



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET NO: H-03	BOARD MEETING: March 16, 2021	PROJECT NO: 21-002	PROJECT COST:
FACILITY NAME: Dialysis Care Center Vollmer		CITY:	Original: \$0
TYPE OF PROJECT: Substantive			HSA: VII

PROJECT DESCRIPTION: The Applicants (Dialysis Care Center Holdings, LLC and Dialysis Care Center Vollmer, LLC) propose the discontinuation of the 9-station ESRD facility in Crestwood, Illinois. There is no cost to this project and the expected completion date is January 31, 2022.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION

- The Applicants (Dialysis Care Center Holdings, LLC, and Dialysis Care Center Vollmer, LLC) propose the discontinuation of the 9-station ESRD facility in Crestwood, Illinois. There is no cost to this project and the expected completion date is January 31, 2022.
- On November 13, 2020 the Chairwoman of the State Board approved a change of ownership for the 9-station facility at 14255 S. Cicero Avenue, Crestwood, Illinois (Concerto Dialysis) to the Applicants (#E-053-20). With that change of ownership, the 9-station facility was renamed and is now known as Dialysis Care Center Vollmer-Crestwood.
- In conjunction with the discontinuation of DCC Vollmer – Crestwood, the Applicants have submitted an Application for Permit to establish a 9-station facility at 222 Vollmer Road, Chicago Heights (Application for Permit #20-045).

SUMMARY

- The Applicants are asking the State Board to approve the discontinuation of this 9-station facility and relocate the 9-stations to Chicago Heights (approximately 11-miles from the current site). The Applicants propose to relocate these 9-stations to Chicago Heights to better utilize the 9-stations and to improve access to care within the HSA VII ESRD Health Service Area.
- The existing 9-station facility has operated at approximately 37% over a five-year period.

Year	2016	2017	2018	2019	2020	Ave
Utilization	40.00%	36.00%	41.00%	36.00%	36.00%	37.0%
Patients	22	19	22	19	19	20
1. Information from facility surveys.						

- There are 8-ESRD facilities within 5-miles of DCC Vollmer Dialysis – Crestwood with 148-stations that could accommodate an additional 130 patients before reaching target occupancy of 80%. Current average utilization of these 8-ESRD facilities is approximately 66%. Based upon the capacity of the existing facilities, it does not appear the discontinuation of DCC Vollmer-Crestwood would impact access to care in this 5-mile GSA.

Facilities within 5-miles of DCC Vollmer - Crestwood				
ESRD Name	City	Stations	Patients	Utilization
Fresenius Kidney Care Oak Forest	Oak Forest	12	55	76.39%
DaVita Country Hills Dialysis	Country Club Hills	24	74	51.39%
Fresenius Kidney Care Crestwood	Crestwood	24	76	52.78%
Fresenius Kidney Care Alsip	Alsip	20	69	57.50%
DaVita Mt. Greenwood Dialysis	Chicago	16	76	79.17%
Fresenius Kidney Care	Merrionette Park	24	117	81.25%
Fresenius Kidney Care Blue Island	Blue Island	28	113	67.26%
Total Stations/Patient/Average Utilization		148	580	65.32%

Facilities within 5-miles of DCC Vollmer - Crestwood				
ESRD Name	City	Stations	Patients	Utilization
1. Information as of December 31, 2020.				

- The Applicants have met the State Board's requirements for the discontinuation of this 9-station ESRD facility.

STATE BOARD STAFF REPORT
Project #21-002
Dialysis Care Center Vollmer

APPLICATION/CHRONOLOGY/SUMMARY	
Applicants	Dialysis Care Center Holdings, LLC, Dialysis Care Center Vollmer, LLC
Facility Name	Dialysis Care Center Vollmer, LLC
Location	14255 S. Cicero Avenue, Crestwood, Illinois
Permit Holder	Dialysis Care Center Holdings, LLC, Dialysis Care Center Vollmer, LLC
Operating Entity	Dialysis Care Center Holdings, LLC, Dialysis Care Center Vollmer, LLC
Owner of Site	NSRFT Crestwood, LLC
Application Received	January 28, 2021
Application Deemed Complete	January 29, 2021
Review Period Ends	May 22, 2021
Financial Commitment Date	March 16, 2021
Project Completion Date	January 31, 2022
Can the Applicants request a deferral?	Yes

I. Project Description

The Applicants (Dialysis Care Center Holdings, LLC and Dialysis Care Center Vollmer, LLC) propose the discontinuation of the 9-station ESRD facility in 14255 S. Cicero Avenue, Crestwood, Illinois. There is no cost to this project and the expected completion date is January 31, 2022.

II. Summary of Findings

- A. State Board Staff finds the proposed project is in conformance with the provisions of 77 ILAC 1110 (Part 1110).
- B. 77 ILAC 1120 (Part 1120) is not applicable to this project because there is no cost.

III. General Information

The Applicants are Dialysis Care Center Holdings, LLC and Dialysis Care Center Vollmer LLC. Dialysis Care Center Holdings, LLC and Dialysis Care Center Vollmer LLC are owned equally by Morufu Alausa M.D. (50%) and Sameer M. Shafi M.D (50%). This is a substantive project. DCC Vollmer Dialysis – Crestwood is in the HSA 7 ESRD Planning Area which includes Suburban Cook and DuPage County. Financial commitment will occur at the time permit approval.

IV. **Background of the Applicants**

The Applicants are Dialysis Care Center Holdings, LLC and Dialysis Care Center Vollmer LLC. Dialysis Care Center Holdings, LLC and Dialysis Care Center Vollmer LLC are owned equally by Morufu Alausa M.D. (50%) and Sameer M. Shafi M.D (50%). The Applicants own the following facilities in Illinois.

TABLE ONE ESRD Facilities Owned by the Applicants in Illinois	
Facility	City
DCC Vollmer	Crestwood
Dialysis Care Center Rockford	Rockford
Dialysis Care Center Beverly	Beverly
Dialysis Care Center of Oak Lawn	Oak Lawn
Dialysis Care Center of Olympia Fields	Olympia Fields
Dialysis Care Center Hazel Crest	Hazel Crest
Dialysis Care Center Evergreen Park	Evergreen Park
Dialysis Care Center Elgin	Elgin
Dialysis Care Center McHenry	McHenry

V. **Purpose of the Project**

The Applicants state the purpose of this project is to discontinue 9-stations at an underutilized site (Crestwood) and submit a relocation (establishment) of a 9-station in Chicago Heights also located in HSA VII ESRD Health Service Area. Given the existence of an available underutilized facilities located within the 5-mile GSA and the ability for the Applicants to better utilize these stations in Chicago Heights the Applicants believe the relocation of these 9-stations will improve access to care within the service area.

VI. **Discontinuation**

The Applicants propose the discontinuation of the 9-station ESRD facility in Crestwood, Illinois. Should the State Board approve Project #20-045 (the establishment of the 9-stations in Chicago Heights) the Applicants will discontinue the 9-stations in Crestwood upon completion of project in Chicago Heights. The property will be returned to the owners of the property (NSRFT Crestwood, LLC) upon discontinuation.

The proposed discontinuation is the result of the Applicants proposing to relocate the dialysis facility to 222 Vollmer Road Chicago Heights, Illinois from 14255 S. Cicero Avenue, Crestwood, Illinois approximately 11 miles from the current site.

The Applicants stated the reason for the discontinuation: *“Per comments from Board Members, the applicants re-focused their efforts to serve the patients base of Dr. Suresh Samson by evaluating options that would allow them to fully utilize an existing facility and not add to the HSA station inventory. At its core, the Certificate of Need process is designed to focus on better utilization of existing facilities to maximize the stability of healthcare delivery. Given the existence of available underutilized sites like this facility within the*

Health Service Area and the ability for Dialysis Care Center Vollmer, LLC to better utilize these stations to the benefit of the healthcare community, this project makes sense from a healthcare delivery perspective and will, ultimately, improve access to care within the community by providing additional stability to existing ESRD facilities. Please find below the utilization for the facility from 2016-2019. We would note that during this period, the facility was operated by Concerto Dialysis, LLC.”

The Applicants do not believe there will be an impact on access with the discontinuation of this facility in Crestwood. There are eight ESRD facilities within 5-miles of DCC Vollmer – Crestwood with 148 stations with an average utilization of 65.3%. These 8 facilities could accommodate an additional 130 patients before reaching the 80% target utilization.

TABLE TWO				
Facilities within 5-miles of DCC Vollmer - Crestwood				
ESRD Name	City	Stations	Patients	Utilization
Fresenius Kidney Care Oak Forest	Oak Forest	12	55	76.39%
DaVita Country Hills Dialysis	Country Club Hills	24	74	51.39%
Fresenius Kidney Care Crestwood	Crestwood	24	76	52.78%
Fresenius Kidney Care Alsip	Alsip	20	69	57.50%
DaVita Mt. Greenwood Dialysis	Chicago	16	76	79.17%
Fresenius Kidney Care	Merrionette Park	24	117	81.25%
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Total Stations/Patient/Average Utilization		148	580	65.32%
1. Information as of December 31, 2020.				

VII. Charity Care/Medicaid Information

According to the Applicants, this proposed discontinuation will have little, if any, impact on the essential safety net services in the community. The project is being filed as part of the relocation of the facility and this relocation will not result in any stations additions in the HSA VII ESRD Planning Area. The proposed discontinuation and relocation of the facility address challenges faced by the applicant, both with regards to patient census and could improve the overall ability of other providers to provide care. Outpatient dialysis facilities services provide a necessary service for patients in need of life sustaining dialysis care. This care is not viewed as a safety net service in the same way that primary care services are. We would also note that the newly relocated Dialysis Care Center Vollmer will be operated as an open staff facility, which means that any nephrologist will be able to refer their patients and apply for privileges to provide services at the facility, if they desire.

TABLE THREE			
Net Patient Revenue/Charity Care/Medicaid Information			
	2017	2018	2019
Net Patient Revenue	\$779,370	\$822,044	\$4,465,139
CHARITY CARE			
Charity (# of patients)			
Outpatient	0	0	2
Total	0	0	2
Charity (cost in dollars)			
Outpatient	\$0.00	\$0.00	\$600.00
Total	\$0.00	\$0.00	\$600.00
MEDICAID			
Medicaid (# of patients)			
Outpatient	1	4	7
Total	1	4	7
Medicaid (revenue)			
Outpatient	\$38,729	\$80,012	\$142,182
Total	\$38,729	\$80,012	\$124,182