

Roate, George

From: Lori Wright [Lori.Wright@fmc-na.com]
Sent: Monday, October 17, 2011 11:38 AM
To: Roate, George
Cc: Constantino, Mike; clare.ranalli@hklaw.com
Subject: Re: 11-096 FMC Cicero
Attachments: ATTACH 43 Safety Net Impact Statement Cicero.DOC

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OCT 17 2011

George,

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

1. Safety Net Impact is attached. I apologize for omitting it.
2. Regarding the Flood Plain determination - I had a conversation with Mike in 2010 regarding this and he had told me at that time that the flood plain determination was not required unless the project was new construction vs. an existing building which will only have the interior built out. He has not required it so we have not provided one for existing buildings (such as for this project) in the last two years. Can you check with him and see if this is still the case? If not, I will obtain one.
3. Per recent dialog, for profit entities do not provide charity care per the Board's definition, however we have provided at attachment #44 two tables, one showing uncompensated care and one showing Medicaid care by facility. I am not sure what additional information you are requesting.
4. Waukegan Harbor - I am aware, thanks for the warning though.

(See attached file: ATTACH 43 Safety Net Impact Statement Cicero.DOC)

*Thank you,
Lori Wright
Senior CON Specialist*

*Phone: 708-498-9121
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*Fresenius Medical Care
One Westbrook Corporate Center
Tower One, Suite 1000
Westchester, IL 60154*

☛ "Roate, George" ---10/17/2011 10:32:46 AM---Good morning, Ms. Wright: The completeness review for the above mentioned project has been completed

From: "Roate, George" <George.Roate@Illinois.gov>
To: Lori Wright <Lori.Wright@fmc-na.com>
Cc: "Constantino, Mike" <Mike.Constantino@Illinois.gov>
Date: 10/17/2011 10:32 AM
Subject: 11-096 FMC Cicero

Good morning, Ms. Wright:

The completeness review for the above mentioned project has been completed, and the following deficiencies have been noted:

1. Attachment #5, Flood Plain Requirements: Could not locate. If I have overlooked these data, please bring this to my attention.
2. Attachment #43, Safety Net Impact Statement: Being a substantive project, a Safety Net Impact Statement is needed.
3. Attachment #44, Charity Care Information: The supplied data needs to be compiled and presented in the tables provided on pages 18-19 of the application.
4. Although this does not immediately affect the completeness of this application, it appears that the annual report for project #10-039, FMC Waukegan Harbor, is due within 30 days of October 26, 2011.

The application was received on October 12, 2011, and the State Agency has until October 25th to deem the application complete. Thank you.

George Roate
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Office of Health Systems Development
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Safety Net Impact Statement

The establishment of the Fresenius Medical Care Cicero dialysis facility will not have any impact on safety net services in the near west Chicago suburbs. Outpatient dialysis services are not typically considered "safety net" services, to the best of our knowledge. However, we do provide care for patients in the community who are economically challenged and/or who are undocumented aliens, who do not qualify for Medicare/Medicaid. We assist patients who do not have insurance in enrolling when possible in Medicaid and/or Medicaid as applicable, and also our social services department assists patients who have issues regarding transportation and/or who are wheel chair bound or have other disabilities which require assistance with respect to dialysis services and transport to and from the unit.

This particular 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 is a for-profit publicly traded company and is not required to provide charity care, nor does it do so according to the Board's definition. However, Fresenius provides care to all patients regardless of their ability to pay. There are a number of patients treated by Fresenius who either do not qualify for or will not seek any type of coverage for dialysis services. These patients are considered "self-pay" patients. These patients are invoiced as all patients are invoiced, however payment is not expected and Fresenius does not initiate any collections activity on these accounts. These unpaid invoices are written off as bad debt. Fresenius notes that as a for profit entity, it does pay sales, real estate and income taxes. It also does provide community benefit by supporting various medical education activities and associations, such as the Renal Network and National Kidney Foundation.

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

SAFETY NET INFORMATION			
CHARITY CARE (Uncompensated Care)			
	2008	2009	2010
Charity (# Uncomp patients)	282	243	143
Charity (# Uncomp treatments)	14,557	15,457	7,047
Charity (Uncomp) Cost	3,402,665	3,489,213	1,307,433
MEDICAID			
	2008	2009	2010
Medicaid (Patients)	1,561	1,723	1,809
Medicaid (Treatments)	122,615	132,658	154,591
Medicaid (Revenue)	36,159,588	39,748,886	43,795,183

There is no other information directly relevant to safety net services.

(See attachment 44 for Uncompensated and Medicaid Care by facility)