

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Fresenius Medical Care Geneseo		
Street Address:	600 N. College Avenue		
City and Zip Code:	Geneseo, 61254		
County:	Henry	Health Service Area:	10 Health Planning Area:

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

Exact Legal Name:	Fresenius Medical Care Quad Cities, LLC d/b/a Fresenius Medical Care Geneseo		
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

- 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.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: 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@freseniusmedicalcare.com
Fax Number: 630-960-6812

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

Name: Malissa Retz
Title: Regional Vice President
Company Name: Fresenius Medical Care North America
Address: 1320 City Center Drive, Ste. 250, Carmel, IN 46032
Telephone Number: 463-235-3295
E-mail Address: malissa.retz@freseniusmedicalcare.com
Fax Number: 317-564-2247

Post Permit Contact

[Person to receive all correspondence after 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@freseniusmedicalcare.com
Fax Number: 630-960-6812

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: RRS Investments, LP
Address of Site Owner: 400 John Deere Road, Moline, IL 61265
Street Address or Legal Description of the Site: 600 N. College Street, Geneseo, IL 61254
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: Fresenius Medical Care Quad Cities. LLC d/b/a Fresenius Medical Care Geneseo

Address: 600 N. College Avenue, Geneseo, IL 61254

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

NOT APPLICABLE – DISCONTINUATION ONLY

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>). **NOTE:** A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.

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.]

NOT APPLICABLE – DISCONTINUATION ONLY

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.

Fresenius Medical Care Quad Cities, LLC plans to discontinue its 8-station ESRD facility, Fresenius Medical Care Geneseo, located at 600 N. College Avenue, Geneseo. Geneseo is in Henry County and in HSA 10.

There is an excess of 27 stations in HSA 10.

It is expected that the facility will discontinue operations September 30, 2023, pending Board approval, but no later than December 31, 2023.

This project is considered substantive under 77 Ill. Adm. Code 1110.20(c)(1)(B)(ii) as it entails the discontinuation of a health care facility.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$0	\$0	\$0
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$0	\$0	\$0
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 \$ _____.

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): <u>September 30, 2023</u>
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): NOT APPLICABLE ☐ 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 - NOT APPLICABLE

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 departments or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Not Reviewable Space [i.e., non-clinical]: means an area for the benefit of the patients, visitors, staff, or employees of a health care facility and not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; newsstands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers. [20 ILCS 3960/3]

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							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON-REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							
APPEND DOCUMENTATION AS ATTACHMENT 9 , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

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 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.



SIGNATURE

Bryan Mello

PRINTED NAME

Vice President and Assistant Treasurer

PRINTED TITLE



SIGNATURE

Domenic Gaeta

PRINTED NAME

Vice President and Assistant Secretary

PRINTED TITLE

Notarization:

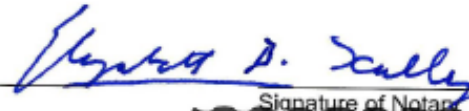
Subscribed and sworn to before me
this 24 day of August 2024

Notarization:

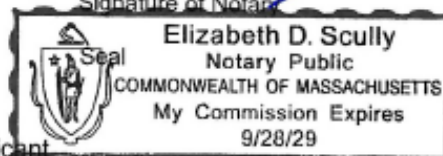
Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal



Signature of Notary



*Insert the EXACT legal name of the applicant

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 Fresenius Medical Care Quad Cities, LLC *
in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application 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

Malissa Retz, RN
PRINTED NAME

Regional Vice President
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 17th day of Aug-2023

SIGNATURE

Amy Mealman, RN
PRINTED NAME

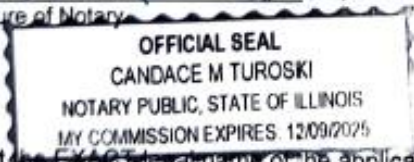
Director of Operations
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of _____


Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

Signature of Notary

Seal

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 Fresenius Medical Care Quad Cities, LLC * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application 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

Melissa Retz, RN
PRINTED NAME

Regional Vice President
PRINTED TITLE

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

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

SIGNATURE

Amy Mealman, RN
PRINTED NAME

Director of Operations
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 14th day of Aug-2023

Signature of Notary

Seal

OFFICIAL SEAL
CANDACE M TUROSKI
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/09/2025

SECTION II. DISCONTINUATION

This Section is applicable to the discontinuation of a health care facility or the discontinuation of more than one category of service in a 6-month period. If the project is solely for a discontinuation of a health care facility the **Background of the Applicant(s) and Purpose of Project MUST** be addressed. **A copy of the Notices listed in Item 7 below MUST be submitted with this Application for Discontinuation** <https://www.ilga.gov/legislation/ilcs/documents/002039600K8.7.htm>

Criterion 1110.290 – Discontinuation

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 are to be discontinued.
2. Identify all 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. Provide copies of the notices that were provided to the local media that would routinely be notified about facility events.
7. **For applications involving the discontinuation of an entire facility, provide copies of the notices that were sent to the municipality in which the facility is located, the State Representative and State Senator of the district in which the health care facility is located, the Director of Public Health, and the Director of Healthcare and Family Services. These notices shall have been made at least 30 days prior to filing of the application.**
8. 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 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 the **geographic service area**.

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 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.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted, or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction, and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. 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.**
5. 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 can 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 NOT APPLICABLE - DISCONTINUATION

- 1) Identify **ALL** 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 X. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for **ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]**:

1. The project's material impact, if any, on essential safety net services in the community, **including the impact on racial and health care disparities 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 each community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all 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.

CHARITY CARE (Self-Pay) *			
Charity (# of patients) (Self-Pay)	2020	2021	2022
(Out-patient only)	245	162	127
Total Charity (cost in dollars)	\$4,453,393	\$2,728,028	\$2,186,323
MEDICAID			
Medicaid (# of patients)	2020	2021	2022
(Out-patient Only)	201	174	228
Medicaid (revenue)	\$3,617,682	\$3,293,009	\$4,695,022

* 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. Below is a breakdown of the Medicaid Risk (managed care) patients and revenues that are reported under commercial insurance.

- 2020 – 1,107 patients with revenues of \$33,055,278
- 2021 – 1,106 patients with revenues of \$31,316,165
- 2022 – 1,125 patients with revenues of \$31,161,660

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

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			
	2020	2021	2022
Net Patient Revenue	\$447,807,649	\$434,533,258	\$484,610,263
Amount of Charity Care (charges)	\$4,453,393	\$2,727,028	\$2,186,323
Cost of Charity Care	\$4,453,393	\$2,727,028	\$2,186,323

*As a for-profit corporation Fresenius does not provide charity care per the Board's definition. Numbers reported are self-pay balances. 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.

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		17-18
2	Site Ownership		19-29
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		30
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		31
5	Flood Plain Requirements		
6	Historic Preservation Act Requirements		
7	Project and Sources of Funds Itemization		
8	Financial Commitment Document if required		32
9	Cost Space Requirements		
10	Discontinuation		33-43
11	Background of the Applicant		44-50
12	Purpose of the Project		51
13	Alternatives to the Project		
14	Size of the Project		
15	Project Service Utilization		
16	Unfinished or Shell Space		
17	Assurances for Unfinished/Shell Space		
	Service Specific:		
18	Medical Surgical Pediatrics, Obstetrics, ICU		
19	Comprehensive Physical Rehabilitation		
20	Acute Mental Illness		
21	Open Heart Surgery		
22	Cardiac Catheterization		
23	In-Center Hemodialysis		
24	Non-Hospital Based Ambulatory Surgery		
25	Selected Organ Transplantation		
26	Kidney Transplantation		
27	Subacute Care Hospital Model		
28	Community-Based Residential Rehabilitation Center		
29	Long Term Acute Care Hospital		
30	Clinical Service Areas Other than Categories of Service		
31	Freestanding Emergency Center Medical Services		
32	Birth Center		
	Financial and Economic Feasibility:		
33	Availability of Funds		
34	Financial Waiver		
35	Financial Viability		
37	Economic Feasibility		
38	Safety Net Impact Statement		52
39	Charity Care Information		53-54
40	Flood Plain Information		

Section I, Identification, General Information, and Certification
Applicant, Co-Applicant

Applicant

Exact Legal Name:	Fresenius Medical Care Quad Cities, LLC d/b/a Fresenius Medical Care Geneseo
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

- 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.

***Certificate of Good Standing for Fresenius Medical Care Quad Cities, LLC 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

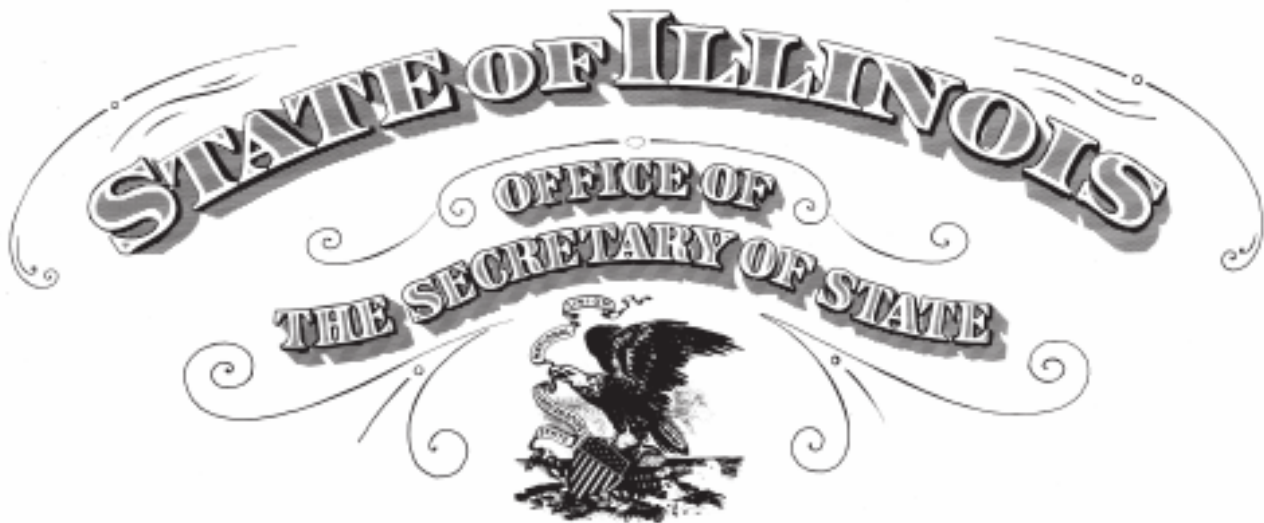
☐ Non-profit Corporation	☐ Partnership	
☒ For-profit Corporation	☐ Governmental	
☐ Limited Liability Company	☐ Sole Proprietorship	☐ Other

- 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.

***Fresenius Medical Care Holdings, Inc. is a Delaware corporation and does not do business in the State of Illinois. Therefore, a Certificate of Good Standing is not included.**

File Number

0539000-1



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

FRESENIUS MEDICAL CARE QUAD CITIES, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON NOVEMBER 13, 2015, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 3RD day of JANUARY A.D. 2023 .



Authentication #: 2300302368 verifiable until 01/03/2024
Authenticate at: <https://www.ilsos.gov>

Jesse White

SECRETARY OF STATE

Certificate of Good Standing
ATTACHMENT – 1

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

Exact Legal Name of Site Owner: RRS Investments, LP
Address of Site Owner: 400 John Deere Road, Moline, IL 61265
Street Address or Legal Description of the Site: 600 N. College Ave., Geneseo, IL 61254 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.

Copy of lease on following pages.

**HAMMOND HENRY HOSPITAL
RRS INVESTMENTS, LP
LEASE AGREEMENT**

This Lease Agreement is executed this 16th day of March, 2012, and effective _____, by and between ~~HAMMOND HENRY HOSPITAL, a not for profit corporation~~, (hereinafter "Lessor" or "Landlord") and RRS INVESTMENTS, LP (hereinafter referred to as "Lessee" or "Tenant"). *Henry Hospital District, a public healthcare facility established under the Illinois District Hospital Act, d/b/a Hammond-Henry Hospital* BS/VF

WHEREAS, Lessor owns and operates healthcare facilities located at 600 N. College Avenue, Geneseo, Illinois and 1604 Cleveland Road, Colona, Illinois which provide medical services to residents of the service area; and

WHEREAS, Lessee, through its affiliates, has more than thirty (30) years of expertise & qualifications and has provided inpatient & outpatient dialysis, renal replacement therapies, and nephrology services to residents in the same service area at Lessor's facility in Geneseo for thirteen (13) years; and

WHEREAS, Lessor is constructing a new hospital facility on its Geneseo campus which also requires the demolition of the clinic space currently leased and occupied by Lessee's affiliates; and

WHEREAS, Lessor has the need and desires continued availability of the medical services provided by Lessee's affiliates; and

WHEREAS, Lessee is willing to accommodate Lessor's facility buildout plan in consideration of the terms and conditions contained herein; and

WHEREAS, Lessor and Lessee wish to enter into a long-term lease for real estate on which Lessee will construct and relocate a treatment center in order to better assure quality and cost-effective care for patients in the community, and the parties desire to work harmoniously on a long-term basis.

NOW THEREFORE, in consideration of the mutual promises and undertakings of the parties, the parties agree as follows:

ARTICLE I
Demised Premises

The Lessor, for and in consideration of the rents hereinafter reserved and of the covenants and agreements of the Lessee, hereinafter contained, has demised and leased, and by these presents does demise and lease unto Lessee, for the term hereinafter set forth, the following demised premises to-wit: a suite being constructed in a medical office building

located at 600 N. College Avenue, Geneseo, Illinois 61254, with such suite being approximately 3,000 square feet as shown on the attached drawing set forth in Exhibit A (hereinafter "The Premises"), including a right on the part of Tenant and Tenant's employees, patients and invitees to use the common areas and shared use of the parking area for said building.

ARTICLE II

Term of Lease

The term shall commence on the date that all required inspections have been completed and all inspection-related approvals received following completion of construction. The initial term of this lease shall then run from ten (10) years from such commencement date and thereafter Tenant shall have two five (5) year renewal options. Such options may be exercised by Tenant by giving written notice to Landlord at least 30 days prior to the commencement date of such renewal term of their intent to renew.

ARTICLE III

Rent

A. Landlord shall pay the first One Hundred Thousand Dollars (~~\$1000,000~~) of construction costs for build out of the Premises and Tenant shall, instead of paying rent for the base term, pay approximately Five Hundred Thousand Dollars (\$500,000) for the remaining cost of construction and building improvements of the Premises. Tenant's final cost of construction shall be specified in this Lease via addendum at the conclusion of all buildout activities and marked as Exhibit B. In the event that Tenant is denied possession or use of the Premises for any reason during the base term, Tenant shall receive reimbursement of its total construction costs prorated for any portion thereof Tenant is unable to occupy the property. Said reimbursement shall be made by Landlord to Tenant within 30 days of Tenant being denied possession or use of the Premises.

B. Rent during the renewal terms shall be at a rate of \$3,750.00 per month, payable in advance.

ARTICLE IV

Utilities and Taxes

Lessor shall pay and discharge as they become due, all utility charges including, but not limited to, such charges for natural gas, electricity, water, hot water, sewer and any incidental or service charges in connection therewith, all waste removal, janitorial & housekeeping charges, and all maintenance for the building, building improvements & fixtures (excluding medical equipment and personal property) which are attributable to use of the leased premises during the term of this Lease or any renewal thereof. Lessor shall be responsible for paying any general real estate taxes attributable to the premises. Landlord shall also pay all common area expenses including, but not limited to, snow removal, grounds and parking facilities.

ARTICLE V**Insurance**

Lessor shall be responsible for insuring the demised premises against fire and extended coverage casualty insurance. Tenant shall be responsible for insuring any of Tenant's personal property located within the premises and Tenant shall be responsible for maintaining general liability insurance with limits of at least \$1,000,000 per occurrence. Tenant shall list Landlord as an additional named insured under such liability insurance policy. Tenant shall also maintain malpractice insurance with limits of at least \$1,000,000 per occurrence.

ARTICLE VI**Use, Occupancy and Care of the Demised Premises**

A. Tenant may use and occupy the demised premises for the purpose of a dialysis or renal replacement therapy clinic, physician's office and related or ancillary purposes only, subject, however, to all zoning and other laws and ordinances applicable to the demised premises.

B. Tenant shall be obligated to obtain all licenses and permits required for Tenant's use of the premises and no failure on Tenant's part to obtain any such license or permit shall affect or diminish the amount of rent or any other charge payable by Tenant hereunder. However, Tenant has expressly relied on Landlord's representation that Tenant does not require any additional medical license or permit for the demised premises beyond those currently in its possession as communicated by the Illinois Department of Public Health or any other governmental agency.

C. Tenant further covenants and agrees that it will not use or occupy said demised premises or any part thereof during the term of this lease in such a manner that any building or improvement thereon, of which the premises are a part, will not be insurable by responsible insurance companies against loss or damage by fire or the fair insurable value thereof. Tenant further covenants that it will not modify the demised premises in any material way without prior consent of Landlord, not to be unreasonably withheld.

D. Tenant further agrees that upon the expiration or termination of this Lease, or any renewal thereof, in any manner, it will surrender and deliver up immediate possession of said leased premises to Landlord in broom clean condition, ordinary wear and tear excepted, and that further, Tenant will deliver the keys to the premises at the place where the rent reserved herein is payable.

ARTICLE VII**Repairs and Maintenance**

A. Landlord shall be responsible for all repairs and maintenance attributable to the

Page 3 of 10

building, along with all building improvements & fixtures within the demised premises (excluding any medical equipment or personal property). Landlord shall also keep all areas (including the demised premises) in a clean and orderly condition. #23-038

B. Tenant shall be responsible for maintenance of all of Tenant's medical equipment, reverse osmosis water system, telephone system, computers, and personal property.

ARTICLE VIII Fire or Other Casualty

If, during the term of this Lease, the demised premises or any part thereof should be damaged or destroyed by reason of fire, casualty, or any other cause so as to be rendered wholly or partially untenable, then Lessor shall repair, rebuild and restore the demised premises to substantially their conditions (including all building improvements made by Lessee) preceding the fire or other casualty. All insurance proceeds payable (under Landlord's insurance policies) by reason thereof shall be made available to Lessor and Lessor shall proceed with repairs with all reasonable diligence and speed, subject to strikes, labor disputes, material shortages, acts of God, governmental orders, or other causes reasonably beyond Lessor's control. During the time of repair or restoration the rent shall be abated to the extent Lessee shall be reasonably unable to conduct its business from the demised premises.

ARTICLE IX Assignment and Subletting

Lessee shall have the right to assign or sublet the demised premises or any part thereof. No such assignment or subletting shall relieve Lessee from any of its obligations as Lessee hereunder. Every such assignment or sublease shall recite that it is and shall be subject and subordinate to the provisions of this Lease, and the termination or cancellation of this Lease shall constitute a termination and cancellation of every such assignment or sublease. Any assignment or sublease hereunder shall conform to the terms and conditions set forth hereunder during the period of such assignment or subletting (without the same relieving Lessee from any of its obligations as Lessee).

ARTICLE X Default

If Lessee shall (a) fail to pay rent or other charges payable by Lessee within five (5) days after the due date therefore; (b) neglect or fail to perform or observe any of the other covenants, agreements or provisions contained in this Lease upon its part to be performed or observed within a period of thirty (30) days after written notice from Lessor; then and in any such event, Lessor may, at its option, terminate this Lease.

If Lessor shall (a) fail to provide and maintain utilities, maintenance services, janitorial

services, waste removal, payment of any real estate taxes, any other services specified under this Agreement such that the demised premises remain in good working order and able to be used for Tenant's quiet enjoyment; (b) neglect or fail to perform and/or observe any other covenants or provisions; then and in any such event Lessee may, at its option, terminate this Lease after having given Lessor thirty (30) days prior written notice.

In either a case of Default by Lessee or Lessor during the initial term, Lessor shall within 30 days of the termination of the Lease pay RRS Investments, LP the pro-rata balance for the unfinished base term for the cost of the original construction and building improvements paid for by RRS.

ARTICLE XI Lessor's Right to Inspection

The Lessor or his agents may have free access to said premises at all reasonable times with reasonable notice to Lessee and under reasonable restrictions for the purpose of examining the same or of inspecting the use by the Lessee of the same.

ARTICLE XII Remedies

A. It is mutually covenanted and agreed that this Lease is made upon the express condition that the Lessor shall always keep and perform all its covenants and agreements hereunder in exchange for Lessee paying all costs related to construction and building improvements of the demised premises and the performance of such covenants and agreements are, and shall be deemed to be of the essence of this Lease.

B. No remedy herein or otherwise conferred upon, or reserved to, the Lessee shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; and every power and remedy given by this indenture to the Lessee may be exercised from time to time and as often as occasion may arise or as may be deemed expedient. No delay or omission of the Lessee to exercise any right or power arising from any default shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein.

C. No waiver of any breach of any of the covenants of this Lease shall be construed, taken or held to be a waiver of any other breach, or waiver of, acquiescence in, or consent to, any further or succeeding breach of the same covenant.

ARTICLE XIII Covenant for Quiet Enjoyment

Page 5 of 10

The Lessor does hereby, for themselves, their successors and assigns, covenant to and with the Lessee that the Lessee, paying the rent herein reserved and both parties keeping, performing, observing and fulfilling the covenants and agreements in this Lease contained on the part of both parties to be kept, performed, observed or fulfilled, shall and may peaceably and quietly possess and enjoy the said demised premises for the term hereby granted, without any interruption or disturbance whatever by the Lessor or by anyone lawfully claiming, or to claim, by, through or under the Lessor.

ARTICLE XIV Eminent Domain

If so much of the demised premises shall be taken or damaged in any condemnation proceedings (which term includes a sale or settlement under threat of condemnation), so that Lessee shall be unable to conduct its business therefrom as contemplated in this Lease (after giving effect to the diminished size of the demised premises), then when possession shall be taken thereunder, either party shall have the right to terminate this Lease by giving one hundred eighty (180) days written notice to the other, in which case this Lease and all rights of Lessee hereunder shall terminate and rentals shall be prorated to the date of termination. Otherwise, this Lease shall not terminate, but Lessor shall make any and all repairs or alterations necessary by reason of such condemnation proceedings to enable Lessee to use and occupy the demised premises remaining and rentals shall be equitably adjusted in proportion to the part taken. Lessor shall have the sole and exclusive right to the entire award or proceeds of any condemnation proceedings.

ARTICLE XV Mortgage Subordination

Lessee agrees that, upon the request of Lessor in writing, it will subordinate this Lease and the lien hereof from time to time to the lien of any present or future mortgage to a bank, insurance company or similar financial institution, irrespective of the time of execution or time of recording of any such mortgage or mortgages, provided that the holder of any such mortgage shall enter into an agreement with Lessee, in recordable form, that in the event of foreclosure or other right asserted under the mortgage by the holder or any assignee thereof, this Lease and the rights of Lessee hereunder shall continue in full force and effect and shall not be terminated or disturbed except in accordance with the provisions of this Lease.

Lessee agrees that if requested by the holder of any such mortgage, it will be a party to said agreement and will agree in substance that if the mortgagee or any person claiming under the mortgage shall succeed to the interest of Lessor in this Lease, it will recognize said mortgagee or person as its Lessor under the terms of this Lease. Lessee agrees that it will, upon the request of Lessor, execute, acknowledge and deliver any and all instruments necessary or desirable to give effect to or notice of such subordination. The word "mortgage" as used herein includes mortgages, deeds of trust, or other similar instruments and modifications,

consolidations, extensions, renewals, replacements and substitutes thereof.

ARTICLE XVI

Notices

Whenever notice is required to be given by Lessor or Lessee, such written notice shall be delivered by registered or certified mail to:

LANDLORD:
Brad Solberg, CEO
Hammond Henry Hospital
600 N. College Avenue
Geneseo, IL 61254

TENANT:
V.R. Alla, M.D., General Partner
RRS Investments, LP
400 John Deere Road
Moline, IL 61265

ARTICLE XVII

Nature of Relationship

This lease, by its terms and conditions or otherwise, shall in no way create the relationship of partners, joint venturers or any other legal relationship other than that of Landlord and Tenant between the Lessor and Lessee, and this lease shall be governed by the Laws of the State of Illinois.

ARTICLE XVIII

Interpretation

In the event any clause, paragraph or provision of this Lease should be found to be invalid by reason of any statute, law, or judicial decision, then the remainder of this lease shall nevertheless remain in full force and effect the same as though such paragraph or provision had been deleted therefrom.

In the use of any pronouns, the singular shall include the plural, and the use of gender shall include all genders.

ARTICLE XIX

Indemnification and Exculpation

Tenant shall defend, indemnify and hold Landlord harmless from and against any claim, loss, expense or damage to any person or property in or upon the demised premises or any area allocated to for use exclusively by Tenant or its agents, employees or invitees arising out of Tenant's use or occupancy of said premises, or any act or neglect of Tenant or Tenant's servants, employees or agents or any change, alteration or improvement made by Tenant in the demised premises.

Landlord shall defend, indemnify, and hold harmless from and against any claim, loss, expense or damage to any person or property in or upon any areas not allocated for use exclusively by Tenant.

Unless caused by Landlord's negligence or breach of contract, the Landlord shall not be liable for any damage to person or property sustained by Tenant or any of Tenant's agents, assignees, subtenants or invitees.

Each party releases the other party (which term as used in this Article includes, employees, agents, officers and directors of the other party) from all liability, whether for negligence or otherwise, in connection with the loss covered by any insurance policies which the releasor carries with respect to the leased premises or any interest or property interest therein or thereon (whether or not such insurance is required to be carried under this lease), but only to the extent that such loss is collected under said insurance policies. Such release is also conditioned upon the inclusion in the policy or policies of a provision whereby any such release does not adversely effect said policies or prejudice any right of the releasor to recover thereunder. Lessee agrees that its insurance policies will include such a provision so long as the same shall be obtainable.

ARTICLE XXI

Referrals

It is not the purpose of this Agreement to induce or encourage the referral of patients and there is no agreement to do so under this Agreement or otherwise with respect to products or services on account of the tenancy hereunder. Notwithstanding the foregoing, in light of the significant investment made by Tenant in the premises, the parties have agreed on provisions of a non-compete agreement set forth in the following paragraph.

ARTICLE XXI

Non-Compete Agreement

Lessor agrees that Lessor and any affiliated entity or other owner or operator of any portion of Hammond Henry Hospital hereby agrees as stated below.

No part of the Hammond Henry Hospital campus or any other real estate owned in part or whole by Landlord may be used during the term of this Lease and for one (1) year thereafter by any party other than RRS Investments, LP, hereinafter "RRS", Quad Cities Kidney Center, Ltd. , hereinafter "QCKC", United Dialysis Centers, LLC, hereinafter "UDC", Quad Cities Nephrology Associates, PLC, LLC, hereinafter "QCNA", or any party to whom such right is assigned by RRS or QCKC or UDC or QCNA to own, operate, employ or lease, either directly or indirectly through the undersigned or through any affiliated entity, at said locations any dialysis or renal replacement therapy facility, pharesis facility or nephrology practice which in any way either directly or indirectly competes with RRS or QCKC or UDC or QCNA. Further,

Page 8 of 10

Hammond Henry Hospital agrees not to provide services in competition with RRS, QCKC, UDC or QCNA for the term of this agreement. Tenant or any subtenants shall have the exclusive right to provide the previously identified services on both an outpatient and inpatient basis on the Hammond Henry Hospital campus or any other real estate owned or leased in part or whole by Landlord. Landlord further agrees that it will not recruit, assist, or support in any way directly or indirectly any other entity which provides these same or similar services during the term of this lease. This covenant shall run with the land and be binding on the parties hereto, their heirs, successors and assigns. The parties agree that this covenant is reasonable and necessary in order to protect the investment made by Tenant and its owners and that QCKC, UDC and QCNA are third party beneficiaries of this Agreement and together or separately from RRS they may enforce the terms hereof. The parties agree that in the event this covenant were breached that it would be very difficult to ascertain and fully compensate the injured parties for any damages so in addition to any monetary relief available at law, the parties shall be entitled to the equitable remedy of an injunction and that immediate harm would otherwise be caused to the protected parties under this covenant. In the event of such a dispute, the parties seeking enforcement hereof shall also be entitled to reasonable attorney fees and other costs incurred as a result of the breach. In the event any portion of this covenant were determined by a court or a trier of fact to be overly broad or unreasonable as to scope, extent of time or otherwise, the parties hereby grant a blue pencil right to such court or trier of fact to determine the maximum extent the same would be enforceable and request that this agreement be enforced to such maximum extent.

ARTICLE XXII Books and Records

Lessor and Lessee agree to make books and records available regarding costs of construction and building improvements, upon request to the Secretary of Health and Human Services or the Controller General of the United States for up to four years following the commencement date of this Lease as referenced in this Agreement pursuant to §1861(v)(1)(I) of the Social Security Act.

ARTICLE XXIII Waivers

No waiver of any breach of any of the agreements or provisions contained in this Lease shall be construed as a waiver of any subsequent breach of the same or related provisions hereunder.

ARTICLE XXIV Unbundling Clause

During the term of this Lease, it may be subject to restrictions or compliance with Internal Revenue Service procedures or other laws. In the event that any portion of this

Agreement is construed to violate the terms of any law, rule or regulation, the parties agree that they shall immediately negotiate an amendment to the agreement to be given retroactive effect to cure such violation and that the remaining portions of the Agreement shall be in full force and effect.

ARTICLE XXV

Miscellaneous

- A. This agreement may be amended only by a writing signed by the parties hereto.
- B. This agreement shall be construed in accordance with the laws of the State of Illinois, and venue and jurisdiction shall be proper in Rock Island County, Illinois.
- C. This agreement may be executed in one or more counterparts by the parties hereto, and the delivery of the same or any photocopy, email or facsimile copy of the same shall be effective against the party signing the same.
- D. The captions in this Lease are for convenience only and are not a part of the Lease, and do not in any way limit or amplify the terms and provisions hereof.
- E. This lease constitutes the entire agreement of the parties and supersedes any and all prior and/or contemporaneous negotiations, whether or not written.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease, on the day and year first above written by their duly authorized representatives.

LESSOR:
Hammond Henry Hospital

LESSEE:
RRS Investments, LP

By: Bradley Schell
Its: CEO

By: V.R. Alla
Its: General Partner

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

Exact Legal Name: Fresenius Medical Care Quad Cities, LLC d/b/a Fresenius Medical Care Geneseo			
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.			

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

Ownership

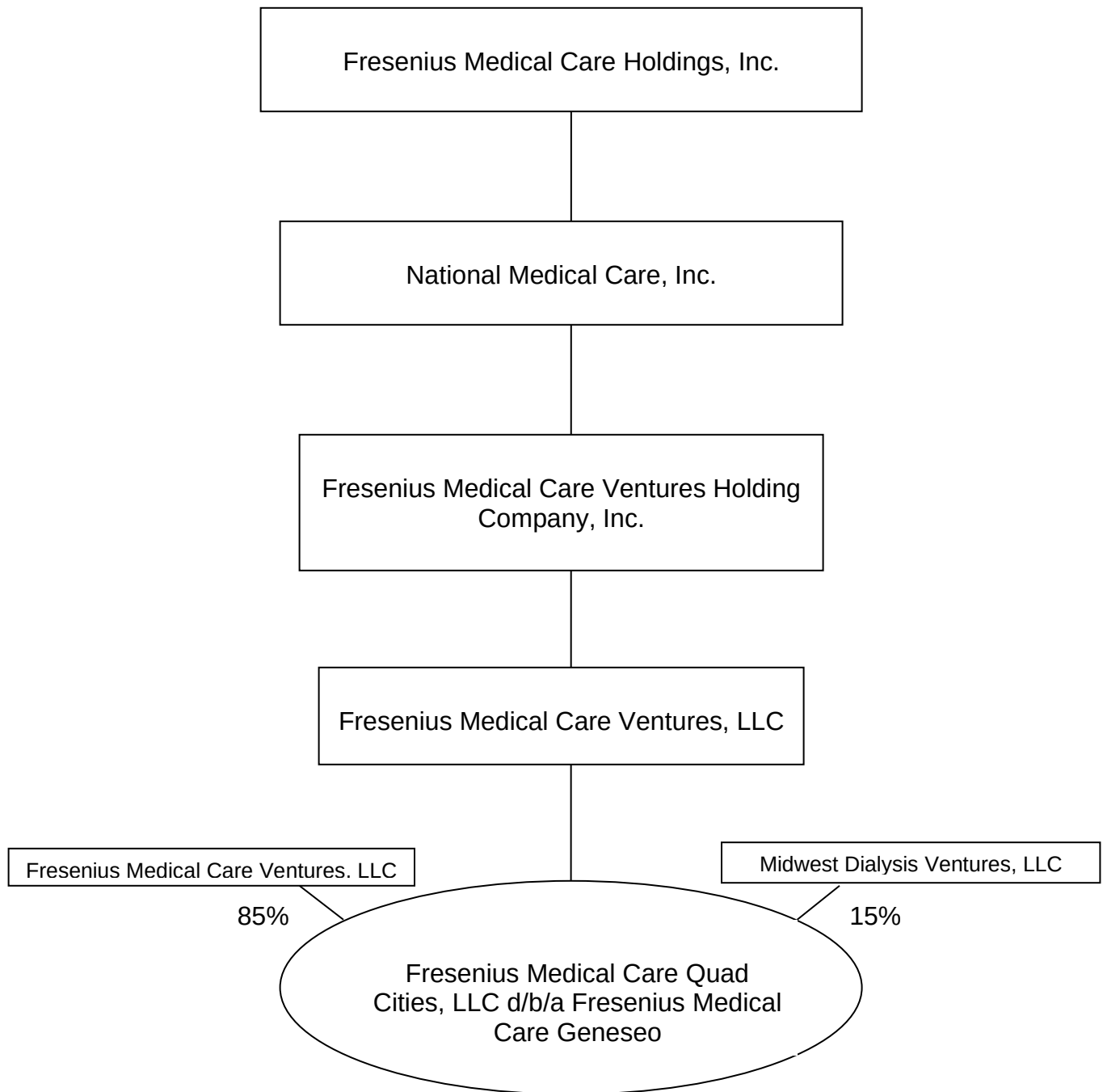
Fresenius Medical Care Ventures, LLC has an 85% membership interest in Fresenius Medical Care Quad Cities, LLC.

Midwest Dialysis Ventures, LLC has a 15% membership interest in Fresenius Medical Care Quad Cities, LLC. Its address is 490 John Deere Road, Moline, IL 61265.

Midwest Dialysis Ventures, LLC has a 15% membership interest in the following facilities owned by Fresenius Medical Care Quad Cities, LLC in Illinois.

Fresenius Medical Care Moline – 400 John Deere Road, Moline
 Fresenius Medical Care Rock Island – 2623 17th Street, Rock Island
 Fresenius Medical Care Rock River-Dixon – 101 W. 2nd Street, Dixon
 Fresenius Medical Care Silvis – 880 Crosstown Avenue, Silvis

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



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

Fresenius Medical Care Holdings, Inc. is the ultimate parent company of Fresenius Medical Care Quad Cities, LLC. Listed below are the CON permits of Fresenius Medical Care Holdings, Inc. that are not yet complete.

Project Number	Project Name	Project Type	Completion Date	Comment
#19-035	Fresenius Medical Care Jackson Park	Relocation	12-31-2023	Undergoing Tenant Improvement
#22-005	Fresenius Medical Care McLean County	Discontinuation	12-31-2023	CMS Certification Received Will Submit Final Cost Report
#22-006	Relocation/Expansion	Establishment	12-31-2023	

Section II, Discontinuation**Criterion 1110.290(a), General Information Requirements**

- 1. Identify the category of service and the number of beds, if any, that are to be discontinued.**

Fresenius Medical Care Quad Cities, LLC proposes to discontinue the Fresenius Medical Care Geneseo ESRD facility located at 600 N. College Avenue, Geneseo, consisting of 8 ESRD stations.

- 2. Identify all of the other clinical services that are to be discontinued.**

There are no other services to be discontinued.

- 3. Provide the anticipated date of discontinuation for each identified service.**

The facility plans to discontinue its ESRD services on September 30, 2023, pending Board approval.

- 4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.**

The leased space will be released back to the landlord upon facility closure.

- 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.**

The medical records of the facility's current patients will be sent to the facility at which patients choose to receive dialysis treatment following the discontinuation of services. All records will be maintained according to Fresenius' record retention policies.

- 6. Provide copies of the notices that were provided to the local media that would routinely be notified about facility events.**

Proof of notification published in the local media located at Attachment 10.

- 7. For applications involving the discontinuation of an entire facility, provide copies of the notices that were sent to the municipality in which the facility is located, the State Representative and State Senator of the district in which the health care facility is located, the Director of Public Health, and the Director of Healthcare and Family Services. These notices shall have been made at least 30 days prior to filing of the application.**

Discontinuation notification letters were sent to all required local and State officials. Letters, proof of mailing, and any delivery receipts received are located at Attachment 10.

- 8. 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.**

Certification located at Attachment 10.

Discontinuation-General Information
ATTACHMENT 10

Criterion 1110.290(a), 6 Proof of Publication**LOCALiQ**

The State Journal-Register | Canton Daily Ledger
 The Courier | The Register-Mail | JournalStar
 The McDonough County Voice | Star Courier
 Pontiac Daily Leader | Pekin Daily Times
 Journal-Standard | Rockford Register Star

PO Box 631200 Cincinnati, OH 45263-1200

PROOF OF PUBLICATION

STATE OF ILLINOIS, COUNTY OF HENRY

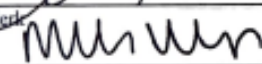
The Henry County Republic, a daily newspaper of general circulation, printed and published in Geneseo, Henry County, Illinois; that the publication, a copy of which is attached hereto, was published in said newspaper in the issues dated:

08/25/2023

That said newspaper was regularly issued and circulated on those dates and that the fees charged are legal.

Sworn to and subscribed before on 08/25/2023


 Legal Clerk


 Notary, State of WI, County of Brown
 8-25-20

My commission expires

Publication Cost: \$51.00

Order No: 9179085

of Copies:

Customer No: 1054389

-1

PO #: LILS0017370

THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.

MARIAH VERHAGEN
 Notary Public
 State of Wisconsin

Criterion 1110.290(a), 6 Proof of Publication

Geneseo, IL

In accordance with the requirements of the Illinois Health Facilities and Services Review Board ("HFSRB") notice is given that the Fresenius Kidney Care Geneseo dialysis facility, located at 600 N. College Avenue, Geneseo, Illinois, proposes to discontinue its hemodialysis treatment center on September 30, 2023, subject to and after approval by HFSRB. Submission of the application to HFSRB to discontinue the facility is expected by August 30, 2023, and information about the proposed discontinuation may be found on the HFSRB website at [/www2.illinois.gov/sites/hfsrb/Pages/default.aspx](http://www2.illinois.gov/sites/hfsrb/Pages/default.aspx)

August 25 2023 LILS0017370

Criterion 1110.290(a), 7 Official Notifications

The notification letter on the following page was sent via certified mail to John Kniery, Administrator of the Illinois Health Facilities and Services Review Board. The same letter was also sent via certified mail to:

- Theresa Eagleson, Illinois Department of Public Healthcare and Family Services
- Sameer Vohra, M.D., J.D., M.A., Director of Illinois Department of Public Health
- Sean Johnson, Mayor, City of Geneseo
- Illinois State Senator Win Stoller
- Illinois State Representative Ryan Spain



Tim Berberovich
Fresenius Kidney Care
3500 Lacey Road
Downers Grove, IL 60515
985-789-0833
tim.berberovich@freseniusmedicalcare.com

July 21, 2023

Via Certified Mail

John Kniery
Administrator
Illinois Health Facilities and Services Review Board
545 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Fresenius Medical Care Geneseo

Dear Mr. Kniery:

On behalf of Fresenius Medical Care, I am writing to inform you that we intend to file a Certificate of Need application with the Illinois Health Facilities and Services Review Board (HFSRB) seeking approval to permanently discontinue the Fresenius Medical Care Geneseo dialysis facility, located in Geneseo, Illinois.

Closing a clinic is not something we consider lightly; however, the following circumstances have led us to take this action. The Geneseo facility is a rural 8-station clinic that Fresenius Medical Care acquired in 2016, along with several other clinics in the Quad City area. Since that time the facility has operated at an average utilization rate of 36%. Currently there are only 16 patients who dialyze at the facility. In recent years, Fresenius Medical Care area clinics have seen approximately 24% of patients choose to dialyze at home, an increase of 19% since 2020, adding to the decrease in the need for in-center treatment stations. There is currently a determined excess of 27 stations in Health Service Area (HSA) 10 according to the April 2022 HFSRB station inventory.

We operate a total of five dialysis clinics in HSA 10 that are at a combined utilization rate of 37%, far below the HFSRB's target rate of 80%. Current Geneseo facility patients will easily be accommodated at any of the other four Fresenius Medical Care facilities in the HSA assuring access to care will be maintained. Patients will continue to have access to dialysis home therapies training as well. The facility will continue operations until all patients have been transferred to a clinic of their choice. We anticipate the facility will close, pending HFSRB approval, no later than September 30, 2023.



Fresenius Medical Care remains committed to kidney disease initiatives in Illinois communities. We partner with the National Kidney Foundation of Illinois to bring kidney disease education and screening to neighborhoods. We also partner with physicians to offer chronic kidney disease education to pre-dialysis patients on prolonging their kidney function, along with education on treatment options.

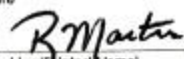
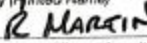
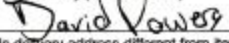
If you have any questions or concerns, please contact me at 985-789-0833.

Sincerely,

Tim Berberovich

Tim Berberovich
Senior Vice President of Operations

Discontinuation – Notification Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: John Knierv IL Health Facilities & Services Review Board 525 W. Jefferson St., 2nd Floor Springfield, IL 62761  9590 9402 6302 0274 0485 05 2. Article Number (Transfer from service label) 7020 2450 0001 0274 5302	A. Signature X  ☐ Agent ☐ Addressee B. Received by (Printed Name)  C. Date of Delivery D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No 3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Insured Mail ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ Restricted Delivery
Domestic Return Receipt	
SENDER: COMPLETE THIS SECTION ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Director Sameer Vohra, MD IL Dept. of Public Health 122 S. Michigan Ave., 7th Floor Chicago, IL 60603  9590 9402 6302 0274 0484 51 2. Article Number (Transfer from service label) 7020 2450 0001 0274 5357	COMPLETE THIS SECTION ON DELIVERY A. Signature X  ☐ Agent ☐ Addressee B. Received by (Printed Name)  C. Date of Delivery 7/22/23 D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No 3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Insured Mail ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ Restricted Delivery
SENDER: COMPLETE THIS SECTION ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Director Theresa Eagleson IL Dept. of Healthcare & Family Services 401 South Clinton Street Chicago, IL 60607  9590 9402 6302 0274 0484 68 2. Article Number (Transfer from service label) 7020 2450 0001 0274 5340	COMPLETE THIS SECTION ON DELIVERY A. Signature X ☐ Agent ☐ Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No 3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Insured Mail ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ Restricted Delivery

Discontinuation – Notification Receipt
ATTACHMENT 10

Discontinuation – Notification Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature ☒ <i>Sydney Anas</i> ☐ Agent ☐ Addressee B. Received by (Printed Name) <i>Sydney Anas</i> C. Date of Delivery <i>07/24/2023</i> D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
1. Article Addressed to: Mayor Sean Johnson City of Geneseo 115 S. Oakwood Ave. Geneseo, IL 61254  9590 9402 6302 0274 0484 99	3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☐ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Insured Mail ☐ Mail Restricted Delivery (0)
2. Article Number (Transfer from service label) 7020 2450 0001 0274 5319	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature ☒ <i>Tina Rudloff</i> ☒ Agent ☐ Addressee B. Received by (Printed Name) <i>Tina Rudloff</i> C. Date of Delivery <i>7-24-23</i> D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☒ No
1. Article Addressed to: Senator Win Stoller IL State Senate, District 37 5415 N. University St., Suite 105 Peoria, IL 61614  9590 9402 6302 0274 0484 82	3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☐ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery
2. Article Number 7020	

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

Discontinuation – Notification Receipt
 ATTACHMENT 10

Criterion 1110.290(a), 8 Certification

August 17, 2023

Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Dear Chair Savage:

In accordance with 77 Ill. Admin Code 1110.290(a)(6) of the Illinois Health Facilities & Services Review Board Application for Certificate of Need; I do hereby certify that all questionnaires and data required by the Health Facilities & Services Review Board or the Illinois Department of Public Health (IDPH) (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation of the Geneseo facility, and that the required information will be submitted no later than 60 days following the date of discontinuation.

Sincerely,

A handwritten signature in black ink, appearing to read "Malissa Retz".

Malissa Retz, RN
Regional Vice President

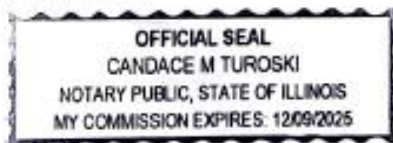
Notarization:

Subscribed and sworn to before me
this 17th day of Aug., 2023

A handwritten signature in black ink, appearing to read "Candace M. Turosski".

Signature of Notary

Seal



Section II, Discontinuation**Criterion 1110.290(b) Reasons for Discontinuation**

The Geneseo facility is a rural 8-station clinic that Fresenius Medical Care (“Fresenius”) acquired in 2016, along with several other clinics in the Quad City area. Since that time the facility has not operated at more than 42% capacity. At the end of the third quarter, 2023 there were only 14 active patients dialyzing at the facility. As of July 31, 2023, there were no active patients at the facility. All 14 patients were transferred to a nearby clinic of their choice.

In recent years, Fresenius area clinics have had approximately 24% of patients choose to dialyze at home, which is an increase of 19% since 2020. The increase in patients choosing to dialyze at home has contributed to the decreasing need for in-center treatment stations. There is currently a determined excess of 27 stations in Health Service Area (HSA) 10 according to the April 2023 HFSRB station inventory.

Fresenius Medical Care North America and/or one of its affiliates operates a total of 5 dialysis clinics in HSA 10 that are at a combined utilization rate of 42%, which is below the HFSRB’s target rate of 80%. Due to declining utilization and available capacity at nearby FMCNA facilities, the decision was made to discontinue the Geneseo facility and permit staff to transfer to nearby FMCNA clinics, which will maintain access to dialysis services for patients choosing to treat at these nearby clinics, while decreasing the excess of stations in HSA 10.

Section II, Discontinuation
Criterion 1110.290(c), Impact on Access

- 1. Document whether or not the discontinuation will have an adverse effect upon access to care for residents of the facility's market area.**

The discontinuation of the Fresenius Medical Care Geneseo dialysis facility will not have an adverse effect upon access to dialysis services in HSA 10. As of the February 2023 State ESRD station inventory, there is an excess of 27 stations in this HSA. There are 5 ESRD facilities in HSA 10, all owned by Fresenius Medical Care North America and/or its affiliates, that are operating at an average utilization rate of 42%, as of the third quarter of 2023 demonstrating adequate capacity in HSA 10 to accommodate the 14 Geneseo facility patients. Those patients who elected to remain in-center chose to receive treatment at another area facility. There are no in-center facilities in the geographic service area that are not owned by Fresenius Medical Care North America and/or its affiliates. Some patients chose to explore home dialysis options and were referred to local home therapies facilities. There are currently no patients dialyzing at the Geneseo facility.

- 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 the planning area.**

Fresenius Medical Care North America and/or its affiliates, owns/operates all the in-center dialysis clinics in the Health Service Area (HSA) area, therefore no requests for an impact statement were sent.

Section III, Background and Purpose of the Project
Criterion 1110.110(a), Background of the Applicant

1. A listing of all health care facilities owned or operated by Fresenius Medical Care North America and/or its affiliates in Illinois is at Attachment 11.
2. A listing of all health care facilities in Illinois, owned and/or operated by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. Certification that no adverse action has been taken against either of the applicants or against any health care clinics owned or operated by the applicants in Illinois within the three years preceding the filing of this application is at Attachment 11.
4. Authorization permitting the Illinois Health Facilities and Services Review Board and IDPH access to any documents necessary to verify information submitted, including but not limited to official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations is at Attachment 11.

Section III. Background, Purpose of the project, and Information Requirements

Criterion 1110.110(a) – Background of the Applicant - #1 Clinic List

Fresenius Kidney Care In-center Clinics in Illinois

Clinic	Provider #	Address	City	Zip
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
Beverly Ridge	14-2827	9924 S. Vincennes	Chicago	60643
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	8710 S. Holland Road	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
Crestwood	14-2538	4815 Midlothian Turnpike	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	14-2823	8901 S. Kedzie Avenue	Evergreen Park	60805
Galesburg	14-2579	725 N. Seminary	Galesburg	61401
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609
Glendale Heights	14-2617	130 E. Army Trail Road	Glendale Heights	60139
Glenview	14-2551	4248 Commercial Way	Glenview	60025
Grayslake	14-2880	1837 Victor Drive	Grayslake	60030
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619
Gurnee	14-2549	50 Tower Court, Suite B	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	3520 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	210 E. Calhoun	Macomb	61455
Madison County	14-2870	1946 Grand Ave.	Granite City	62040
Marquette Park	14-2566	6535 S. Western Avenue	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	6 N. 9th Avenue	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 W. Golf Road	Mount Prospect	60056
Mundelein	14-2731	1400 Townline Road	Mundelein	60060
Naperbrook	14-2765	2451 S Washington	Naperville	60565
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563

Clinic	Provider #	Address	City	Zip
New City	14-2815	4616 S. Bishop Street	Chicago	60609
New Lenox	14-2868	662 Cedar Crossing Drive	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
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611
NxStage Oak Brook	14-2779	1600 16th Street	Oak Brook	60513
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
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	946 W 63rd 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	9332 Skokie Blvd.	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	140 S. Martin Luther King Drive	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	7320 Archer Avenue	Summit	60501
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640
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. Neltnor	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 N. Sheridan Road	Zion	60099

Criterion 1110.110(a) – Background of the Applicant
#2 LLC Members Ownership

A listing of LLC members/partners of Fresenius Medical Care Quad Cities, LLC with at least a 5% interest in the Geneseo facility.

Fresenius Medical Care Ventures, LLC has an 85% membership interest in Fresenius Medical Care Quad Cities, LLC.

Midwest Dialysis Ventures, LLC has a 15% membership interest in Fresenius Medical Care Quad Cities, LLC. Its address is 490 John Deere Road, Moline, IL 61265.

Midwest Dialysis Ventures, LLC has a 15% membership interest in the following facilities owned by Fresenius Medical Care Quad Cities, LLC in Illinois.

Fresenius Medical Care Moline – 400 John Deere Road, Moline
Fresenius Medical Care Rock Island – 2623 17th Street, Rock Island
Fresenius Medical Care Rock River-Dixon – 101 W. 2nd Street, Dixon
Fresenius Medical Care Silvis – 880 Crosstown Avenue, Silvis

Criterion 1110.110(a) – Background of the Applicant
#3/4 Certification & Authorization

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 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: 

By: 

ITS: Vice President and Assistant Treasurer ITS: Vice President and Assistant Secretary

Notarization:
Subscribed and sworn to before me
this 24 day of August, 2023

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2023

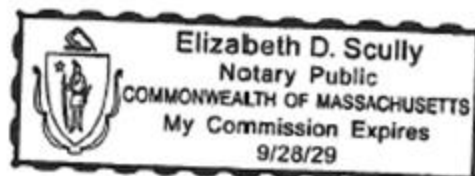
Signature of Notary



Signature of Notary

Seal

Seal



Background – Certification & Authorization
 Fresenius Medical Care Quad Cities, LLC
ATTACHMENT 11

Criterion 1110.110(a) – Background of the Applicant
#3/4 Certification & Authorization

Certification & Authorization

Fresenius Medical Care Quad Cities, LLC

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 Quad Cities, LLC. 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: 
 Malissa Retz, RN

ITS: Regional Vice President

By: _____
 Amy Mealman, RN

ITS: Director of Operations

Notarization:
 Subscribed and sworn to before me
 this 17th day of Aug, 2023


 Signature of Notary

Seal



Notarization:
 Subscribed and sworn to before me
 this _____ day of _____, 2023

 Signature of Notary

Seal

Criterion 1110.110(a) – Background of the Applicant
#3/4 Certification & Authorization

Certification & Authorization

Fresenius Medical Care Quad Cities, LLC

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 Quad Cities, LLC, 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: _____
 Malissa Retz, RN

ITS: Regional Vice President

Notarization:
 Subscribed and sworn to before me
 this _____ day of _____, 2023

 Signature of Notary

Seal

By: Amy Mealman
 Amy Mealman, RN

ITS: Director of Operations

Notarization:
 Subscribed and sworn to before me
 this 17th day of Aug, 2023

Candace M. Turosski
 Signature of Notary

Seal



Criterion 1110.110(b) – Purpose of the Project

1. The purpose of this project is to address the continuous low census at the Fresenius Medical Care Geneseo 8-station ESRD facility located at 600 N. College Avenue, Geneseo.

The Geneseo facility is a rural 8-station clinic that Fresenius acquired in 2016, along with several other clinics in the Quad City area. Since that time the facility has not operated at more than 38% capacity. As of the third quarter of 2023 there were only 14 active patients dialyzing at the facility. In recent years, Fresenius area clinics have had approximately 24% of patients choose to dialyze at home, which is an increase of 19% since 2020, adding to the decrease in the need for in-center treatment stations.

Fresenius Medical Care North America and/or its affiliates own and operate a total of 5 dialysis clinics in HSA 10 that are at a combined utilization rate of 42% as of June 30, 2023, which is below the HFSRB's target rate of 80%. Due to declining utilization and available capacity at nearby FMCNA facilities, the decision was made to discontinue the Geneseo facility permitting staff to transfer to nearby FMCNA clinics while patients who choose home therapies can treat at any local home dialysis facility. Those patients wishing to remain in-center transferred to a nearby clinic of their choice. There are no FMCNA in-center clinics in the geographical service area. This will improve the use of resources, address low area utilization, and reduce the excess of stations in HSA 10.

2. The Geneseo facility, located at 600 N. College Avenue, Geneseo, is in Henry County and HSA 10. The geographical service area is a 19-mile radius surrounding the facility.
3. As mentioned previously, continuous low utilization, due in part to patients choosing home therapies, precipitated the decision to close the facility.
4. Not Applicable
5. It is reasonably anticipated that closing the facility, transferring staff to nearby clinics, and allowing patients to choose an alternative clinic to receive dialysis treatment in will allow for a more appropriate use of resources, address the HSA station excess, lower overall area utilization, and provide patients continuous uninterrupted access to dialysis services.
6. The goal of Fresenius Medical Care is to keep dialysis access available to this patient population while improving the use of resources. There is no direct empirical evidence relating to this project.

Section X, Safety Net Impact Statement

The discontinuation of the Fresenius Kidney Care Geneseo dialysis facility will not have any impact on safety net services in the Geneseo healthcare market of Henry County in HSA 10. 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 who do not qualify for Medicare/Medicaid and qualify under FMCNA's Indigent Waiver policy. We assist patients who do not have insurance in enrolling, when possible, in Medicare, Medicaid or insurance on the Healthcare Marketplace. Also, our social services department assists patients who have issues regarding transportation and/or mobility needs with planning for 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 have 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 provides community benefit by supporting various medical education activities and associations, such as the Renal Network and the 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 (Self-Pay) *			
Charity (# of patients) (Self-Pay)	2020	2021	2022
(Out-patient only)	245	162	127
Total Charity (cost in dollars)	\$4,453,393	\$2,272,028	\$3,153,383
MEDICAID			
Medicaid (# of patients)	2020	2021	2022
(Out-patient Only)	201	174	228
Medicaid (revenue)	\$3,617,682	\$3,293,009	\$5,251,249

* 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. Below is a breakdown of the Medicaid Risk (manages) patients and revenues.

- 2020 – 1,107 patients with revenues of \$33,055,278
- 2021 - 1,106 patients with revenues of \$31,316,165
- 2022 - 1,125 patients with revenues of \$5,251,249

Section X, Charity Care Information

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. 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 more than 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 more than 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 do not have to pay a monthly premium for Part A. This is because they or their spouse paid Medicare taxes while working. If a beneficiary does not get premium-free Part A, they may be able to buy it if they (or their spouse) are not 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 cannot 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 uninsured because they do not meet the eligibility requirements for Medicare or Medicaid and cannot afford a commercial insurance policy.

In addition, a patient's 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 Wavier 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			
	2020	2021	2022
Net Patient Revenue	\$447,807,649	\$434,533,258	\$414,538,828
Amount of Charity Care (charges)	\$4,453,393	\$2,727,028	\$3,153,383
Cost of Charity Care	\$4,453,393	\$2,727,028	\$3,153,383

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