermilion counties. The May 2020 Inventory Update has **projected an excess of 9 ESRD stations by CY 2020.**

## **VI. Background of the Applicants**

### **A) Criterion 1110.110 (a)(1)&(3) – Background of the Applicants**

*An applicant must demonstrate that it is fit, willing and able, and has the qualifications, background and character to adequately provide a proper standard of health care service for the community. To demonstrate compliance with this criterion the Applicants must provide*

- A) A listing of all health care facilities currently owned and/or operated by the applicant in Illinois or elsewhere, including licensing, certification and accreditation identification numbers, as applicable;
- B) A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility;
- C) Authorization permitting HFSRB and IDPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of IDPH 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 the authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.
- D) An attestation that the Applicants have had no *adverse action*<sup>1</sup> taken against any facility they own or operate or a certified listing of any adverse action taken.

1. The Applicants attested that there has been no adverse action taken against any of the facilities owned or operated by DVA Renal Healthcare, Inc. or DaVita, Inc. during the three (3) years prior to filing the application. [Application for Permit page 105]
2. The Applicants have authorized the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health to have access to any documents necessary to verify information submitted in connection to the Applicants' certificate of need to add six ESRD stations. The authorization includes, but is not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. [Application for Permit page 105]
3. The site is owned by Realty income Corporation. This facility is currently operating, and a copy of the building lease is provided on page 30 of the application.
4. This is a modernization project and evidence of compliance with Executive Order #2006-05 and the Illinois State Agency Historic Resources Preservation Act is not required.

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<sup>1</sup>Adverse action is defined as a disciplinary action taken by IDPH, CMMS, or any other State or federal agency against a person or entity that owns or operates or owns and operates a licensed or Medicare or Medicaid certified healthcare facility in the State of Illinois. These actions include, but are not limited to, all Type "A" and Type "AA" violations." (77 IAC 1130.140)

## **VII. Purpose of Project, Safety Net Impact Statement and Alternatives**

The following three (3) criteria are informational; no conclusion on the adequacy of the information submitted.

### **A) Criterion 1110.110 (b) Purpose of the Project**

To demonstrate compliance with this criterion the Applicants must document that the project will provide health services that improve the health care or well-being of the market area population to be served.

The purpose of this project is as stated:

*“The purpose of this project is to address the growing need for dialysis services in Champaign-Urbana and the surrounding area. The addition of six stations will allow the Applicants to meet the growing need for dialysis services in Champaign-Urbana and the surrounding area. The Applicants propose to add six stations to the existing Illini Renal Dialysis. AS of December 31, 2019, Illini Renal Dialysis has had a census of 86 patients. Based upon historical utilization trends, Illini Renal Dialysis is projected to reach 114% utilization (or 124 patients), by December 21, 2022 (two years after the additional stations become operational). The additional six stations will allow Illini Renal dialysis to operate at an optimal level while accommodating the future need for dialysis services in Champaign-Urbana and the surrounding area.”*  
[Application for Permit page 107]

### **B) Criterion 1110.110 (c) - Safety Net Impact Statement**

To demonstrate compliance with this criterion the Applicants must document that the project will provide health services that improve the health care or well-being of the market area population to be served.

Information regarding the Safety Net Impact Statement was not required as this is a non-substantive application. The Applicants did provide Charity Care information in Table One.

<b>TABLE TWO <sup>(1)</sup></b> <b>SAFETY NET INFORMATION</b> <b>DaVita Inc. of Illinois</b>			
	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Net Revenue</b>	<b>\$357,821,315</b>	<b>\$394,665,458</b>	<b>\$420,024,352</b>
<b>CHARITY</b>			
Amount of Charity Care (charges)	\$2,818,603	\$2,711,788	\$3,509,730
Charity (self-pay) Cost	\$2,818,603	\$2,711,788	\$3,509,730
% of Charity Care to Net Rev.	.78%	.68%	.83%
<sup>1.</sup> Source: Page 194 of the Application for Permit. <sup>2.</sup> Charity Care is defined by the State Board as <i>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.</i> [20 ILCS 3960/3]. As a for profit entity DaVita, Inc does not provide charity care the numbers reported are for self-pay patients.			

**C) Criterion 1110.110 (d) - Alternatives to the Project**

To demonstrate compliance with this criterion the Applicants must document all alternatives to the proposed project that were considered.

The applicants considered two alternatives:

**1) Do Nothing/Maintain Status Quo**

The applicants rejected this alternative, as it would do nothing to address the current need for additional stations at the facility. There were no costs identified with this alternative.

**2) Utilize Existing Clinics**

The Applicants deemed this alternative as infeasible, based on the fact that there are only two facilities in the 30-mile planning area. The Applicants note that as of December 2019, the combined utilization at both Champaign-Urbana clinics was 75%, and is expected to exceed 85% by 2022, suggesting that there will be insufficient accommodations to serve the ESRD population in two years. There were no costs identified with this alternative.

**3) Project as Proposed/Expand Illini Renal Dialysis**

The applicants deemed this alternative as most acceptable, due to the projected need for additional stations in the Champaign-Urbana service area. Cost of this alternative: \$1,357,700.

**VIII. Project Scope and Size, Utilization and Unfinished/Shell Space**

**A) Criterion 1110.120 (a) - Size of Project**

To demonstrate compliance with this criterion the Applicants must document that the proposed size of the project is in compliance with Part 1110 Appendix B.

The Applicants are proposing to add 6 ESRD stations resulting in a 24-ESRD station facility, in 8,364 BGSF of clinical space. This addition equates to approximately 348.5 BGSF per station. The State Board standard is 450-650 GSF per station or 15,600 BGSF.



The Applicants have successfully addressed this criterion. (See Application for Permit page 114)

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION SIZE OF PROJECT (77 ILAC 1110.120 (a))**

**B) Criterion 1110.120 (b) – Projected Utilization**

**To demonstrate compliance with this criterion the Applicants must document that the proposed project will be at the target occupancy of 80% within two years after project completion.**

As of March 2020, the DaVita Illini Renal facility had 74 patients dialyzing in 16 stations, resulting in a utilization rate of 68.5% for the ESRD facility. In addition to the 74 existing ESRD patients, Dr Attia identified 37 Stage 4/5 pre-ESRD patients under his care and the care of Carle Physicians Group, and expects at least 30 of these patients to seek dialysis care at the Illini Renal Dialysis facility upon project completion. This results in a projected patient base of 104 ESRD patients. Despite the existing and projected patient population at the facility, it appears the Illini Renal Dialysis facility will not achieve the operational capacity to meet the State Board standard for ESRD facility operations (80%), and a negative finding results.

$$\begin{aligned} 104 \text{ patients} \times 156 \text{ treatments per year} &= 16,224 \text{ total treatments} \\ 24 \text{ stations} \times 936 \text{ treatments per year} &= 22,464 \text{ total treatments} \\ 16,224 \text{ treatments} \div 22,464 \text{ treatments} &= 72.2\% \end{aligned}$$

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION PROJECTED UTILIZATION (77 ILAC 1110.120 (b))**

**C) Criterion 1110.120 (e) – Assurances**

**To demonstrate compliance with this criterion the Applicants must document that the proposed facility will be at target occupancy two years after project completion.**

The Applicants provided the necessary assurance that they will be at target occupancy within two years after project completion. (See Application for Permit page 133)

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION ASSURANCES (77 ILAC 1110.120(e))**

## **VIII. In-Center Hemo-dialysis Projects**

**A) Criterion 1110.230 (b)(2) & (4) - Planning Area Need**  
**The Applicants must document the following:**

**2) Service to Planning Area Residents**

To demonstrate compliance with this sub-criterion the Applicants must document that the proposed dialysis facility will provide service to the residents of the proposed ESRD Planning Area.

There are 74 patients currently dialyzing at the facility. The Applicants note that Illini Renal Dialysis is located in a primary health care professional shortage area, and of the 13 patients referred by Dr. Attia to the facility in the last calendar year, 11 (85%) reside in the immediate planning area.

**4) Service Demand – Expansion of In-Center Hemodialysis Service**

To demonstrate compliance with this sub-criterion the Applicants must document that the number of stations to be added for each category of service is necessary to reduce the facility's experienced high utilization and to meet a projected demand for service.

**Historical Utilization**

Over the past 24-months, Illini Renal Dialysis had operational capacities outlined in Table Three.

<b>TABLE THREE</b>		
<b>Historical Utilization</b>		
<b>DaVita Illini Renal Dialysis</b>		
	<b>Illini Renal Dialysis</b>	
Quarter	Utilization	# of Patients
March 2020	68.5%	74
December 2019	79.6%	86
September 2019	75.9%	82
June 2019	71.3%	77
March 2019	62.9%	68
December 2018	62%	67
September 2018	60.2%	65
June 2018	62%	67
<b>Average /Utilization/# of Patients</b>	<b>67.8%</b>	<b>73.3</b>

**Projected Referrals**

The Applicants provided a referral letter from Dr. Abdel Moneim Attia, M.D. of Carle Physician Group, and Medical Director of the DaVita Illini Renal Dialysis

facility. In his referral letter, Dr. Attia identified 37 pre-ESRD patients currently under his care, and it is expected that 30 of these patients will present for dialysis services at DaVita Illini Renal Dialysis upon project completion. In addition to the 74 patients currently dialyzing at Illini Renal, it is estimated that these 104 patients will result in an operational capacity of 72.8% after project completion. Based upon the information provided in the Application for Permit, the Applicants have not successfully addressed this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION PLANNING AREA NEED (77 ILAC 1110.230 (b)(2) and (4))**

- B) Criterion 1110.230 (e) - Staffing**
- C) Criterion 1110.230(f) - Support Services**
- D) Criterion 1110.230 (j) – Assurances**

The 18-station facility is certified by Medicare/Medicaid and if approved the 6-station addition will be certified as well. Dr. Abdel Moneim Attia, M.D, is the Medical Director. Support services including nutritional counseling, psychiatric/social services, and clinical laboratory services will be provided at the proposed facility, while home therapies/home training will be provided at DaVita Illini Renal Dialysis. The following services will be provided via referral to the Carle Foundation Hospital, blood bank services, rehabilitation services and psychiatric services. Additionally, the appropriate assurances have been provided by the Applicants asserting the proposed facility will be at the target occupancy of eighty percent (80%) two years after project completion and that the proposed facility will meet the adequacy outcomes stipulated by the State Board. (See Application for Permit Page 133)

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERIA STAFFING, SUPPORT SERVICES, ASSURANCES (77 ILAC 1110.230 (e), (f), and (j))**

**IX. FINANCIAL VIABILITY**

- A) Criterion 1120.120 – Availability of Funds**
- B) Criterion 1120.130 – Financial Viability**  
**To demonstrate compliance with these two criteria the Applicants must document if the resources are available to fund the proposed project.**

The Applicants are funding this project with cash and securities in the amount of \$136,113 and the fair market value of leased space totaling \$1,221,587. A review of the 2015/2016/2017/2018 Securities and Exchange Commission 10-K indicates there is sufficient cash to fund the project. Leased Space is an operating lease and not a capital lease and is paid over the term of the lease from cash generated by operation of the facility. Because the project will be funded with cash no viability ratios need to be provided because the Applicants have qualified for the financial viability waiver.

<b>TABLE SEVEN</b> <b>DaVita Audited Financial Statements</b> <b>Ending December 31<sup>st</sup></b> <b>(in thousands (000))</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Cash	\$323,038	\$508,234	\$674,776	\$1,499,116
Current Assets	\$8,424,159	\$8,744,358	\$3,994,748	\$4,503,280
Total Assets	\$19,110,252	\$18,948,193	\$18,755,776	\$18,514,875
Current Liabilities	\$4,891,161	\$3,041,177	\$2,710,964	\$2,399,138
LTD	\$8,172,847	\$9,158,018	\$8,944,676	\$9,001,308
Patient Service Revenue	\$10,709,981	\$9,608,272	\$9,269,052	\$9,480,279
Total Net Revenues	\$11,404,851	\$10,876,634	\$10,707,467	\$13,781,837
Total Operating Expenses	\$9,879,027	\$9,063,879	\$8,677,757	\$12,611,142
Operating Income	\$1,525,824	\$1,812,755	\$2,029,710	\$1,170,695
Net Income	\$333,040	\$830,555	\$1,033,082	\$427,440

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERIA AVAILABILITY OF FUNDS FINANCIAL VIABILITY (77 ILAC 1110.140(a) & (b))**

**X. ECONOMIC FEASIBILITY**

**A) Criterion 1120.140(a) – Reasonableness of Financing Arrangements**

**B) Criterion 1120.140(b) – Terms of Debt Financing**

**To demonstrate compliance with these criteria the Applicants must attest that a lease is less costly and that the terms of the lease are reasonable.**

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, the Applicants attest 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. [Application for Permit page 188]

Based upon the information provided in the Application for Permit; the Applicants have met the requirements of this criterion.

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERIA REASONABLENESS OF FINANCING TERMS OF DEBT FINANCING (77 ILAC 1110.140(a) & (b))**

**C) Criterion 1120.140(c) – Reasonableness of Project Costs**

**To demonstrate compliance with this criterion the Applicant must document that the costs are reasonable.**

**Modernization Costs** - are \$25,438 or \$3.04 per GSF. This is in compliance with the State Board Standard of \$206.74 (2020 mid-point). [ $\$25,438 \div 8,364$  GSF for modernization = \$3.04 per GSF]

**Consulting and Other Fees** – These costs are \$4,500. The State Board does not have a standard for this criterion.

**Movable Equipment** - is \$106,175 for six additional stations. This is in compliance with the State Board Standard of \$56,952 per station.

**Fair Market Value of Leased Space** is \$1,221,587. The State Board does not have a standard for this criterion.

**D) Criterion 1120.140(d) - Projected Operating Costs**

To demonstrate compliance with this criterion the Applicants must provide the direct operating cost for the first year when the Applicants reach target occupancy but no more than two years after project completion.

The Applicants are estimating \$134.39 per treatment in direct operating costs. The State Board does not have a standard for these costs.

Operating Expenses:	\$2,431,843
Treatments	\$18,096
<b>Cost Per Treatment:</b>	<b>\$134.39</b>

**E) Criterion 1120.140(e) - Total Effect of the Project on Capital Costs**

The Applicants are estimating \$0.74 in capital costs. The State Board does not have a standard for these costs.

Depreciation	\$25,282
Amortization	\$38
Total Capital Costs:	\$25,320
Treatments:	18,096
<b>Capital Cost per Treatment</b>	<b>\$1.40</b>

**STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS (77 ILAC 1120.140(e))**